



**CITY OF BRUNSWICK
MEDINA COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2004



**Auditor of State
Betty Montgomery**

CITY OF BRUNSWICK
MEDINA COUNTY

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**Auditor of State
Betty Montgomery**

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

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

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, (the City) as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 25, 2005. 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 to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the City's management dated April 25, 2005, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

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*.

City of Brunswick
Medina County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the management and City Council. It is not intended for anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

April 25, 2005

City of Brunswick, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2004

Issued by:

City of Brunswick
Department of Finance

William M. White
Finance Director

City of Brunswick, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2004
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Introductory Section

MAYOR
DALE STRASSER

CITY MANAGER
ROBERT ZIENKOWSKI

CITY OF BRUNSWICK

COUNCIL
ANTHONY CAPRETTA
VINCENT CARL
JOSEPH P. DELSANTER
SUSAN L. HAMBLEY
TIM SMITH
DAVID B. WADSWORTH
GARY F. WERNER

April 25, 2005

Members of City Council and
Citizens of Brunswick:

The Comprehensive Annual Financial Report (CAFR) of the City of Brunswick for the year ended December 31, 2004, is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects and that it is presented in a manner designed to set forth fairly the financial position and the results of operations of the City. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

This report will provide the taxpayers of Brunswick with comprehensive financial data in a format which will enable them to gain an understanding of the City of Brunswick's financial status. Copies will be made available upon request and kept in the Finance office for any persons interested.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which contains a Table of Contents, the Letter of Transmittal, the Government Finance Officers Association (GFOA) Certificate of Achievement in Financial Reporting, a list of the City's principal officials and department heads and an organizational chart.
2. The Financial Section, which contains the Independent Accountants' Report and includes Management's Discussion and Analysis, the Basic Financial Statements and notes that provide an overview of the City's financial position and operating results, and also includes Combining Statements for non-major fund and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section, which presents various tables reflecting social and economic information, financial trends and the fiscal capacity of the City of Brunswick.

Reporting Entity

For financial purposes, the City includes all funds that comprise the primary government and all agencies, boards and commissions for which the City is financially accountable. The City is financially accountable for an organization if the organization is fiscally dependent on the City or if the City appoints a majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the City. The ability to impose its will on the organization exists if the City can



4095 CENTER ROAD - BRUNSWICK, OHIO 44212

CITY HALL PHONE: (330) 225-9144 - FAX: (330) 273-8023 - POLICE & FIRE PHONE: (330) 225-9111 - FAX: (330) 225-6002 - <http://www.brunswick.oh.us>

remove members of the governing board at will, modify or approve the organization's governing body, or appoint, hire, reassign or dismiss persons responsible for management of the organization's day-to-day activities. A financial benefit exists if the City is legally entitled to or can otherwise assume the obligation to finance the deficits of, or provide financial support to, the organization, or if the City is obligated in some manner for the debt of the organization. No component units have been included in the City's reporting entity.

The Brunswick City School District and the Brunswick Community Library have not been included in the accompanying financial statements. Neither board is appointed by the City, nor are they fiscally dependent on the City.

Under the provisions of the Ohio Revised Code Chapter 1905, the Municipal Corporation shall provide the office, salaries and corporate seal for the Mayor's Court. The operations of this office and its related expenses and salaries are budgeted and accounted for in the general and court computerization special revenue funds.

The City is associated with the *Ohio Telecommunications Network Council*, the *Southwest Council of Governments*, the *Northeast Ohio Public Energy Council* and the *Medway Drug Enforcement Agency* as jointly governed organizations. These jointly governed organizations are presented in Note 19 of the notes to the Basic Financial Statements.

The City of Brunswick

The City of Brunswick is located in north-central Ohio, within the boundaries of Medina County, and is 12.6 square miles in area. The City is fortunate to have I-71 as a major artery running north and south through its eastern half. Additionally, the City is only 26 miles from Cleveland and only 12 miles from Cleveland Hopkins International Airport.

With the adoption of the Charter in 1975, the City changed from a part-time Mayor-Council form of government to a part-time Council and full-time City Manager form of government.

The City elects a part-time Mayor whose responsibilities include ceremonial and judicial functions. Council consists of seven elected members who engage a City Manager as the chief administrator of the City. The City Manager is responsible for hiring directors for each of the following departments: Law, Finance, Safety, Service, Parks & Recreation and Community Development.

City Services: The City provides full-time police and fire protection, emergency medical services, refuse collection, street maintenance, public area and park improvements as well as general administration services for all of its citizens. Water and sewer services are provided by the Cleveland Water Department and Medina County Sanitary Sewer Department, respectively and except for refuse collection, the private sector provides other major utilities for the City. The City contracts for the weekly collection of refuse and bills residents quarterly.

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

The City is very proud of its 300 plus acres of land set aside for parks and open spaces. Included in this land are four community parks, eight neighborhood parks and one dog park. The City's community parks are intended to serve the needs of the entire public without concentration on location. On the other hand, and to ensure that the entire public has a park available, the City offers eight neighborhood parks intended

to focus on the needs of specific neighborhoods within one mile. In 2004, the City opened its very first park dedicated to all the dog owners in the City. Also, the City currently has three “open space” parks that are undeveloped by design to offer a 100 percent natural park without any constructed park apparatuses. These parks also exist in order to protect specific areas from future construction, such as wetlands.

The City of Brunswick also operates a Community Recreation Center serving residents as a fitness center, community event center, recreational program center, senior citizen center, and social center for public use. The Community Recreation Center offers a full range of recreational and social activities for people of all ages and abilities. The current membership is approximately 7,500 allowing members full use of the facility for open recreation and fitness opportunities. Membership is not required to enroll in programs or attend meetings and social events. The Community Recreation Center offers a Community Concert Series hosting concerts, plays and speakers throughout the year.

Economic Condition, Outlook and Major Initiatives

Brunswick Town Center Planning (BTC): After seven years of involvement with the purchase, planning and development of the Brunswick Town Center property, the official opening of the first BTC business finally occurred in January 2004 (Home Depot). Continued development of the remaining Phase I retail over the course of the entire year followed. As of year-end 2004, Phase I Retail construction was nearly completed and 15 new retail businesses had opened their doors to the public. In addition to *Home Depot*, the following businesses are now operating in the BTC: *Giant Eagle, Starbucks Coffee, Carvel Ice Cream, Ci Ci's Pizza, Great Clips, GNC, My Salon & Spa, Q Nails, Applebees, Fashion Bug, Nextel, Love & Laughter Cards & Gifts, Bruno Brothers Music, and Gamestop*. Under construction at year-end are *Tony Roma's Place for Ribs* and *Steak & Shake*. *Southlake at Town Center* (Zaremba's residential sales offices) is marketing the first phase of residential construction in the Southwest Neighborhood. The Cleveland Clinic closed on their parcel during the fall and their Phase I site plans were approved by the City Planning Commission in the spring. We now expect the *Cleveland Clinic* project to begin construction late in 2005. Negotiations are on-going with various other retail prospects and will be announced in 2005 as they formalize their lease commitments.

New Business and Industry: The year 2004 again saw substantial new investment in the Brunswick community and represented a continuation of the record commercial/industrial development started in 2003. While much of this can be attributed to the continuing development of Phase I commercial of the Brunswick Town Center, this was not the only development activity in town.

The year saw new industrial facilities begin for *Yost Foods* relocating here from Hinckley, *Total Performance Services* expanding here from Elyria and *Galley Printing* relocating from North Royalton. *Galley* both began their new facility (22,340 SF) and expanded it by 10,340 SF in the same year. *Total Performance* completed and occupied their facility in 2004 and *Yost* and *Galley* will complete their facilities early in 2005. In addition to *Galley Printing*, other substantial industrial expansion projects included *M-Line* (10,350 SF) and *IMT Triplewood*. IMT undertook a 37,350 square foot expansion onto their already once expanded (2002) new building which initially opened in 2000. Significant industrial renovations were undertaken for *Avery Dennison* and *Schwan Foods*.

Commercial retail development has continued the growth started in 2003 with the addition of the majority of the Phase I tenants into the Brunswick Town Center. Some other major commercial building activity has included new facilities for the second *Taylor Furniture* building, the *Amico Medical Building*, the *Pride One* office complex and the addition of *Milk Marketing* to the first of those two attractive commercial structures. As noted previously, both *Steak & Shake* and *Tony Roma's* restaurants began their new facilities in the BTC during the year.

The opening of *Teresa's Pizza*, *Celebrity Tan*, *Heads Up & Smiling*, *State Farm Insurance*, *Stepping Stone Preschool*, *Balski Dental*, *MiMi Vanderhaven's*, *Candy Bouquet International*, *Savory Sub Café*, *Raphial's School of Beauty* and *Pet Supply* in previously vacant units elsewhere in the City began to absorb some of the inventory of retail vacancies. The following schedule details all new retail and commercial openings during the year including the completions of several major expansions.

New Businesses to Brunswick – 2004

Commercial / Retail

| | | |
|------------------------------|---------------------------------|-----------------------------|
| Applebees Restaurant | Enterprise Rent-A-Car | Q-Nails |
| Balski Dental Clinic | First Choice Promotions | RAC Rent-A-Center |
| Basic Communications | Galaxy Title | Raphael's School of Beauty |
| Bruno Brother Music | Gamestop | Savory Sub Café |
| Brunswick Cycle | Gionino's Pizza | Serpella RV Center |
| Buckeye Active Wear | Heritage Management Group | Skynet Solutions |
| Bunch's Garage | Home Depot (121,000 sf) | Starbucks Coffee |
| Butcher Block Meats | It's NU2U | Steak & Shake |
| Candy Boutique International | Love & Laughter Cards & Gifts | Stepping Stones Pre-School |
| Carvel Ice Cream | MiMi Vanderhavens | Taylor Furniture Expansion |
| Celebrity Tan | My Hand In Yours | Teresa's Pizza |
| Charter One Bank | My Salon & Spa | Tony Roma's Restaurant |
| Ci-Ci's Pizza | New Giant Eagle | US Bank |
| Cingular Wireless | Nextel | UXL Sports & Fitness Center |
| Diamond Back Grill | Northcoast Engineering | Valley Farm Market |
| Dollar General Store | Olmstead Plumbing | Walkowiak Insurance Agency |
| East Coast Frozen Custard | Prudential Preferred Properties | Young Custom Builders |

Industrial / Manufacturing

| | | |
|---------------------------------|-----------------------------|----------------------------|
| Avery Dennison | Fremar Industries Expansion | NLCI Land Management |
| Columbia Chemical Expansion | Inflatable Images Expansion | Total Performance Services |
| Corporate Lawn Care | Milk Marketing | Wolverton, Inc. |
| Destiny Manufacturing Expansion | M-Line Expansion | Yost Foods |

Outlook for 2005: The City will continue to be a microcosm of the national economy which suggests that the improving economic activity of 2004 may reasonably be expected to continue, and perhaps pick up speed into this year and beyond; at least in the area of commercial/industrial building and expansion activity. Like last year, we again begin the year with several industrial and commercial projects in the pipeline to start during the first half of 2005. While that was the norm during much of the mid and late 1990's, it is only the last two years where we have returned to that level of anticipated growth in income and employment generating new building activity.

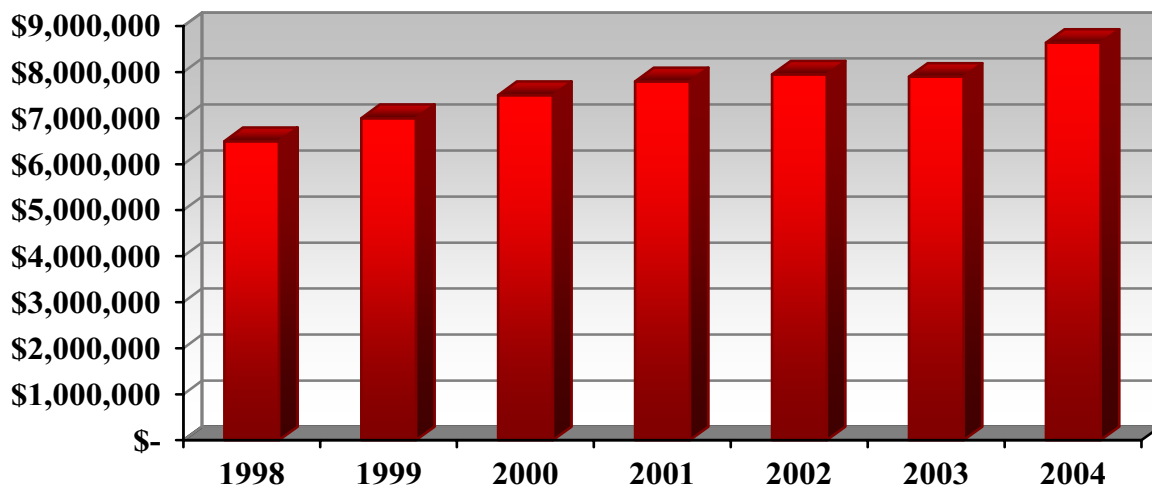
As the Town Center continues its build-out through full leasing of Phase I commercial and into the first Phase of the Southwest Neighborhood residential offerings, the City expects the spill-over of commercial development activity to be felt elsewhere on Center Road in the surrounding properties. When the *Cleveland Clinic* breaks ground in 2005, the value of the vacant east end-cap in Brunswick Market Place is enhanced considerably, as are the two remaining restaurant out-lots in the Northwest Neighborhood of the BTC behind the on-going *Tony Roma's* construction.

With the sale by Zarembo of the structurally completed Phase I retail of the BTC to *New Plan Excel Realty Trust* late in 2004, the City now has a higher level of confidence that the new ownership will have the national reach and reputation which we originally expected from Zarembo but found to be lacking. Preliminary meetings with the new owners in January of 2005 were positive and offered reason for optimism. The City will look forward to establishing a mutually trusting relationship with the new

ownership which it is hoped will add to the marketability of the remaining un-leased units and also be a catalyst for the start of Phase II retail construction during the year.

Another indicator of the City's economic condition is City income tax collections. The following graph illustrates the steady growth in tax receipts the City enjoyed for years until 2001. Since then, the tax revenues have flattened out with a small decline from 2002 to 2003. 2004 marked the first year since 2001 that the City saw a significant increase in income tax revenues as they increased by 7.10 percent from 2003's totals. The City attributes this increase to the start of a recovering economy, decreases in unemployment, increases in income tax receivables, and the development that has taken place at Brunswick Town Center to date. Based on the increases already experienced and the anticipated continued development at the Town Center, we anticipate the income tax base to continue to increase slightly in the coming years.

Income Tax Revenues (Modified Accrual)



The City's income tax base is made up of an even mix between residential (family) and businesses. In 2004, the biggest contributing group for income tax collections was the residents at \$4,312,650, which represents 49.9 percent of total collections. The other major portion of the City's income tax was the business withholdings, which represent 45.5 percent of total collections. The remaining 4.6 percent represents the net income collections from businesses. In order to maintain and expand the present high level of service, the City continually explores new and creative methods of obtaining additional financial resources and looks to continue to create services through better management of its current resources.

To aid in growth and expansion, the City Administration has taken the lead role in promoting the City and continuously works with current and potential business owners for investment opportunities within Brunswick. Also, the Office of Economic Development (OED) was established in 1992. This office serves as the business development information center for the City. The OED defines, and represents the City to those with qualifying industrial and commercial interests in the locations of assets within Brunswick to attract new investment in the community and encourage those already located here to expand and grow within the City. The ultimate objective of the OED is to increase the tax base of the commercial and industrial sectors and thereby generate increased wage, property and tangible tax revenue for the City and for the public school system.

Current Projects: 2004 marked a major shift in the City's focus with regard to infrastructure improvements. Major spring storms hit the City in May and June and caused flooding in over 300 homes and various other areas throughout the City. The damage from these storms resulted in an initiative to correct storm water management and infrastructure issues that existed in the City. The following is a listing of the storm water projects that the City has undertaken in 2004 and the total expenditures as of December 31, 2004:

| <u>Project Name</u> | <u>2004 Expenditures</u> |
|--|--------------------------|
| Concord Meadows Storm Water Engineering Study | \$ 21,489 |
| Fillmore Drive Storm Water Engineering Study | 17,322 |
| Applewood Storm Sewer Improvement | 67,285 |
| Fernwood Storm Sewer Improvement | 2,393 |
| Fireside Single Culvert Replacement | 59,588 |
| Fireside Double Culvert Replacement | 187,561 |
| Garfield / McKinley Storm Sewer Improvement | 21,036 |
| Boston Road Storm Sewer Improvement | 86,263 |
| Francis Boulevard Storm Sewer Improvement | 54,091 |
| Betti Lane Storm Sewer Improvement | 169,765 |
| Ashleigh, Oakleigh, Briarleigh Storm Sewer Improvement | 7,180 |
| Brunswick Lake Improvements (Dredging) | 712,271 |
| Brunswick Lake Dam Replacement | 341,799 |
| NPDES Phase II Storm Sewer Mapping Mandate | 32,157 |
| Emergency Response Improvements – May 21, 2004 | 49,176 |
| Emergency Response Improvements – June 9, 2004 | 60,854 |
| Totals | \$ 1,890,230 |

The Boston Road Project is planned to upgrade Boston Road to a three lane concrete roadway with curbing, sidewalks and storm sewers. The City is currently in the engineering stage of which costs will be reimbursed at eighty-five percent up to a maximum of \$693,834. Right-of-way and construction for Boston Road have been delayed due to various issues with the parties involved such as the City of Strongsville, the City of Brunswick and Northeast Ohio Area-wide Coordinating Agency (NOACA).

North Carpenter Road engineering and right of way acquisitions are near completion. We anticipate construction on North Carpenter Road to begin early in 2007 for the three major intersections along North Carpenter Road, at Center Road, at Grafton Road, and at Boston Road to have three lanes. The construction will include an upgrade to a full concrete roadway, curb and gutter, storm sewers and sidewalks. The City and Medina County anticipate paying the Ohio Department of Transportation a portion of the total construction costs.

The Interstate 71 Route 303 ramp has been completed and is awaiting final approval. The City is in the process of a beautification program to enhance the aesthetic appearance of this major thoroughfare. The City has hired an engineer consultant firm for the designing of this area. The City will be submitting applications to the NOACA requesting federal funds for this project. Upon completion of the I-71 widening project, these coordinating agencies will begin this process. The anticipated date is unknown at this time, but is not expected until 2006 at the earliest.

In 2003, the City awarded the Waterline South of Center Replacement Project to Don Wartko Construction, Inc for \$1,179,059. This project was almost completed during 2004 and is expected to be completed in the spring of 2005. This project was a major improvement to the area, where previously, the City had to run a hydrant in order to keep the water clean.

Starting in mid 2003 the City's Fire Department began an in-house billing system for emergency medical services that was previously handled through a third party administrator, Great Lakes Billing Associates, at a cost of 9 percent of collections. By taking over the billing process, the Fire Department was able to increase its revenues by \$167,470 in 2004. However, as they proceed into future years, the increase in revenue will be contingent upon expanding these services to surrounding communities.

The Historical Farm House has been renovated to accurately reflect an early 1900 facade, and the inside has been restored to its original character. This house now serves as a historical museum for the public and a meeting place for the Brunswick Historical Society. Of the 32 acre historical homestead, only four acres will be the historical site, the remaining 28 acres will be developed for a community park. Since the grand opening and dedication ceremony held July 4, 2000, the City has accomplished the restoration of the 150 year old barn to historical architecturally correct standards. The barn is used for small receptions and presentations. The City has constructed a parking lot next to the museum for tourists. Currently the City is in the process of restoring the Blacksmith Operation of the Farm. The City has been fortunate in receiving Community Development Block Grant (CDBG) funds to pay for the restoration of these buildings.

The City has completed a citywide trail system linking parks, schools and other public areas. Several linkages are in place through agreements with developers and City owned properties. The backbone of the plan is a major trail running through the City from the north to the south with plans to connect the area within the City with the east and west. This master plan enables the City to work with developers, homeowner groups and schools to ensure the trail areas are plotted as development occurs.

The City is also in the second year of a three year program of installing handicap accessible ramps throughout the City. This project is being funded by CDBG funds.

The City repaired the existing City Hall roof in 2004 at a total cost of \$479,974. The roof had been deteriorating over the last several years and a new roof will protect and ensure the safety of our employees and those doing business in City Hall.

The City of Brunswick's transit system (BTA) began July 1, 1988, with a fleet of four buses. Since that time both the hours and days of operation and the routes were expanded to accommodate more neighborhoods with increased ridership. During 1994, BTA came into full compliance with the Americans with Disabilities Act, equipping all buses for handicapped accessibility.

The transit system operates under Section 9 Formula funding which provides reimbursements of expenditures for capital outlay at 90 percent Federal and 10 percent State and/or local funding. The City also receives local funding of approximately 65 percent for administrative and daily operation costs. The remaining administrative and daily operation costs are borne by the City using fare box receipts and 1.25 percent of net monthly income tax collections.

In early 2005, the City received one additional transit bus to add to the two new busses purchased in 2003. These state-of-the-art busses accommodate all handicap riders by actually lowering to pick them up. This technology will eliminate the need for the elevators which historically broke down and were expensive to maintain. The purchase price for the new bus was \$208,632. The City applied for reimbursement in Federal grants at \$166,906, State grants at \$20,863 and \$20,863 from the local administrative fund of the Ohio Greater Cleveland Regional Transit Authority.

Since 1985, the City of Brunswick Office of Cable Television has been providing community programming and cable related services to our community. In 2003, a new phase of service was launched, in conjunction with the upgrade of the cable plant. This new phase and upgrade allows

Adelphia, our service provider, to provide many new choices to its customers. If any customer/resident encounters a cable service or billing issue with the provider, the Cable Office acts as a liaison and advocate on behalf of cable subscribers.

In May of 2003, the City's first dedicated Public Access Channel was launched. Managed and operated by the City of Brunswick, the community access center located at Laurel Square Shopping Center offers equipment training and use to the residents to produce their own programming. Brunswick Area Television has boasted more than 600 hours of locally produced programming since the debut of the public access channel on May 22, 2003.

Future Projects: The City's plan for a second interstate access point on Boston Road, which will be located between the City of Brunswick and the City of Strongsville has been submitted to the NOACA. The City is currently discussing this project and reviewing the benefits and costs of conducting the project. If the project were to occur, the planning, engineering and construction of the interchange is expected to take a minimum of five to seven years.

The City will be repairing sections of the Recreation Center roof in 2005. Similar to the roof problems that we experienced at City Hall prior to 2004, the Recreation Center's roof is deteriorating which is causing leaks and increased energy costs. The roof repair at the Recreation Center is expected to cost approximately \$540,000.

The City Administration is currently looking into a new fire station project internally or with surrounding communities. This possible joint project would help to better serve the residents in the southeast areas of Brunswick as well as those residents in the nearby surrounding communities. The City is in the initial stages in developing proposals that will show a mutually beneficial station with a fair, yet economical method of operating and equipping this station. Currently the City has over \$2.2 million set-aside for the prospect of renovating and equipping the existing fire stations.

In 2004, the City retained an engineering firm to complete a comprehensive study of the traffic signals and traffic flow in the City of Brunswick. The costs of this study in 2004 were \$95,672. The future goal of this study is to obtain Federal funds to replace and improve all the traffic signals throughout the City. The City is beginning the grant application process in early 2005 which will result in a project start date some time in 2006 or 2007.

The Finance Department is currently seeking new financial software. This process has been initiated because of the inadequacy and age of the current software which was installed in 1994. Being eleven years old, in conjunction with the major improvements and innovations to technology, the current software no longer serves the needs of the department, the administration and the residents. The Finance Department is hoping to obtain funding in 2005 and begin the installation process late in 2005 or early 2006.

In addition to the storm sewer projects listed earlier, the City also has many projects that will be completed in future years as funding becomes available. As mentioned, the goal of the administration is to completely solve the storm water flow issues that resulted in flooded homes during 2004. Some of those outstanding storm water projects are Canterbury detention basin construction, Stanford Drive Storm Sewer Improvements, East/West Drives Storm Sewer Improvements, Meadowbrook Storm Sewer Improvements, as well as continued maintenance of existing storm sewers, ditches and streams throughout the City.

Accounting System and Budgetary Control

Development of the City's accounting system includes consideration of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived from its implementation and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control: The budgetary process is prescribed by provision of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level. Any budgetary modifications at this level may only be made by ordinance of the City Council.

The City's computerized financial system maintains budgetary control through its purchase order/encumbrance feature. The purchase order, required before making a purchase, creates the encumbrance against the current budget. Purchase orders which result in an overrun of budget are not released until additional appropriations are made available through Council ordinance. This procedure is followed when money is available to allow an increase in appropriations. If no money is available, the purchase order is canceled.

The City Manager and the Finance Director continually monitor the encumbrances and expenditures against the budget appropriations and against the County Auditor's certificate of estimated resources. Using the budget prepared by the City the preceding July and including carry-over balances less carry-over encumbrances at year end, the County Auditor arrives at and issues the certificate of estimated resources for the City. Ohio Law prohibits total fund appropriations from exceeding the amount by fund on the County Auditor's Certificate.

Internal Accounting and Reporting Control: As part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. Enhancements to the present internal accounting controls and procedures are continually evaluated by the City Manager and the Finance Director. They oversee the appropriateness of internal control, develop procedures to enhance internal control, and consult with outside auditors to insure that the City remains at a sound financial level of operation.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss resulting from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Financial Condition: This is the third year the City has prepared financial statements following GASB Statement 34. “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments.” GASB 34 creates new basic financial statements for reporting on the City’s financial activities as follows:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the City. This discussion follows the Independent Accountants’ Report, providing an assessment of the City finances for 2004.

Cash Management

The City adheres to the regulations set forth in the Ohio Revised Code to ensure the safety of its investments. All deposits are made under contracts with local banking institutions and with the State Treasurer’s Investment Pool (STAROhio).

A majority of the City’s deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal 105 percent of the public funds on deposit. The collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Risk Management

The City holds general liability and automobile coverage of \$1,000,000 per occurrence and carries liability umbrella coverage of \$10,000,000 in addition to health coverage, executive and officers coverage and faithful performance bonds on all employees. The City also insures the City buildings, furniture, fixtures, and contents at \$14,335,690. In addition, the City’s inland marine coverage for all property that moves has a coverage limit of \$4,694,949.

The City provides health care for its employees and their dependents through Medical Mutual of Ohio and Kaiser Permanente. The City also provides life insurance and accidental death and dismemberment insurance to its employees through Group Life Insurance.

Independent Audit

In accordance with Ohio law, independent audits are required to be performed on all financial operations of the City. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The Brunswick City Council selected Auditor of State Betty Montgomery's Office to perform these services for the year ended December 31, 2004. The Independent Accountants' Report on the basic financial statements is included in the financial section of this report.

Awards

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

The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting and its award represents a significant accomplishment by a government and its management. GFOA awarded a Certificate of Achievement to the City of Brunswick for its CAFR for the year ended December 31, 2003. A copy of this certificate is contained within this report. This is the 21st award the City has received.

A Certificate of Achievement is valid for a period of one year. The City of Brunswick believes the 2004 Comprehensive Annual Financial Report conforms to the Certificate of Achievement Program requirements and standards, and has submitted it to the GFOA for consideration.

Acknowledgments

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

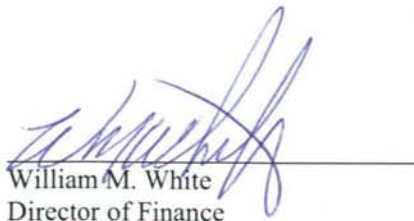
In addition, we would like to thank Brunswick City Council, whose leadership and encouragement, made the preparation of this report possible.

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

Respectfully submitted,



Robert A. Zienkowski
City Manager



William M. White
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brunswick,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2003

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.



Nancy L. Zjella

President

Jeffrey R. Erwin

Executive Director

City of Brunswick, Ohio

City Officials

Mayor

Dale Strasser

Council Members

Susan L. Hambley Anthony Capretta
Tim Smith Joseph P. Delsanter
Vincent Carl Gary Werner
David B. Wadsworth

City Manager

Robert A. Zienkowski

Finance Director and Tax Administrator

William M. White

Parks and Recreation Director

Bob Martin

Law Director

Kenneth J. Fisher

Community Development Director

Sidney Welch

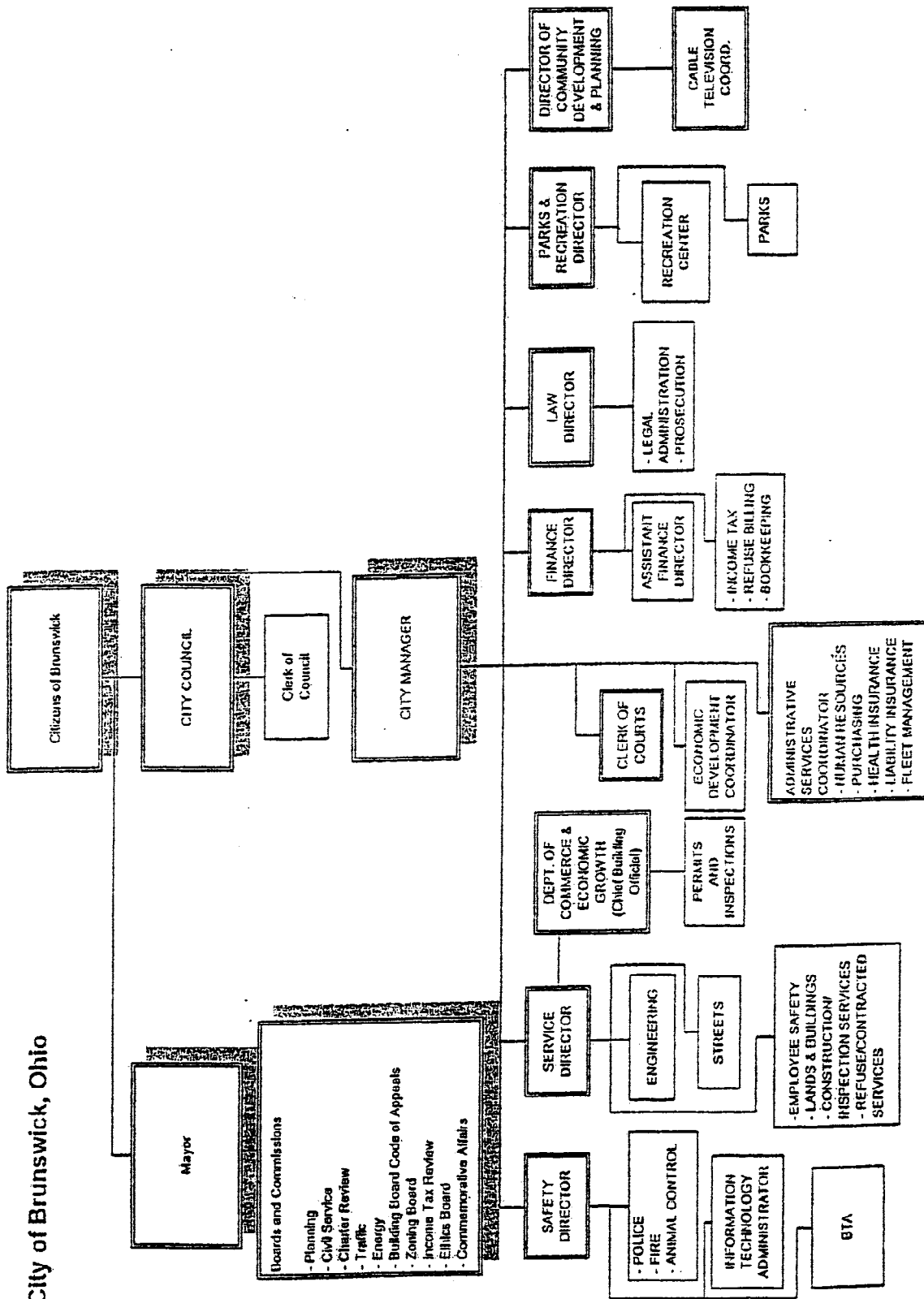
Safety Director

Pat Beyer

Service Director

Sam Scaffide

City of Brunswick, Ohio



Financial Section



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, (the City) as of and for the year ended December 31, 2004, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General, Fire Department and Street Repair and Maintenance 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 April 25, 2005, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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* and should be read 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.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining non-major 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 non-major 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 black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

April 25, 2005

City of Brunswick, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

The management's discussion and analysis of the City of Brunswick's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2004. The intent of this discussion and analyses 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 2004 are:

- City income tax totaled \$8,637,284 in governmental activities, an increase of 7.10 percent over 2003. City income tax revenue has increased due to a decrease in the unemployment rate, the completion of the New Brunswick Lake Development phase I and an approximate 2.2 percent increase in income tax receivable, excluding penalty and interest from 2004.
- Total assets increased by \$2,753,501, a 3.59 percent increase over 2003.
- Total net assets decreased by \$306,744, or 0.49 percent over 2003.
- Total capital assets increased \$3,816,755, or 8.57 percent over 2003.
- Total outstanding long term liabilities increased \$1,673,321 over 2003, an increase of 29.78 percent.

Using This Comprehensive Annual Financial Report (CAFR)

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

The *Statement of Net Assets* and *Statement of Activities* provides 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 Brunswick as a Whole

Statement of Net Assets and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City do financially during 2004?" 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. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

City of Brunswick, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

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

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

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

Reporting the City of Brunswick's Most Significant Funds

Fund Financial Statements

The presentation of the City's major funds begins on page 18. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brunswick, the major funds are the general, fire department, street repair and maintenance, special assessment bond retirement, Brunswick Lake construction, sanitary storm sewer and refuse.

Government Funds

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

Proprietary Funds

The proprietary fund (the refuse fund) has historically operated as an enterprise fund using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the City as a whole.

City of Brunswick, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

The City as a Whole

The Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2004 compared to 2003.

Table 1
Net Assets

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|---------------------|--------------------------|------------------|---------------------|---------------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Assets | | | | | | |
| Current and Other Assets | \$30,664,799 | \$31,377,279 | \$436,337 | \$787,111 | \$31,101,136 | \$32,164,390 |
| Capital Assets, Net | 48,044,706 | 44,545,683 | 331,272 | 13,540 | 48,375,978 | 44,559,223 |
| <i>Total Assets</i> | <u>78,709,505</u> | <u>75,922,962</u> | <u>767,609</u> | <u>800,651</u> | <u>79,477,114</u> | <u>76,723,613</u> |
| Liabilities | | | | | | |
| Current and Other Liabilities | 9,275,706 | 7,887,567 | 130,652 | 131,867 | 9,406,358 | 8,019,434 |
| Long-Term Liabilities: | | | | | | |
| Due Within One Year | 2,634,450 | 588,009 | 11 | 0 | 2,634,461 | 588,009 |
| Due in More than One Year | 4,657,461 | 5,030,613 | 66 | 45 | 4,657,527 | 5,030,658 |
| <i>Total Liabilities</i> | <u>16,567,617</u> | <u>13,506,189</u> | <u>130,729</u> | <u>131,912</u> | <u>16,698,346</u> | <u>13,638,101</u> |
| Net Assets | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 39,352,980 | 39,092,189 | 331,272 | 13,540 | 39,684,252 | 39,105,729 |
| Restricted: | | | | | | |
| Capital Projects | 7,869,564 | 5,997,234 | 0 | 0 | 7,869,564 | 5,997,234 |
| Debt Service | 2,446,081 | 2,801,717 | 0 | 0 | 2,446,081 | 2,801,717 |
| Other Purposes | 6,518,605 | 6,406,611 | 0 | 0 | 6,518,605 | 6,406,611 |
| Unrestricted | 5,954,658 | 8,119,022 | 305,608 | 655,199 | 6,260,266 | 8,774,221 |
| <i>Total Net Assets</i> | <u>\$62,141,888</u> | <u>\$62,416,773</u> | <u>\$636,880</u> | <u>\$668,739</u> | <u>\$62,778,768</u> | <u>\$63,085,512</u> |

Total assets increased by \$2,753,501 from 2003 to 2004. The increase was mainly related to an increase in capital assets, which consisted of construction in progress, equipment, machinery, vehicles, buildings and improvements, land, infrastructure, land improvements, and furniture and fixtures.

Total liabilities increased by \$3,060,245, mainly due to an increase of long term liabilities notes payable for the Brunswick Lake dam and dredging project and notes payable increase in storm sewer replacement notes.

Total net assets decreased \$306,744 with governmental net assets comprising \$274,885 and business-type activities comprising \$31,859 of that amount. Net assets decreased mainly due to an increase in salary and benefit costs.

City of Brunswick, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Table 2 shows the changes in net assets for the year ended December 31, 2004. Total revenues decreased \$243,549 or 1.13 percent. Total expenses increased \$2,164,309 or 11.13 percent.

Table 2
Changes in Net Assets

| | Governmental Activities | | Business-Type Activities | | Total Activities | |
|--|-------------------------|---------------------|--------------------------|------------------|---------------------|---------------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Revenues | | | | | | |
| <i>Program Revenues:</i> | | | | | | |
| Charges for Services and Sales | \$3,441,399 | \$2,844,016 | \$1,545,684 | \$1,581,360 | \$4,987,083 | \$4,425,376 |
| Operating Grants and Contributions | 1,945,181 | 1,550,608 | 0 | 0 | 1,945,181 | 1,550,608 |
| Capital Grants and Contributions | 1,137,855 | 1,051,604 | 0 | 0 | 1,137,855 | 1,051,604 |
| <i>Total Program Revenues</i> | <u>6,524,435</u> | <u>5,446,228</u> | <u>1,545,684</u> | <u>1,581,360</u> | <u>8,070,119</u> | <u>7,027,588</u> |
| <i>General Revenues:</i> | | | | | | |
| Property Taxes | 1,897,175 | 1,895,291 | 0 | 0 | 1,897,175 | 1,895,291 |
| Income Tax | 8,637,284 | 8,065,065 | 0 | 0 | 8,637,284 | 8,065,065 |
| Grants and Entitlements | 1,586,733 | 1,861,276 | 0 | 0 | 1,586,733 | 1,861,276 |
| Gain on Sale of Capital Assets | 0 | 17,511 | 0 | 0 | 0 | 17,511 |
| Gain on Sale of Assets Held for Resale | 690,499 | 2,268,639 | 0 | 0 | 690,499 | 2,268,639 |
| Interest | 355,588 | 294,165 | 0 | 0 | 355,588 | 294,165 |
| Other | 65,147 | 117,014 | 455 | 0 | 65,602 | 117,014 |
| <i>Total General Revenues</i> | <u>13,232,426</u> | <u>14,518,961</u> | <u>455</u> | <u>0</u> | <u>13,232,881</u> | <u>14,518,961</u> |
| <i>Total Revenues</i> | <u>19,756,861</u> | <u>19,965,189</u> | <u>1,546,139</u> | <u>1,581,360</u> | <u>21,303,000</u> | <u>21,546,549</u> |
| <i>Program Expenses:</i> | | | | | | |
| General Government | 3,957,619 | 3,604,869 | 0 | 0 | 3,957,619 | 3,604,869 |
| Security of Persons and Property | 7,649,594 | 6,940,757 | 0 | 0 | 7,649,594 | 6,940,757 |
| Transportation | 3,390,709 | 3,298,189 | 0 | 0 | 3,390,709 | 3,298,189 |
| Community Environment | 1,986,991 | 1,248,223 | 0 | 0 | 1,986,991 | 1,248,223 |
| Public Health Services | 349,448 | 382,577 | 0 | 0 | 349,448 | 382,577 |
| Leisure Time Activities | 2,298,656 | 2,033,068 | 0 | 0 | 2,298,656 | 2,033,068 |
| Refuse | 0 | 0 | 1,617,998 | 1,528,260 | 1,617,998 | 1,528,260 |
| Interest and Fiscal Charges | 358,729 | 409,492 | 0 | 0 | 358,729 | 409,492 |
| <i>Total Program Expenses</i> | <u>19,991,746</u> | <u>17,917,175</u> | <u>1,617,998</u> | <u>1,528,260</u> | <u>21,609,744</u> | <u>19,445,435</u> |
| Transfer | <u>(40,000)</u> | <u>0</u> | <u>40,000</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Increase (Decrease) in Net Assets | (274,885) | 2,048,014 | (31,859) | 53,100 | (306,744) | 2,101,114 |
| Net Assets Beginning of Year | <u>62,416,773</u> | <u>60,368,759</u> | <u>668,739</u> | <u>615,639</u> | <u>63,085,512</u> | <u>60,984,398</u> |
| Net Assets End of Year | <u>\$62,141,888</u> | <u>\$62,416,773</u> | <u>\$636,880</u> | <u>\$668,739</u> | <u>\$62,778,768</u> | <u>\$63,085,512</u> |

City of Brunswick, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

The overall financial strength of the City remained relatively stable with a slight decrease in net assets for 2004. For governmental activities, the City experienced the biggest growth in income tax revenues, emergency rescue fees and operating grant and contribution revenues. The City also recognized a gain on the sale of land for the Brunswick Lake Development. The City retains ownership of certain land parcels in the Brunswick Lake Development which are to be resold and developed in accordance with an approved master plan. Expenses increased mainly due to salaries, benefits and liability insurance. For the business-type activities the City had a slight decrease in net assets. This decrease was partly the result of a reduction of \$0.12 per month on each individual's refuse bill and was instituted due to the built up of cash reserves from the past several years. The remaining decrease was due to the City instituting a no tag policy on bagging of grass clippings. Previously residents had to purchase tags to put on their bagged grass clippings in order for the trash contractor to take it away. This process was viewed as an incentive for residents to place their grass clippings in neighboring woods, storm drains etc., rather than as an incentive to purchase the tags. During 2004 it became evident that residents bagging their grass clippings increased dramatically when the tag charge was dropped. As a result, the City paid the trash contractor for these collected grass clippings with no revenue to cover the costs. However, the City believes that this small loss in the business activities will save the City thousands of dollars in unnecessary infrastructure replacements and the maintenance of City parks.

GOVERNMENTAL ACTIVITIES

Several revenue sources fund the City's governmental activities with City income tax being the largest contribution. The income tax rate of one percent was established by City Ordinance No. 6-68, passed April 8, 1968. The Income Tax Ordinance was amended on July 24, 1995 requiring proposed tax rate changes be submitted to the electors of the City for approval or rejection. On November 7, 1995 the electors approved the proposed .35 percent increase for the purpose of expanding the City's safety forces. The income tax revenue amount for 2004 was \$8,637,284. General revenues from property taxes and local government funds are also significant revenue generators. The City monitors its sources of revenue very closely for any changes or fluctuations.

The City had enjoyed a steady increase in income tax collections from the years ended 1994 through 2001. These increases slowed significantly in 2002 and 2003 due largely to a sagging economy. The slowing of income tax revenues relating to the sagging economy have been offset by the City's strong economic development program. During 2004, the economy showed signs of recovery and the unemployment rate decreased. Furthermore, the first phase of the new Brunswick Lake Development was completed resulting in an increase in income tax revenue. The City also took advantage of low interest rate debt instruments to provide an assurance to the residents of our community that the City will continue to maintain the highest level of public safety, recreation and street and storm sewer infrastructures. The City of Brunswick continues to be very aggressive in collecting delinquent income tax and is continuously exploring creative methods of collecting these delinquencies.

The City has a strong economic development program which supports the outstanding growth and income tax revenues. The number of businesses, being either industrial or commercial, large or small, provide the City with an income tax base that can sustain the loss of any major tax paying entity and still be able to meet the financial needs of the City. During 2004 the City income tax revenues of \$8,637,284 were distributed to the following funds by the council approved ordinance: General Fund (36.20 percent), Fire Department (29.75 percent), Brunswick Transit Authority (1.25 percent), Parks Department (6.00 percent), Street Repair and Maintenance Fund (13.00 percent), the General Obligation Debt Retirement Fund (.40 percent) and the Police Levy Fund (13.4 percent).

Total governmental activities revenues for 2004 were \$19,756,861. Income tax made up \$8,637,284 or 43.72 percent of total revenues for governmental activities for the City. Charges for services accounted for

City of Brunswick, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

\$3,441,399 or 17.42 percent, operating grants and contributions accounted for \$1,945,181 or 9.85 percent, property taxes accounted for \$1,897,175 or 9.60 percent, grants and entitlements accounted for \$1,586,733 or 8.03 percent and the remaining \$2,249,089 or 11.38 percent consists of capital grants and contributions, interest, gain on sale of assets held for resale, and other revenues. Charges for services represents receipts from the Mayor's Court, cable franchise fees, building permits, park development and fees, recreation center fees, emergency rescue fees, county health fees, contractor registration, retention fees, and rental fees.

Total governmental program expenses for 2004 were \$19,991,746. Security of persons and property represents the highest program expense at \$7,649,594 or 38.26 percent, followed by general government expenses at \$3,957,619 or 19.80 percent and transportation expenses at \$3,390,709 or 16.96 percent. These three, being the major City expense categories, cover the City's police department, fire department, city administration departments and street repair and maintenance including transit operations. The next two categories are leisure time activities and community environment that represent \$2,298,656 or 11.50 percent and \$1,986,991 or 9.94 percent, respectively, of the 2004 City governmental program expenses. Interest and fiscal charges and public health services make up the remaining \$708,177 or 3.54 percent of the governmental program expenses.

The Police Department is efficient and continues to operate within its operating budget. The department currently employees 40 full-time and 3 part-time police officers and is headed by a full-time chief. The Police Department is funded primarily from revenues generated through the City's income tax and fines and forfeitures and is operated within the general and police funds. The department also has a pension levy that is utilized to pay a portion of the department's pension obligations. Over the past several years the Police Department has purchased vehicle and equipment replacements to continue to provide the best possible services to our community.

In 2004, the Fire Department continues to operate as a full-time Fire Department and is funded with income tax collections and rescue billing collections. The department currently employees 26 full-time firefighters/EMT personnel and is headed by a full-time chief. Over the past several years the Fire Department has set aside operating money to renovate existing fire buildings and purchase vehicle and equipment replacements. The capital replacement program and the renovation of existing buildings will allow the Fire Department to continue to provide the best possible services to our community.

Transportation costs of \$3,390,709 or 16.96 percent of the 2004 governmental activities program expenses were used for the depreciation, maintenance and repairs to the City's roads and infrastructure as well as operate the City's Brunswick Transit Alternative (BTA). The City paid for these projects primarily from the City's motor vehicle license tax, permissive tax and gasoline taxes in addition to 13.0 percent of the City's income tax. During 2004 the City Administration continued to re-evaluate all of the City roads to prioritize which City roads are projected to be or are in need of repair. In assessing roads and potential future infrastructure projects, the City has always applied for State Issue II monies when applicable as well search for joint projects with surrounding communities and the County.

As mentioned, the City operates its own public transit system. Currently, the City has contracted with Buckeye Transit as our transport provider. Buckeye Transit's relationship with the City is to operate, maintain and manage the transit system within the agreed upon guidelines set forth in the contract. As a result of the City's transit system, a large portion of expenses needed to operate such a fund is reimbursable through the Ohio Greater Cleveland Regional Transit Authority (RTA) and the United States Department of Transportation which is handled through the Northeast Ohio Areawide Coordinating Agency (NOACA). During 2004 the City was reimbursed for 65 percent of the net transit operation expenses and 90 percent of the capital and NOACA contractual service expenses.

City of Brunswick, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
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The City's Funds

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

Governmental Funds

Information about the City's governmental funds begins on page 18. These funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$18,829,753 and expenditures of \$23,893,100. The most significant fund is the general fund with a year-end balance of \$6,100,773, which included an unreserved fund balance of \$3,573,993, compared to annual expenditures of \$8,483,409. Expenditures exceeded revenues by \$686,514 and a portion of the prior year fund balance totaling \$334,270 was transferred to other funds. These transferred funds enabled the City to fund culverts and storm sewer projects, federal grant required matches, refuse equipment and recreation activities not covered by charges for services or income tax revenue.

Business-Type Funds

As mentioned earlier, the City's lone business-type activity is the refuse fund. Total assets decreased by \$33,042 from 2003 to 2004. Ending cash balance decreased by \$355,800 or 58.43 percent from \$608,914 in 2003 to \$253,114 in 2004.

Charges for services revenue decreased by \$35,676 or 2.26 percent from \$1,581,360 in 2003 to \$1,545,684 in 2004. The decrease was partly the result of the reduction of \$0.12 per month on each individual's refuse bill and was instituted due to the built up of cash reserves from the past several years. The refuse collection billing is generally a very accurate indicator of the progress of new housing developments and as such, the administration monitors fluctuations in charges for services revenue and has made a commitment to only charge necessary fees to provide its operations and immediate capital needs in the refuse fund. The remaining decrease was due to the City instituting the no tag policy on bagging of grass clippings, as was previously stated.

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 2004, the City amended its general fund budget eight times for a total increase in estimated revenues of \$669,065 and a total increase in budgeted expenses of \$387,944. At the direction of Council, all capital projects and requests for capital type purchases must be reviewed and approved individually by Council. Recommendations and requests for budget changes are referred to the Finance Committee and/or Committee as a Whole for review, after which to a Council work session for presentation before going to the formal Council Meeting for ordinance enactment on the change. Although the City's legal level of control is at the fund level which allows interdepartmental budget changes that modify line items within departments within the same fund, the City's policy is to make Council aware of *all* appropriation changes.

The general fund supports many major activities such as the police, building and planning departments as well as the legislative and most executive activities. Some major capital projects are funded with general fund dollars. By ordinance, these funds are transferred from the general fund to capital project funds where the

City of Brunswick, Ohio
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revenue and expenditures for the capital improvement are tracked and monitored. For the general fund, the original budgeted revenues were \$6,964,366 and the final budgeted amount was \$7,633,431. Of this \$669,065 difference, most was due to increased property tax, income tax and intergovernmental estimated revenues. Although the original appropriations were gradually increased during the year, the City continued to maintain a respectable level of liquidity in the general fund by maintaining unrestricted cash at year end of 43.80 percent of those revenues.

Capital Assets and Debt Administration

Capital Assets

Table 3
Capital Assets
(Net of Depreciation)

| | Governmental Activities | | Business-Type Activities | | Total | |
|--------------------------------------|-------------------------|---------------------|--------------------------|-----------------|---------------------|---------------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Land | \$3,833,904 | \$3,625,039 | \$0 | \$0 | \$3,833,904 | \$3,625,039 |
| Land Improvements | 26,228 | 8,971 | 0 | 0 | 26,228 | 8,971 |
| Buildings and Improvements | 7,978,508 | 7,565,745 | 0 | 0 | 7,978,508 | 7,565,745 |
| Machinery, Equipment and Vehicles | 3,597,248 | 3,523,824 | 331,272 | 13,540 | 3,928,520 | 3,537,364 |
| Furniture and Fixtures | 200,439 | 213,055 | 0 | 0 | 200,439 | 213,055 |
| Infrastructure | | | | | | |
| Roads | 7,519,151 | 7,884,867 | 0 | 0 | 7,519,151 | 7,884,867 |
| Sidewalks | 698,713 | 674,668 | 0 | 0 | 698,713 | 674,668 |
| Storm Sewers | 10,203,160 | 10,463,903 | 0 | 0 | 10,203,160 | 10,463,903 |
| Waterlines | 7,796,426 | 7,996,390 | 0 | 0 | 7,796,426 | 7,996,390 |
| Bridges | 208,984 | 215,580 | 0 | 0 | 208,984 | 215,580 |
| Culverts | 1,465,387 | 1,510,929 | 0 | 0 | 1,465,387 | 1,510,929 |
| Construction in Progress | 4,516,558 | 862,712 | 0 | 0 | 4,516,558 | 862,712 |
| Totals | <u>\$48,044,706</u> | <u>\$44,545,683</u> | <u>\$331,272</u> | <u>\$13,540</u> | <u>\$48,375,978</u> | <u>\$44,559,223</u> |

Total capital assets for the City of Brunswick as of December 31, 2004 were \$48,375,978. The most significant additions in capital assets came in the areas of construction in progress and machinery, equipment and vehicles of \$3,744,664 and \$1,222,004 respectively. The construction in progress additions were mainly related to infrastructure projects which were not completed as of December 31, 2004 and the machinery, equipment and vehicles additions were mainly related to the purchase of several new vehicles, radio station equipment and a new fire safety trailer during 2004. For additional information see Note 10 to the basic financial statements.

The City has purchased approximately 144 acres of land for the Brunswick Lake project and has designated approximately 73 acres of the 144 acres to be resold and developed in accordance with an approved master plan. As of December 31, 2004 the City has sold approximately 40 acres of the 73 acres available for resale and construction began for several new businesses in the area. During 2004, several new restaurants and businesses opened up for business. City Council and the Administration are committed to making sure that this development defines the City as one of the premier City's in northern Ohio.

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The Administration continues to seek grants for infrastructure projects, assistance for flooding and other weather related events and improving City facilities and services. In 2004, the City received federal grants awarded by the United States Department of Homeland Security, United States Department of Housing and Urban Development, United States Department of Justice and the United States Department of Transportation for a new fire safety trailer, public assistance for flooding and other weather related events, community development, support and assistance for violence against women, and improvements and widening of North Carpenter and Boston Roads and the operation subsidy for the elderly relating to our bus transit system. The City also receives Issue II state grant monies for our Applewood, Fernwood and Fireside storm sewer improvements. It is through these grants, capital replacement program and Councilmatic notes that we are able to improve upon our capital assets.

Debt

On December 31, 2004, the City of Brunswick had \$11,592,145 in general obligation bonds, special assessment bonds, notes and OPWC loans outstanding. Table 4 summarizes bonds, notes and loans outstanding. There are no outstanding business-type debt obligations.

Table 4
Outstanding Debt at Year End

| | Governmental Activities | |
|--------------------------|-------------------------|-------------|
| | 2004 | 2003 |
| General Obligation Bonds | \$3,011,973 | \$3,414,695 |
| Special Assessment Bonds | 1,723,996 | 1,863,482 |
| Notes | 6,705,000 | 4,175,000 |
| OPWC Loans | 151,176 | 35,000 |
| Totals | \$11,592,145 | \$9,488,177 |

The general obligation bonds outstanding are composed of a voter-approved Recreation Center Refunding Bonds of \$2,160,000, City Hall Expansion Bond of \$831,524, and a Center Road Improvement Bond of \$20,449. The voter-approved Recreation Center Refunding Bonds are paid from property tax and homestead and rollback monies. The City Hall Expansion and Center Road Improvement Bonds are paid from municipal income tax, interest revenue, and if necessary, monies transferred from the general fund.

The special assessment bonds consist of Center Road, Cross Creek, Carpenter Road, Laurel Road West Waterline, Grafton Road and South Industrial improvements. Principal and interest for these bonds are paid from the collection of special assessments from the benefitted property owners.

The notes payable represent bond anticipation notes for the following improvement projects: (1) Storm Sewer Replacement Notes \$2,600,000 - the note will be paid with the proceeds from the sale of general obligation retirement bonds upon the completion of the project and the bonds will be repaid with general fund transfers; (2) Brunswick Lake Dam and Dredging Notes \$2,030,000 - \$525,000 of the note will be repaid with the

City of Brunswick, Ohio
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proceeds from the sale of special assessment bonds upon the completion of the project and this portion of the bonds will be repaid from the collection of special assessments from the benefitted property owners. The remaining \$1,505,000 will be paid with the proceeds from the sale of general obligation retirement bonds upon the completion of the project and the bonds will be repaid with general fund transfers; (3) Waterline Replacement Notes \$1,500,000 - the note will be paid with general revenues and waterline maintenance fees; (4) Laurel Road Notes \$575,000 - the note will be repaid with the proceeds from the sale of special assessment bonds upon the completion of the project and the bonds will be repaid from the collection of special assessments from the benefitted property owners.

The Ohio Public Works Commission loans represent interest free loans obtained to finance the Princeton/Andrea and Fireside Twin Storm Sewer/Culvert Projects. The loans will be repaid with municipal income tax or general fund transfer monies.

The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2004 was \$68,265,042. The aggregate outstanding debt after issuance of bonds subject to the ten and one-half percent limitation is \$9,167,028. The difference of \$59,098,014 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. For additional information see Note 11 to the basic financial statements.

Current Financial Related Activities

Increased revenues allowed the City of Brunswick to continue to maintain the highest level of public safety, recreation and street and storm sewer infrastructures. Over the past ten years the City has enjoyed growth in revenues as a result of new industrial, commercial and residential development. The City is ideally situated on Interstate 71, approximately twenty-five minutes from Cleveland, Ohio and approximately fifteen minutes from Cleveland Hopkins International Airport. Interstate 71 is intersected by State Route 303 and provides a perfect separation for industrial development east of Interstate 71 and commercial and residential development west of Interstate 71. Since its construction, the City enjoys two industrial parks on the east side of Interstate 71 that are virtually full and prosperous. The economic development of the City has lead to a strong healthy community that has a bond rating of A1 by Moody's.

As previously stated, approximately 73 of the 144 acres the City purchased are to be resold and developed in accordance with the approved master plan presented by the Zeremba Group. The master plan includes the development of the City's Town Center which will feature an open air market with a downtown feel to it. During 2004 the first phase of development was completed and included the construction of Home Depot, Giant Eagle, Applebees, Starbucks, Cici's Pizza, Carvel, and many other service and other retail businesses. Future phases will include the construction of residential housing and additional commercial development with tenants to be named later. Tony Roma's is one of the new businesses scheduled to open in the Brunswick Lake Town Center in 2005. City Council and the Administration are committed to making sure that this development defines the City as one of the premier City's in northern Ohio.

The City Council works extremely hard at keeping the City's public and safety services and various infrastructures at the highest level. We plan our finances so that we can pay cash for many of our facility improvements and acquisitions, and continue to pay cash for all equipment and other major machinery and equipment purchases necessary to maintain our level of services. We manage our assets and our annual budget by monthly reviews by Council, the City Manager, the Finance Director and the Department Heads. We have expanded our services but have kept the size of our work force to a level we believe meet the needs of our residents.

City of Brunswick, Ohio
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The City of Brunswick has committed itself to financial excellence and has a history of doing just that. The City has received the Government Finance Officers Award Certificate of Achievement for Excellence since 1982 (with the exception of 1986). The City of Brunswick also adopted GASB 34 one year prior to the effective period established by the Governmental Accounting Standards Board. Our commitment to our residents has always been one of full disclosure of the financial position of the City.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends or invests. If you have any questions about this report or need financial information contact the Director of Finance, Bill White, 4095 Center Road Brunswick, Ohio 44212, telephone (330) 225-9144 or the website at www.brunswick.oh.us.

Basic Financial Statements

City of Brunswick, Ohio
Statement of Net Assets
December 31, 2004

| | Governmental Activities | Business-Type Activity | Total |
|---|----------------------------|---------------------------|---------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$19,220,493 | \$253,114 | \$19,473,607 |
| Cash and Cash Equivalents: | | | |
| In Segregated Accounts | 2,996 | 0 | 2,996 |
| With Fiscal Agents | 647 | 0 | 647 |
| Investments | 37,116 | 0 | 37,116 |
| Accounts Receivable | 41,210 | 183,223 | 224,433 |
| Accrued Interest Receivable | 43,128 | 0 | 43,128 |
| Intergovernmental Receivable | 1,780,217 | 0 | 1,780,217 |
| Materials and Supplies Inventory | 111,206 | 0 | 111,206 |
| Taxes Receivable | 6,040,871 | 0 | 6,040,871 |
| Special Assessments Receivable | 1,731,712 | 0 | 1,731,712 |
| Deferred Charges | 40,921 | 0 | 40,921 |
| Assets Held for Resale | 1,614,282 | 0 | 1,614,282 |
| Nondepreciable Capital Assets | 8,350,462 | 0 | 8,350,462 |
| Depreciable Capital Assets | 39,694,244 | 331,272 | 40,025,516 |
| <i>Total Assets</i> | <u>78,709,505</u> | <u>767,609</u> | <u>79,477,114</u> |
| Liabilities | | | |
| Accounts Payable | 641,439 | 124,506 | 765,945 |
| Contracts Payable | 612,421 | 0 | 612,421 |
| Accrued Wages and Benefits | 467,537 | 2,763 | 470,300 |
| Notes Payable | 4,675,000 | 0 | 4,675,000 |
| Deferred Revenue | 1,909,018 | 0 | 1,909,018 |
| Pension Obligation Payable | 345,399 | 1,855 | 347,254 |
| Vacation Benefits Payable | 527,481 | 1,528 | 529,009 |
| Matured Interest Payable | 647 | 0 | 647 |
| Accrued Interest Payable | 96,764 | 0 | 96,764 |
| Long-Term Liabilities: | | | |
| Due Within One Year | 2,634,450 | 11 | 2,634,461 |
| Due in More Than One Year | 4,657,461 | 66 | 4,657,527 |
| <i>Total Liabilities</i> | <u>16,567,617</u> | <u>130,729</u> | <u>16,698,346</u> |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | 39,352,980 | 331,272 | 39,684,252 |
| Restricted for: | | | |
| Capital Projects | 7,869,564 | 0 | 7,869,564 |
| Debt Service | 2,446,081 | 0 | 2,446,081 |
| Police | 603,770 | 0 | 603,770 |
| Fire | 1,665,347 | 0 | 1,665,347 |
| Transportation | 2,266,131 | 0 | 2,266,131 |
| Cable Television Local Programming | 762,462 | 0 | 762,462 |
| Parks and Recreation | 335,931 | 0 | 335,931 |
| Community Improvement | 802,181 | 0 | 802,181 |
| Other Purposes | 82,783 | 0 | 82,783 |
| Unrestricted | 5,954,658 | 305,608 | 6,260,266 |
| <i>Total Net Assets</i> | <u>\$62,141,888</u> | <u>\$636,880</u> | <u>\$62,778,768</u> |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Activities
For the Year Ended December 31, 2004

| | Expenses | Program Revenues | | |
|--------------------------------------|---------------------|--------------------------------|------------------------------------|----------------------------------|
| | | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental Activities | | | | |
| General Government | \$3,957,619 | \$434,614 | \$29,367 | \$242,351 |
| Security of Persons and Property | 7,649,594 | 600,810 | 1,599,481 | 0 |
| Transportation | 3,390,709 | 15,709 | 316,333 | 570,590 |
| Community Environment | 1,986,991 | 1,011,950 | 0 | 167,204 |
| Public Health Services | 349,448 | 141,368 | 0 | 0 |
| Leisure Time Activities | 2,298,656 | 1,236,948 | 0 | 157,710 |
| Interest and Fiscal Charges | 358,729 | 0 | 0 | 0 |
| <i>Total Governmental Activities</i> | 19,991,746 | 3,441,399 | 1,945,181 | 1,137,855 |
| Business-Type Activity | | | | |
| Refuse | 1,617,998 | 1,545,684 | 0 | 0 |
| <i>Totals</i> | <u>\$21,609,744</u> | <u>\$4,987,083</u> | <u>\$1,945,181</u> | <u>\$1,137,855</u> |

General Revenues
Property Taxes Levied for:
 General Purposes
 Debt Service
Income Taxes Levied for:
 General Purposes
 Debt Service
Fire
Street Repair and Maintenance
Police
Brunswick Transit Authority
Parks
Grants and Entitlements not Restricted to Specific Programs
Gain on Sale of Assets Held for Resale
Interest
Other

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

| Net (Expense) Revenue and Changes in Net Assets | | |
|--|---------------------------|--------------|
| Governmental Activities | Business-Type Activity | Total |
| (\$3,251,287) | \$0 | (3,251,287) |
| (5,449,303) | 0 | (5,449,303) |
| (2,488,077) | 0 | (2,488,077) |
| (807,837) | 0 | (807,837) |
| (208,080) | 0 | (208,080) |
| (903,998) | 0 | (903,998) |
| (358,729) | 0 | (358,729) |
| (13,467,311) | 0 | (13,467,311) |
| 0 | (72,314) | (72,314) |
| (13,467,311) | (72,314) | (13,539,625) |
| 1,502,554 | 0 | 1,502,554 |
| 394,621 | 0 | 394,621 |
| 3,316,964 | 0 | 3,316,964 |
| 32,121 | 0 | 32,121 |
| 2,481,449 | 0 | 2,481,449 |
| 1,084,331 | 0 | 1,084,331 |
| 1,117,695 | 0 | 1,117,695 |
| 104,263 | 0 | 104,263 |
| 500,461 | 0 | 500,461 |
| 1,586,733 | 0 | 1,586,733 |
| 690,499 | 0 | 690,499 |
| 355,588 | 0 | 355,588 |
| 65,147 | 455 | 65,602 |
| 13,232,426 | 455 | 13,232,881 |
| (40,000) | 40,000 | 0 |
| 13,192,426 | 40,455 | 13,232,881 |
| (274,885) | (31,859) | (306,744) |
| 62,416,773 | 668,739 | 63,085,512 |
| \$62,141,888 | \$636,880 | \$62,778,768 |

City of Brunswick, Ohio

Balance Sheet

Governmental Funds

December 31, 2004

| | General | Fire Department | Street Repair and Maintenance | Special Assessment Bond Retirement | Brunswick Lake Construction |
|--|---------------------|--------------------|-------------------------------------|--|-----------------------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$3,712,470 | \$869,330 | \$1,088,048 | \$320,433 | \$1,509,912 |
| Cash and Cash Equivalents: | | | | | |
| in Segregated Accounts | 2,996 | 0 | 0 | 0 | 0 |
| With Fiscal Agents | 0 | 0 | 0 | 0 | 0 |
| Investments | 0 | 0 | 0 | 0 | 0 |
| Receivables: | | | | | |
| Taxes | 2,995,397 | 1,216,148 | 531,426 | 0 | 0 |
| Accounts | 3,346 | 23,876 | 0 | 0 | 0 |
| Interfund | 680,941 | 0 | 0 | 0 | 0 |
| Loans to Other Funds | 2,031,000 | 0 | 0 | 0 | 0 |
| Intergovernmental | 802,415 | 0 | 623,273 | 0 | 0 |
| Accrued Interest | 43,128 | 0 | 0 | 0 | 0 |
| Special Assessments | 0 | 0 | 0 | 1,731,712 | 0 |
| Materials and Supplies Inventory | 10,179 | 1,953 | 75,212 | 0 | 0 |
| Assets Held for Resale | 0 | 0 | 0 | 0 | 1,614,282 |
| <i>Total Assets</i> | <u>\$10,281,872</u> | <u>\$2,111,307</u> | <u>\$2,317,959</u> | <u>\$2,052,145</u> | <u>\$3,124,194</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$292,075 | \$67,661 | \$165,581 | \$0 | \$0 |
| Contracts Payable | 0 | 0 | 0 | 0 | 303,534 |
| Accrued Wages and Benefits | 275,941 | 90,394 | 51,776 | 0 | 0 |
| Pension Obligation Payable | 185,744 | 117,077 | 24,034 | 0 | 0 |
| Notes Payable | 0 | 0 | 0 | 0 | 0 |
| Interfund Payable | 0 | 0 | 0 | 0 | 0 |
| Loans from Other Funds | 0 | 0 | 0 | 0 | 2,031,000 |
| Accrued Interest Payable | 0 | 0 | 0 | 0 | 0 |
| Deferred Revenue | 3,427,339 | 993,963 | 950,683 | 1,731,712 | 40,003 |
| Matured Interest Payable | 0 | 0 | 0 | 0 | 0 |
| <i>Total Liabilities</i> | <u>4,181,099</u> | <u>1,269,095</u> | <u>1,192,074</u> | <u>1,731,712</u> | <u>2,374,537</u> |
| Fund Balances (Deficit) | | | | | |
| Reserved for Encumbrances | 269,268 | 33,611 | 64,987 | 0 | 212,728 |
| Reserved for Unclaimed Money | 226,512 | 0 | 0 | 0 | 0 |
| Reserved for Loans to Other Funds | 2,031,000 | 0 | 0 | 0 | 0 |
| Reserved for Assets Held for Resale | 0 | 0 | 0 | 0 | 1,614,282 |
| Unreserved, Undesignated, Reported in: | | | | | |
| General Fund | 3,573,993 | 0 | 0 | 0 | 0 |
| Special Revenue Funds | 0 | 808,601 | 1,060,898 | 0 | 0 |
| Debt Service Funds | 0 | 0 | 0 | 320,433 | 0 |
| Capital Projects Funds | 0 | 0 | 0 | 0 | (1,077,353) |
| <i>Total Fund Balances (Deficit)</i> | <u>6,100,773</u> | <u>842,212</u> | <u>1,125,885</u> | <u>320,433</u> | <u>749,657</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$10,281,872</u> | <u>\$2,111,307</u> | <u>\$2,317,959</u> | <u>\$2,052,145</u> | <u>\$3,124,194</u> |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
*Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2004*

| Sanitary Storm Sewer | Other Governmental Funds | Total Governmental Funds |
|----------------------------|--------------------------------|--------------------------------|
| \$2,466,289 | \$9,254,011 | \$19,220,493 |
| 0 | 0 | 2,996 |
| 0 | 647 | 647 |
| 0 | 37,116 | 37,116 |
| 0 | 1,297,900 | 6,040,871 |
| 0 | 13,988 | 41,210 |
| 0 | 0 | 680,941 |
| 0 | 0 | 2,031,000 |
| 942 | 353,587 | 1,780,217 |
| 0 | 0 | 43,128 |
| 0 | 0 | 1,731,712 |
| 0 | 23,862 | 111,206 |
| 0 | 0 | 1,614,282 |
| <u>\$2,467,231</u> | <u>\$10,981,111</u> | <u>\$33,335,819</u> |
| \$0 | \$116,122 | \$641,439 |
| 142,959 | 165,928 | 612,421 |
| 0 | 49,426 | 467,537 |
| 0 | 18,544 | 345,399 |
| 2,600,000 | 2,075,000 | 4,675,000 |
| 0 | 680,941 | 680,941 |
| 0 | 0 | 2,031,000 |
| 22,397 | 34,476 | 56,873 |
| 0 | 1,347,035 | 8,490,735 |
| 0 | 647 | 647 |
| <u>2,765,356</u> | <u>4,488,119</u> | <u>18,001,992</u> |
| 1,054,156 | 918,646 | 2,553,396 |
| 0 | 0 | 226,512 |
| 0 | 0 | 2,031,000 |
| 0 | 0 | 1,614,282 |
| 0 | 0 | 3,573,993 |
| 0 | 1,955,248 | 3,824,747 |
| 0 | 479,421 | 799,854 |
| (1,352,281) | 3,139,677 | 710,043 |
| <u>(298,125)</u> | <u>6,492,992</u> | <u>15,333,827</u> |
| <u>\$2,467,231</u> | <u>\$10,981,111</u> | <u>\$33,335,819</u> |

| | |
|---|----------------------------|
| Total Governmental Fund Balances | \$15,333,827 |
| <i>Amounts reported for governmental activities in the statement of net assets are different because</i> | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | 48,044,706 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds: | |
| Delinquent Property Taxes | 83,963 |
| Income Tax | 3,341,051 |
| Special Assessments | 1,731,712 |
| Grants | 1,381,973 |
| Interest | <u>43,018</u> |
| Total | 6,581,717 |
| In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. | |
| Accrued Interest Payable | (39,891) |
| Vacation benefits payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds. | |
| Vacation Benefits Payable | (527,481) |
| Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds. | 40,921 |
| Long-term liabilities, including notes and bonds payable and bond premium payable, are not due and payable in the current period and therefore are not reported in the funds: | |
| General Obligation Bonds | (2,941,449) |
| General Obligation Bond Premium | (70,524) |
| Special Assessment Bonds | (1,687,665) |
| Special Assessment Bond Premium | (36,331) |
| OPWC Loan | (151,176) |
| Notes | (2,030,000) |
| Compensated Absences | <u>(374,766)</u> |
| Total | <u>(7,291,911)</u> |
| <i>Net Assets of Governmental Activities</i> | <u><u>\$62,141,888</u></u> |

City of Brunswick, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2004

| | General | Fire Department | Street Repair and Maintenance | Special Assessment Bond Retirement | Brunswick Lake Construction |
|---|--------------------|--------------------|-------------------------------------|--|-----------------------------------|
| Revenues | | | | | |
| Property and Other Taxes | \$1,483,255 | \$0 | \$0 | \$0 | \$0 |
| Municipal Income Tax | 3,186,505 | 2,374,234 | 1,037,481 | 0 | 0 |
| Charges for Services | 194,679 | 528,196 | 13,684 | 0 | 0 |
| Special Assessments | 0 | 0 | 0 | 134,899 | 0 |
| Licenses, Permits and Fees | 731,672 | 0 | 0 | 0 | 0 |
| Fines and Forfeitures | 389,650 | 0 | 0 | 0 | 0 |
| Intergovernmental | 1,519,718 | 9,503 | 1,270,836 | 0 | 0 |
| Sales | 0 | 0 | 0 | 0 | 0 |
| Interest | 246,484 | 0 | 0 | 77,100 | 5,751 |
| Contributions and Donations | 21,099 | 8,093 | 0 | 0 | 0 |
| Other | 23,833 | 14,135 | 10,189 | 0 | 253 |
| <i>Total Revenues</i> | <u>7,796,895</u> | <u>2,934,161</u> | <u>2,332,190</u> | <u>211,999</u> | <u>6,004</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government | 3,824,780 | 0 | 0 | 4,421 | 0 |
| Security of Persons and Property | 3,534,756 | 2,755,387 | 0 | 0 | 0 |
| Transportation | 0 | 0 | 2,380,718 | 0 | 0 |
| Community Environment | 832,327 | 0 | 0 | 0 | 0 |
| Public Health Services | 38,267 | 0 | 0 | 0 | 0 |
| Leisure Time Activities | 253,279 | 0 | 0 | 0 | 0 |
| Capital Outlay | 0 | 0 | 0 | 0 | 1,705,847 |
| Debt Service: | | | | | |
| Principal Retirement | 0 | 0 | 10,000 | 134,899 | 0 |
| Interest and Fiscal Charges | 0 | 0 | 0 | 101,293 | 0 |
| <i>Total Expenditures</i> | <u>8,483,409</u> | <u>2,755,387</u> | <u>2,390,718</u> | <u>240,613</u> | <u>1,705,847</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(686,514)</u> | <u>178,774</u> | <u>(58,528)</u> | <u>(28,614)</u> | <u>(1,699,843)</u> |
| Other Financing Sources (Uses) | | | | | |
| Sale of Capital Assets | 100 | 0 | 0 | 0 | 0 |
| Sale of Assets Held for Resale | 0 | 0 | 0 | 0 | 690,499 |
| Notes Issued | 0 | 0 | 0 | 0 | 2,030,000 |
| Proceeds of OPWC Loan | 0 | 0 | 0 | 0 | 0 |
| Transfers In | 0 | 0 | 0 | 0 | 0 |
| Transfers Out | (334,270) | 0 | 0 | 0 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(334,170)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>2,720,499</u> |
| <i>Net Change in Fund Balances</i> | <u>(1,020,684)</u> | <u>178,774</u> | <u>(58,528)</u> | <u>(28,614)</u> | <u>1,020,656</u> |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>7,121,457</u> | <u>663,438</u> | <u>1,184,413</u> | <u>349,047</u> | <u>(270,999)</u> |
| <i>Fund Balances (Deficit) End of Year</i> | <u>\$6,100,773</u> | <u>\$842,212</u> | <u>\$1,125,885</u> | <u>\$320,433</u> | <u>\$749,657</u> |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2004*

| Sanitary Storm Sewer | Other Governmental Funds | Total Governmental Funds |
|----------------------------|--------------------------------|--------------------------------|
| | | |
| \$0 | \$427,987 | \$1,911,242 |
| 0 | 1,679,922 | 8,278,142 |
| 0 | 1,240,766 | 1,977,325 |
| 0 | 0 | 134,899 |
| 0 | 442,486 | 1,174,158 |
| 0 | 43,232 | 432,882 |
| 76,881 | 1,590,530 | 4,467,468 |
| 0 | 14,744 | 14,744 |
| 0 | 15,219 | 344,554 |
| 0 | 0 | 29,192 |
| 0 | 16,737 | 65,147 |
| <u>76,881</u> | <u>5,471,623</u> | <u>18,829,753</u> |
| | | |
| 0 | 62,480 | 3,891,681 |
| 0 | 1,349,609 | 7,639,752 |
| 0 | 431,843 | 2,812,561 |
| 0 | 386,653 | 1,218,980 |
| 0 | 72,503 | 110,770 |
| 0 | 1,862,946 | 2,116,225 |
| 561,417 | 2,947,220 | 5,214,484 |
| | | |
| 0 | 393,818 | 538,717 |
| 29,948 | 218,689 | 349,930 |
| <u>591,365</u> | <u>7,725,761</u> | <u>23,893,100</u> |
| <u>(514,484)</u> | <u>(2,254,138)</u> | <u>(5,063,347)</u> |
| | | |
| 0 | 0 | 100 |
| 0 | 0 | 690,499 |
| 0 | 0 | 2,030,000 |
| 0 | 126,176 | 126,176 |
| 88,750 | 205,520 | 294,270 |
| 0 | 0 | (334,270) |
| <u>88,750</u> | <u>331,696</u> | <u>2,806,775</u> |
| <u>(425,734)</u> | <u>(1,922,442)</u> | <u>(2,256,572)</u> |
| <u>127,609</u> | <u>8,415,434</u> | <u>17,590,399</u> |
| <u>(\$298,125)</u> | <u>\$6,492,992</u> | <u>\$15,333,827</u> |

Net Change in Fund Balances -Total Governmental Funds (\$2,256,572)

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

Governmental funds report capital outlays as expenditures.

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

| | | |
|---------------------------|--------------------|-----------|
| Capital Asset Additions | 5,642,375 | |
| Current Year Depreciation | <u>(2,129,027)</u> | |
| Total | | 3,513,348 |

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.

(14,325)

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

| | | |
|---------------------------|---------------|---------|
| Delinquent Property Taxes | (14,067) | |
| Income Tax | 359,142 | |
| Special Assessment | (158,222) | |
| Grants | 15,399 | |
| Interest | <u>34,357</u> | |
| Total | | 236,609 |

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

538,717

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.

| | | |
|---------------------|----------------|---------|
| Accrued Interest | (16,444) | |
| Bond Premium | 13,491 | |
| Bond Issuance Costs | <u>(5,846)</u> | |
| Total | | (8,799) |

Proceeds of debt is an other financing source in the governmental funds, but increases liabilities in governmental activities.

(2,156,176)

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

| | | |
|---------------------------|-----------------|-----------|
| Compensated Absences | (69,321) | |
| Vacation Benefits Payable | <u>(58,366)</u> | |
| Total | | (127,687) |

Change in Net Assets of Governmental Activities

(\$274,885)

City of Brunswick, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Property and Other Taxes | \$1,371,837 | \$1,447,848 | \$1,483,255 | \$35,407 |
| Municipal Income Tax | 2,667,763 | 3,099,869 | 3,176,519 | 76,650 |
| Charges for Services | 201,165 | 211,203 | 191,333 | (19,870) |
| Licenses, Permits and Fees | 697,043 | 735,665 | 730,717 | (4,948) |
| Fines and Forfeitures | 373,808 | 394,520 | 389,650 | (4,870) |
| Intergovernmental | 1,392,905 | 1,470,083 | 1,399,405 | (70,678) |
| Interest | 216,061 | 228,033 | 245,706 | 17,673 |
| Contributions and Donations | 19,992 | 21,100 | 21,099 | (1) |
| Other | 23,792 | 25,110 | 23,833 | (1,277) |
| <i>Total Revenues</i> | <u>6,964,366</u> | <u>7,633,431</u> | <u>7,661,517</u> | <u>28,086</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 4,192,130 | 4,351,429 | 3,952,824 | 398,605 |
| Security of Persons and Property | 3,628,636 | 3,799,543 | 3,582,785 | 216,758 |
| Community Environment | 985,024 | 1,028,466 | 850,864 | 177,602 |
| Public Health Services | 49,887 | 51,285 | 41,532 | 9,753 |
| Leisure Time Activities | 279,736 | 292,634 | 253,551 | 39,083 |
| <i>Total Expenditures</i> | <u>9,135,413</u> | <u>9,523,357</u> | <u>8,681,556</u> | <u>841,801</u> |
| <i>Excess of Revenues</i> | | | | |
| <i>Under Expenditures</i> | <u>(2,171,047)</u> | <u>(1,889,926)</u> | <u>(1,020,039)</u> | <u>869,887</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 0 | 0 | 100 | 100 |
| Advances In | 1,011,030 | 1,067,049 | 958,000 | (109,049) |
| Advances Out | (348,991) | (358,771) | (239,992) | 118,779 |
| Transfers Out | (408,360) | (539,271) | (334,270) | 205,001 |
| <i>Total Other Financing Sources (Uses)</i> | <u>253,679</u> | <u>169,007</u> | <u>383,838</u> | <u>214,831</u> |
| <i>Net Change in Fund Balance</i> | (1,917,368) | (1,720,919) | (636,201) | 1,084,718 |
| <i>Fund Balance Beginning of Year</i> | 3,835,434 | 3,835,434 | 3,835,434 | 0 |
| Prior Year Encumbrances Appropriated | 156,201 | 156,201 | 156,201 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$2,074,267</u> | <u>\$2,270,716</u> | <u>\$3,355,434</u> | <u>\$1,084,718</u> |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Municipal Income Tax | \$2,209,902 | \$2,312,799 | \$2,366,028 | \$53,229 |
| Charges for Services | 493,639 | 516,150 | 542,559 | 26,409 |
| Intergovernmental | 9,086 | 9,500 | 9,503 | 3 |
| Contributions and Donations | 5,356 | 5,600 | 8,093 | 2,493 |
| Other | 13,562 | 14,180 | 14,135 | (45) |
| <i>Total Revenues</i> | 2,731,545 | 2,858,229 | 2,940,318 | 82,089 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property | 2,772,153 | 2,826,865 | 2,750,042 | 76,823 |
| <i>Net Change in Fund Balance</i> | (40,608) | 31,364 | 190,276 | 158,912 |
| <i>Fund Balance Beginning of Year</i> | 638,002 | 638,002 | 638,002 | 0 |
| Prior Year Encumbrances Appropriated | 5,944 | 5,944 | 5,944 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$603,338</u> | <u>\$675,310</u> | <u>\$834,222</u> | <u>\$158,912</u> |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Repair and Maintenance Fund
For the Year Ended December 31, 2004

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Municipal Income Tax | \$974,472 | \$1,031,615 | \$1,033,895 | \$2,280 |
| Charges for Services | 12,705 | 13,450 | 13,684 | 234 |
| Intergovernmental | 1,130,460 | 1,196,751 | 1,249,764 | 53,013 |
| Other | 9,635 | 10,200 | 10,189 | (11) |
| <i>Total Revenues</i> | <u>2,127,272</u> | <u>2,252,016</u> | <u>2,307,532</u> | <u>55,516</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation | 2,400,332 | 2,568,723 | 2,456,621 | 112,102 |
| Debt Service: | | | | |
| Principal Retirement | 10,000 | 10,000 | 10,000 | 0 |
| <i>Total Expenditures</i> | <u>2,410,332</u> | <u>2,578,723</u> | <u>2,466,621</u> | <u>112,102</u> |
| <i>Net Change in Fund Balance</i> | (283,060) | (326,707) | (159,089) | 167,618 |
| <i>Fund Balance Beginning of Year</i> | 982,052 | 982,052 | 982,052 | 0 |
| Prior Year Encumbrances Appropriated | 63,067 | 63,067 | 63,067 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$762,059</u> | <u>\$718,412</u> | <u>\$886,030</u> | <u>\$167,618</u> |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Fund Net Assets
Proprietary Fund
December 31, 2004

| | Refuse |
|---|-----------|
| Assets | |
| <i>Current Assets</i> | |
| Equity in Pooled Cash and Cash Equivalents | \$253,114 |
| Accounts Receivable | 183,223 |
| Total Current Assets | 436,337 |
| <i>Noncurrent Assets</i> | |
| Depreciable Capital Assets, Net | 331,272 |
| <i>Total Assets</i> | 767,609 |
| Liabilities | |
| <i>Current Liabilities</i> | |
| Accounts Payable | 124,506 |
| Accrued Wages and Benefits | 2,763 |
| Pension Obligation Payable | 1,855 |
| Vacation Benefits Payable | 1,528 |
| Compensated Absences Payable | 11 |
| <i>Total Current Liabilities</i> | 130,663 |
| <i>Long-Term Liabilities</i> | |
| Compensated Absences Payable (net of current portion) | 66 |
| <i>Total Liabilities</i> | 130,729 |
| Net Assets | |
| Invested in Capital Assets | 331,272 |
| Unrestricted | 305,608 |
| <i>Total Net Assets</i> | \$636,880 |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Assets
Proprietary Fund
For the Year Ended December 31, 2004*

| | Refuse |
|--|-------------|
| Operating Revenues | |
| Charges for Services | \$1,545,684 |
| Other | 455 |
| | 1,546,139 |
| Operating Expenses | |
| Salaries and Wages | 70,865 |
| Fringe Benefits | 31,051 |
| Purchased Services | 1,500,608 |
| Materials and Supplies | 3,804 |
| Depreciation | 11,437 |
| | 1,617,765 |
| <i>Operating Loss</i> | (71,626) |
| Non-Operating Revenues (Expenses) | |
| Loss on Sale of Capital Assets | (233) |
| Transfers In | 40,000 |
| | (31,859) |
| <i>Change in Net Assets</i> | (31,859) |
| <i>Net Assets Beginning of Year</i> | 668,739 |
| | \$636,880 |
| | \$636,880 |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2004

| | Refuse |
|---|-------------|
| <i>Increase (Decrease) in Cash and Cash Equivalents</i> | |
| Cash Flows from Operating Activities | |
| Cash Received From Customers | \$1,540,658 |
| Cash Payments to Suppliers for Goods and Services | (1,509,183) |
| Cash Payments for Employee Services | (72,639) |
| Cash Payments for Employee Benefits | (25,689) |
| Other Operating Revenues | 455 |
| | (66,398) |
| <i>Net Cash Used for Operating Activities</i> | (66,398) |
| Cash Flows from Noncapital Financing Activities | |
| Transfers In | 40,000 |
| Cash Flows From Capital and Related Financing Activities | |
| Payments for Capital Acquisitions | (329,402) |
| | (355,800) |
| <i>Net Decrease in Cash and Cash Equivalents</i> | (355,800) |
| Cash and Cash Equivalents Beginning of Year | 608,914 |
| | 608,914 |
| Cash and Cash Equivalents End of Year | \$253,114 |
| Reconciliation of Operating Loss to Net Cash Used for Operating Activities | |
| <i>Operating Loss</i> | (\$71,626) |
| Adjustment: | |
| Depreciation | 11,437 |
| <i>(Increase)/Decrease in Assets:</i> | |
| Accounts Receivable | (5,026) |
| <i>Increase/(Decrease) in Liabilities:</i> | |
| Accounts Payable | (2,804) |
| Accrued Wages and Benefits | 989 |
| Vacation Benefits Payable | (428) |
| Compensated Absences Payable | 32 |
| Pension Obligation Payable | 1,028 |
| | 5,228 |
| <i>Total Adjustments</i> | 5,228 |
| <i>Net Cash Used for Operating Activities</i> | (\$66,398) |

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2004

Assets

| | |
|--|-------------------------|
| Equity in Pooled Cash and Cash Equivalents | \$586,318 |
| Cash and Cash Equivalents in Segregated Accounts | <u>27,109</u> |
| | <u><u>\$613,427</u></u> |

Liabilities

| | |
|----------------------|-------------------------|
| Undistributed Assets | <u><u>\$613,427</u></u> |
|----------------------|-------------------------|

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

Note 1 - Description of the City and Reporting Entity

The City of Brunswick (the "City") is a charter municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a part-time Council and full-time City Manager form of government. The Mayor and Council are elected.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Brunswick, this includes the departments that provide the following services: police and fire protection, emergency medical, parks and recreation, planning, zoning, street maintenance and repair, refuse collection and general administrative services.

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

The City participated in the Ohio Telecommunications Network Council, Southwest Council of Governments, Northeast Ohio Public Energy Council and Medway Drug Enforcement Agency as jointly governed organizations. Additional information is included in Note 19.

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

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

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

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 Fund Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and 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 general laws of Ohio.

Fire Department Special Revenue Fund The fire department fund accounts for income tax proceeds received to pay for the expenses related to fire protection in the City.

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

Special Assessment Bond Retirement Debt Service Fund The special assessment bond retirement fund accounts for the collection of special assessments levied against benefited properties for the payment of special assessment bonds and the related interest.

Brunswick Lake Construction Capital Projects Fund The Brunswick Lake construction fund accounts for the purchase and improvements to the Brunswick Lake site financed by the proceeds of bonds and loans from the general fund.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

Sanitary Storm Sewer Capital Projects Fund The sanitary storm sewer fund accounts for the transfers, debt proceeds and grant monies used for improvements to various City storm sewers.

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

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

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

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

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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. The agency funds are used for performance bonds, collection and distribution of State monies, to accumulate employee contributions for future child care and health services and for expenditures for the local softball teams.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of 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 (i.e. revenues) and decreases (i.e. expenses) in total net assets.

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

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

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. Government 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-one days of year-end.

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

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

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, 2004, but which were levied to finance year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue.

On the 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 when they are incurred.

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

E. Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended official certificate of estimated resources issued during 2004.

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

F. Cash and Cash Equivalents

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

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

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

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

During 2004, investments were limited to overnight repurchase agreements, Federal Home Loan Mortgage Bank (FHLMB) Notes, manuscript bonds and State Treasury Asset Reserve of Ohio (STAROhio).

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

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, 2004.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to the general fund, certain special revenue funds, debt service funds and certain capital projects funds. Interest revenue credited to the general fund during 2004 amounted to \$246,484, which includes \$63,603 assigned from other City 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.

G. Inventory

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

H. Assets Held for Resale

Assets held for resale represent land purchased by the City which will be sold for development purposes. This amount is offset by a fund balance reserve on the governmental fund financial statements.

I. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. These 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. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

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

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

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

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

J. Interfund Balances

On the fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Long term interfund loans are reported as "loans to/from other funds" and are equally offset by a fund balance reserve account which indicates that they do not constitute "available expendable resources" since they are not a component of net current assets. Interfund balance amounts are eliminated in the statement of net assets.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Since the City's policy limits the accrual of vacation time to one year from the employee's anniversary date, the outstanding liability is recorded as a "vacation benefits payable" on the statement of net assets rather than as a long-term liability.

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

L. Accrued Liabilities and Long-Term Obligations

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

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

M. 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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

expenditure. Fund balance reserves have been established for encumbrances, unclaimed monies, loans to other funds and assets held for resale. Under Ohio law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years.

N. 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 refuse collection programs. Operating expenses are necessary costs incurred to provide the service for the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

O. Interfund Activity

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

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

P. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include the computerization of the mayor's court and federal emergency management services. The government-wide statement of net assets reports \$16,834,250 of restricted net assets, of which \$8,797,648 is restricted by enabling legislation.

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

Q. 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.

R. 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 Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

Note 3 – Fund Deficits

A. Fund Deficits

The Violence Against Women Act Grant special revenue fund, the Sanitary Storm Sewer capital projects fund and the Waterline Construction capital projects fund had deficit fund balances of \$16,607, \$298,125 and \$1,284,067 respectively. The deficit fund balance in the Violence Against Women Act Grant special revenue fund is due to the recognition of accrued liabilities. The general fund is liable for any deficit balance and provides operating transfers when cash is required, not when accruals occur.

The deficits in the capital projects funds arose from the requirement to report bond anticipation note liabilities in the fund which received the note proceeds. The deficits will be alleviated when the bonds are issued or when the notes are paid.

Note 4 - Budgetary Basis of Accounting

While the City is reporting financial position, results of operations, and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General and major special revenue funds 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 the GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Investments are reported at fair value (GAAP) rather than cost (budget).

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

| | Net Change in Fund Balances | | |
|---|-----------------------------|--------------------|-------------------------------------|
| | General | Fire Department | Street Repair and Maintenance |
| GAAP Basis | (\$1,020,684) | \$178,774 | (\$58,528) |
| Net Adjustment for Revenue Accruals | (134,245) | 6,157 | (24,658) |
| Advances In | 958,000 | 0 | 0 |
| Change in Fair Value of Investments | (1,133) | 0 | 0 |
| Net Adjustment for Expenditure Accruals | 160,022 | 40,453 | 126,115 |
| Advances Out | (239,992) | 0 | 0 |
| Adjustments for Encumbrances | (358,169) | (35,108) | (202,018) |
| Budget Basis | <u>(\$636,201)</u> | <u>\$190,276</u> | <u>(\$159,089)</u> |

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

Note 5 - Deposits and Investments

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

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

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

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

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

Interim monies may be deposited or invested in the following securities:

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

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

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

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. Historically, the City has not purchased these types of investments or issued these types of notes. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

Cash on Hand At year end, the City had \$1,850 in petty cash on hand which is included on the financial statements of the City as part of "equity in pooled cash and cash equivalents" and "cash and cash equivalents in segregated accounts."

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

Deposits At year end, the carrying amount of the City's deposits was \$12,302,235 and the bank balance was \$12,392,057. Of the bank balance:

1. \$433,465 was covered by federal depository insurance;
2. \$11,958,592 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

| | Category | | Carrying Amount | Fair Value |
|---------------------------------------|-----------------|--------------------|--------------------|--------------------|
| | 1 | 3 | | |
| Repurchase Agreement | | \$735,000 | \$735,000 | \$735,000 |
| Federal Home Loan Mortgage Bank Notes | | 1,996,367 | 1,996,367 | 1,996,367 |
| Investment in Brunswick City | | | | |
| Manuscript Bond | \$37,116 | 0 | 37,116 | 37,116 |
| STAROhio | 0 | 0 | 5,055,225 | 5,055,225 |
| Total Investments | <u>\$37,116</u> | <u>\$2,731,367</u> | <u>\$7,823,708</u> | <u>\$7,823,708</u> |

The classification of cash and cash equivalents, and investments on the basic financial statements is based on criteria set forth in GASB Statement No. 9. Cash and cash equivalents are defined as investments with an original maturity of three months or less. Reconciliation between the classification of cash and investments on the basic financial statements and the classifications per GASB Statement No. 3, is as follows:

| | Cash and Cash | |
|---------------------------------------|----------------------|--------------------|
| | Equivalents/Deposits | Investments |
| GASB Statement No. 9 | \$20,090,677 | \$37,116 |
| Investments: | | |
| Repurchase Agreement | (735,000) | 735,000 |
| Federal Home Loan Mortgage Bank Notes | (1,996,367) | 1,996,367 |
| STAROhio | (5,055,225) | 5,055,225 |
| Cash on Hand | (1,850) | 0 |
| GASB Statement No. 3 | <u>\$12,302,235</u> | <u>\$7,823,708</u> |

Note 6 - Receivables

Receivables at December 31, 2004, consisted primarily of municipal income taxes, property and other taxes, special assessments, intergovernmental receivables arising from grants, entitlements and shared revenues, interest, interfunds, loans to other funds, and accounts (billings for user charged services).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$1,577,766 in the special assessment bond retirement fund. The amount of delinquent special assessments outstanding at year-end is \$44,047.

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 2004 for real and public utility property taxes represents collections of 2003 taxes. Property tax payments received during 2004 for tangible personal property (other than public utility property) are for 2004 taxes.

2004 real property taxes are levied after October 1, 2004, on the assessed value as of January 1, 2004, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2004 real property taxes are collected in and intended to finance 2005.

Public utility real and tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2004 public utility property

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

taxes became a lien December 31, 2003, are levied after October 1, 2004, and are collected in 2005 with real property taxes.

2004 tangible personal property taxes are levied after October 1, 2003, on the value as of December 31, 2003. Collections are made in 2004. Tangible personal property assessments are 25 percent of true value for capital assets and 23 percent for inventories.

The full tax rate for all City operations for the year ended December 31, 2004, was \$3.35 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2004 property tax receipts were based are as follows:

| | <u>Assessed Value</u> |
|-------------------------|-----------------------|
| Real Estate | \$599,069,050 |
| Public Utility Property | 9,788,860 |
| Tangible Personal | 41,285,346 |
| Total Assessed Value | <u>\$650,143,256</u> |

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

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

The Medina County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Brunswick. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2004 and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since current taxes were not levied to finance 2004 operations and the collection of delinquent taxes during the available period is 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 the modified accrual basis the revenue is deferred.

B. Income Tax

The City levies a municipal income tax of 1.35 percent on salaries, wages, commissions and other compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. Residents of the City are granted a credit up to three-fourths of one percent for taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds for 2004, after income tax department expenditures, are credited to the following funds: 36.20 percent to the general fund, 29.75 percent to the fire special revenue fund, 13.00 percent to the street repair and maintenance special revenue fund, 13.40 percent to the police special revenue fund, 1.25 percent to the Brunswick Transit Alternative special revenue fund, 6.00 percent to the parks special revenue fund and 0.40 percent to the general obligation bond retirement debt service fund.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

C. Intergovernmental Receivables

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

| | Amounts |
|--------------------------------------|-------------|
| Local Government | \$534,418 |
| Gasoline Tax | 461,790 |
| Permissive Motor Vehicle License Tax | 203,827 |
| Grants | 152,767 |
| Motor Vehicle License Registration | 130,550 |
| Homestead and Rollback | 129,159 |
| Estate Tax | 128,435 |
| Deregulation Monies | 27,665 |
| Fines, Licenses and Fees | 11,606 |
| Total | \$1,780,217 |

Note 7 – Contractual Commitments

As of December 31, 2004, the City had the following contractual commitments:

| | Amount Remaining on Contract |
|---|------------------------------------|
| Francis Storm Sewer | \$1,095,756 |
| Brunswick Lake Dam | 484,442 |
| I-71 and 303 Interchange Northbound On-Ramp | 332,000 |
| Garfield McKinley Storm Sewer | 116,238 |
| Laurel Road West Improvements | 93,549 |
| Waterline Replacement | 88,475 |
| Winter Road Salt | 78,888 |
| Total | \$2,289,348 |

Note 8 - 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 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, 2004.

B. Litigation

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2004.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

Note 9 – Assets Held for Resale

Assets held for resale represents land near Brunswick Lake purchased by the City which will be sold for development purposes. During fiscal year 2004, the City reclassified approximately 4 acres of the land as park land and sold approximately 14 acres of the designated 51 acres of the Brunswick Lake land. The sale resulted in a gain on sale of assets held for resale of \$690,499. As of December 31, 2004 the City has 33 acres of land remaining which is being held for resale.

Note 10 - Capital Assets

Capital asset activity for the year ended December 31, 2004, was as follows:

| | Balance 12/31/03 | Additions | Deletions | Balance 12/31/04 |
|--|---------------------|----------------------|--------------------|---------------------|
| Governmental Activities | | | | |
| <i>Capital Assets, not being depreciated:</i> | | | | |
| Land | \$3,625,039 | \$208,865 | \$0 | \$3,833,904 |
| Construction in Progress | 862,712 | 3,744,664 | (90,818) | 4,516,558 |
| <i>Total Capital Assets, not being depreciated</i> | <u>4,487,751</u> | <u>3,953,529</u> | <u>(90,818)</u> | <u>8,350,462</u> |
| <i>Capital Assets, being depreciated:</i> | | | | |
| Land Improvements | 10,188 | 18,119 | 0 | 28,307 |
| Buildings and Improvements | 12,183,305 | 757,574 | 0 | 12,940,879 |
| Equipment, Machinery and Vehicles | 9,442,502 | 892,602 | (88,248) | 10,246,856 |
| Furniture and Fixtures | 420,357 | 20,551 | (4,409) | 436,499 |
| Infrastructure | | | | |
| Roads | 11,873,600 | 31,108 | 0 | 11,904,708 |
| Sidewalks | 1,010,227 | 59,710 | 0 | 1,069,937 |
| Storm Sewers | 13,037,140 | 0 | 0 | 13,037,140 |
| Waterlines | 9,998,225 | 0 | 0 | 9,998,225 |
| Bridges | 263,823 | 0 | 0 | 263,823 |
| Culverts | 1,821,670 | 0 | 0 | 1,821,670 |
| <i>Total Capital Assets, being depreciated</i> | <u>60,061,037</u> | <u>1,779,664</u> | <u>(92,657)</u> | <u>61,748,044</u> |
| Less Accumulated Depreciation: | | | | |
| Land Improvements | (1,217) | (862) | 0 | (2,079) |
| Buildings and Improvements | (4,617,560) | (344,811) | 0 | (4,962,371) |
| Equipment, Machinery and Vehicles | (5,918,678) | (805,576) | 74,646 | (6,649,608) |
| Furniture and Fixtures | (207,302) | (32,444) | 3,686 | (236,060) |
| Infrastructure | | | | |
| Roads | (3,988,733) | (396,824) | 0 | (4,385,557) |
| Sidewalks | (335,559) | (35,665) | 0 | (371,224) |
| Storm Sewers | (2,573,237) | (260,743) | 0 | (2,833,980) |
| Waterlines | (2,001,835) | (199,964) | 0 | (2,201,799) |
| Bridges | (48,243) | (6,596) | 0 | (54,839) |
| Culverts | (310,741) | (45,542) | 0 | (356,283) |
| Total Accumulation Depreciation | <u>(20,003,105)</u> | <u>(2,129,027) *</u> | <u>78,332</u> | <u>(22,053,800)</u> |
| Total Capital Assets being depreciated, net | <u>40,057,932</u> | <u>(349,363)</u> | <u>(14,325)</u> | <u>39,694,244</u> |
| Governmental Activities Capital Assets, Net | <u>\$44,545,683</u> | <u>\$3,604,166</u> | <u>(\$105,143)</u> | <u>\$48,044,706</u> |

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

| | Balance 12/31/03 | Additions | Deletions | Balance 12/31/04 |
|--|---------------------|------------------|----------------|---------------------|
| Business-Type Activities | | | | |
| <i>Capital Assets, being depreciated:</i> | | | | |
| Machinery, Equipment and Vehicles | \$60,610 | \$329,402 | (\$583) | \$389,429 |
| Furniture and Fixtures | 1,811 | 0 | 0 | 1,811 |
| <i>Total Capital Assets, being depreciated</i> | <u>62,421</u> | <u>329,402</u> | <u>(583)</u> | <u>391,240</u> |
| Less Accumulated Depreciation: | | | | |
| Machinery, Equipment and Vehicles | (47,070) | (11,437) | 350 | (58,157) |
| Furniture and Fixtures | (1,811) | 0 | 0 | (1,811) |
| Total Accumulation Depreciation | <u>(48,881)</u> | <u>(11,437)</u> | <u>350</u> | <u>(59,968)</u> |
| Business-Type Activities Capital Assets, Net | <u>\$13,540</u> | <u>\$317,965</u> | <u>(\$233)</u> | <u>\$331,272</u> |

* Depreciation expense was charged to governmental functions as follows:

| | |
|----------------------------------|--------------------|
| General Government | \$188,177 |
| Security of Persons and Property | 447,997 |
| Transportation | 690,879 |
| Community Environment | 388,600 |
| Public Health Services | 240,888 |
| Leisure Time Activities | 172,486 |
| Total Depreciation Expense | <u>\$2,129,027</u> |

Note 11 - Long-Term Obligations

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

| | Original Issue Date | Interest Rate | Original Issue Amount | Date of Maturity |
|---------------------------------|------------------------|------------------|--------------------------|---------------------|
| <i>General Obligation Bonds</i> | | | | |
| Community Recreation Center | 1998 | 4.75 to 6.00 % | \$3,050,000 | December 1, 2010 |
| Center Road Improvement | 1987 | 6.75 | 126,810 | December 1, 2007 |
| City Hall Expansion | 2003 | 4.00 to 5.75 | 935,000 | December 1, 2012 |
| <i>Special Assessment Bonds</i> | | | | |
| Laurel Road Improvement | 1984 | 10.37 | 415,700 | December 1, 2004 |
| Center Road Improvement | 1987 | 6.75 | 152,190 | December 1, 2007 |
| Cross Creek Improvement | 2003 | 4.00 to 5.75 | 426,000 | December 1, 2012 |
| Carpenter Road Improvement | 2003 | 4.00 to 6.75 | 49,000 | December 1, 2012 |
| Laurel Road West Waterline | 1994 | 5.25 to 9.50 | 315,000 | December 1, 2014 |
| Grafton Road Improvement | 1997 | 5.68 | 56,300 | December 1, 2018 |
| South Industrial Improvement | 1999 | 3.90 to 5.63 | 1,230,000 | December 1, 2019 |
| <i>Long Term Note</i> | | | | |
| Brunswick Lake Dam and Dredging | 2004 | 1.25 | 2,030,000 | April 7, 2005 |
| OPWC Loan | 1998 | 0.00 | 100,000 | December 1, 2007 |

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

A schedule of changes in bonds and other long-term obligations of the City during 2004 follows:

| | Amounts Outstanding 12/31/03 | Additions | Reductions | Amounts Outstanding 12/31/04 | Amounts Due in One Year |
|---|------------------------------------|--------------------|--------------------|------------------------------------|-------------------------------|
| <i>General Obligation Bonds:</i> | | | | | |
| <i>Voted:</i> | | | | | |
| Community Recreation Center Refunding Bonds | \$2,470,000 | \$0 | (\$310,000) | \$2,160,000 | \$335,000 |
| <i>Unvoted:</i> | | | | | |
| Center Road Improvement | 27,267 | 0 | (6,818) | 20,449 | 6,818 |
| Refunded City Hall Expansion | 838,000 | 0 | (77,000) | 761,000 | 82,000 |
| Unamortized Premium | 79,428 | 0 | (8,904) | 70,524 | 8,904 |
| Net Refunded City Hall Expansion | 917,428 | 0 | (85,904) | 831,524 | 90,904 |
| <i>Total General Obligation Bonds</i> | <u>3,414,695</u> | <u>0</u> | <u>(402,722)</u> | <u>3,011,973</u> | <u>432,722</u> |
| <i>Special Assessment Bonds:</i> | | | | | |
| Laurel Road Improvement | 25,000 | 0 | (25,000) | 0 | 0 |
| Center Road Improvement | 32,731 | 0 | (8,182) | 24,549 | 8,182 |
| Laurel Road West Waterline | 225,000 | 0 | (15,000) | 210,000 | 15,000 |
| Grafton Road Improvement | 39,833 | 0 | (2,717) | 37,116 | 2,717 |
| South Industrial Improvement | 1,075,000 | 0 | (45,000) | 1,030,000 | 45,000 |
| Refunded Cross Creek Improvement | 380,000 | 0 | (35,000) | 345,000 | 35,000 |
| Unamortized Premium | 36,597 | 0 | (4,103) | 32,494 | 4,103 |
| Net Cross Creek Improvement | 416,597 | 0 | (39,103) | 377,494 | 39,103 |
| Refunded Carpenter Road Improvement | 45,000 | 0 | (4,000) | 41,000 | 4,000 |
| Unamortized Premium | 4,321 | 0 | (484) | 3,837 | 484 |
| Net Carpenter Road Improvement | 49,321 | 0 | (4,484) | 44,837 | 4,484 |
| <i>Total Special Assessment Bonds</i> | <u>1,863,482</u> | <u>0</u> | <u>(139,486)</u> | <u>1,723,996</u> | <u>114,486</u> |
| <i>Long Term Notes:</i> | | | | | |
| \$2,030,000 2004 1.25% Brunswick Lake Dam and Dredging Notes | 0 | 2,030,000 | 0 | 2,030,000 | 2,030,000 |
| Compensated Absences | 305,445 | 81,559 | (12,238) | 374,766 | 52,242 |
| <i>OPWC Loans:</i> | | | | | |
| 1998 OPWC Loan 0% | 35,000 | 0 | (10,000) | 25,000 | 5,000 |
| 2004 OPWC Loan 0% | 0 | 126,176 | 0 | 126,176 | 0 |
| <i>Total OPWC Loans</i> | <u>35,000</u> | <u>126,176</u> | <u>(10,000)</u> | <u>151,176</u> | <u>5,000</u> |
| <i>Total Governmental Long-Term Liabilities</i> | <u>\$5,618,622</u> | <u>\$2,237,735</u> | <u>(\$564,446)</u> | <u>\$7,291,911</u> | <u>\$2,634,450</u> |
| <i>Business-Type Activities:</i> | | | | | |
| Compensated Absences | \$45 | \$32 | \$0 | \$77 | \$11 |

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

On April 7, 2004, the City issued \$2,030,000 in bond anticipation notes. \$1,230,000 was issued for the reconstruction of the dam at Brunswick Lake and \$800,000 was issued for the dredging and improving of Brunswick Lake.

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.

Compensated absences will be paid from the general fund, the fire department, street repair and maintenance, waterworks improvement, cable t.v., parks and recreational center special revenue funds and the refuse enterprise fund which are the funds from which the employees' salaries are paid. The OPWC loan will be paid with income tax proceeds in the street repair and maintenance special revenue fund.

The City's overall debt margin was \$59,098,014 and the unvoted legal debt margin was \$26,590,851 at December 31, 2004. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2004, are as follows:

| | General Obligation Bonds | | Special Assessment Bonds | | OPWC Loan | Total | |
|--------------|--------------------------|------------------|--------------------------|------------------|-----------------|--------------------|--------------------|
| | Principal | Interest | Principal | Interest | | Principal | Interest |
| 2005 | \$423,818 | \$161,801 | \$109,899 | \$93,311 | \$5,000 | \$538,717 | \$255,112 |
| 2006 | 414,815 | 142,148 | 114,899 | 87,827 | 10,000 | 539,714 | 229,975 |
| 2007 | 436,816 | 122,930 | 125,899 | 82,090 | 10,000 | 572,715 | 205,020 |
| 2008 | 455,000 | 98,470 | 122,717 | 75,799 | 0 | 577,717 | 174,269 |
| 2009 | 470,000 | 71,620 | 122,717 | 69,132 | 0 | 592,717 | 140,752 |
| 2010-2014 | 741,000 | 63,310 | 641,583 | 229,902 | 0 | 1,382,583 | 293,212 |
| 2015-2019 | 0 | 0 | 449,951 | 77,741 | 0 | 449,951 | 77,741 |
| Total | \$2,941,449 | \$660,279 | \$1,687,665 | \$715,802 | \$25,000 | \$4,654,114 | \$1,376,081 |

The City has entered into a contractual agreement for a construction loan from the Ohio Public Works Commission (OPWC). Under the terms of these agreements, the OPWC will reimburse, advance or directly pay the construction costs of approved projects. The OPWC will capitalize administrative costs and construction interest and add them to the total amount of the final loan. This loan will not have an accurate repayment schedule until the loan is finalized and, therefore, is not included in the schedule of future annual debt service requirements. The balance of this loan is \$126,176.

Note 12 – Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

The City served as the issuer of industrial development bonds for Fogg-Brunswick Center Limited Partnership in 1985, in the amount of \$2,550,000. The proceeds were used to acquire, construct, improve and equip facilities. Payments are made by the company to the trustee, First National Bank of Ohio, Akron, Ohio, in an amount equal to the debt principal and interest payment. The trustee then makes the principal and interest payments on the bonds. These bonds do not constitute a general obligation, debt or bonded indebtedness of the City. Neither the full faith and credit or taxing power of the City is pledged to make repayment. The principal outstanding at December 31, 2004, was \$1,291,626. The bonds fully mature in 2008.

Note 13 – Notes Payable

A summary of the note transactions for the year ended December 31, 2004, follows:

| | Outstanding 12/31/2003 | Issued | Retired | Outstanding 12/31/2004 |
|-------------------------------------|---------------------------|--------------------|--------------------|---------------------------|
| 1.25% Waterline Replacement Notes | \$2,100,000 | \$0 | \$2,100,000 | \$0 |
| 2.50% Waterline Replacement Notes | 0 | 1,500,000 | 0 | 1,500,000 |
| 1.40% Laurel Road Notes | 575,000 | 0 | 575,000 | 0 |
| 2.33% Laurel Road Notes | 0 | 575,000 | 0 | 575,000 |
| 1.25% Storm Sewer Replacement Notes | 1,500,000 | 0 | 1,500,000 | 0 |
| 2.50% Storm Sewer Replacement Notes | 0 | 2,600,000 | 0 | 2,600,000 |
| Total | <u>\$4,175,000</u> | <u>\$4,675,000</u> | <u>\$4,175,000</u> | <u>\$4,675,000</u> |

All of the notes are bond anticipation notes which are backed by the full faith and credit of the City. The Waterline Replacement notes and Storm Sewer Replacement notes mature May 26, 2005 and the Laurel Road notes mature October 6, 2005. The note liability is reflected in the fund which received the proceeds and will repay the debt.

Note 14 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has insurance coverage with Factory Mutual Insurance Company who provides the boiler coverage. The City's coverage for general liability, bodily injury and property damage to others, with Argonaut Insurance Company, is limited to \$1,000,000 per occurrence and has a \$2,000,000 aggregate limit per year. In addition, there is an excess umbrella coverage of \$10,000,000 for all liability coverage.

Errors and omissions for public officials and police professional liability, with Clarendon National Insurance Company are \$1,000,000 per occurrence and \$2,000,000 aggregate per year with a \$15,000 deductible for police professional liability and a \$10,000 deductible for all others. Vehicle coverage, with Argonaut Insurance Company, is limited to \$1,000,000 per each occurrence, no aggregate, with a \$10,000 liability deductible and a \$2,500 physical damage deductible for comprehensive and collision for all City vehicles.

Comprehensive crime is covered at \$100,000 for money and securities. The Computer Equipment coverage is \$805,000 with a \$1,000 deductible.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$14,335,690 with a \$10,000 blanket deductible. Inland marine coverage for all City property that moves has a limit of \$4,694,949 with a \$1,000 deductible.

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

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

Note 15 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System (OPERS)

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% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the year ended December 31, 2004, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The City's contribution rate for pension benefits for 2004 was 9.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 12.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2004, 2003, and 2002 were \$449,938, \$364,492 and \$345,888, respectively; 85.50 percent has been contributed for 2004 and 100 percent for 2003 and 2002. Contributions to the member-directed plan for 2004 were \$2,181 made by the City and \$1,368 made by the plan members.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 11.75 percent for police officers and 16.25 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$301,747 and \$266,205 for the year ended December 31, 2004, \$267,118 and \$243,824 for the year ended December 31, 2003 and \$245,412 and \$213,537 for the year ended December 31, 2002 equal to the required contributions for each year. The full amount has been contributed for 2003 and 2002. 72.32 percent and 70.48 percent, respectively, have been contributed for 2004 with the remainder being reported as a liability.

Note 16 - Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 4.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1.00 to 6.00 percent annually for the next eight years and 4.00 percent annually after eight years.

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

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund postemployment benefits were \$188,456. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets

City of Brunswick, Ohio
Notes to the Basic Financial Statements
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available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

B. Ohio Police and Fire Pension Fund

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

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2004. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2004 that were used to fund postemployment benefits were \$199,025 for police and \$126,959 for firefighters. The OP&F's total health care expense for the year ended December 31, 2003, (the latest information available) was \$150,853,148, which was net of member contributions of \$17,207,506. The number of OP&F participants eligible to receive health care benefits as of December 31, 2003, was 13,662 for police and 10,474 for firefighters.

Note 17 - 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. Outstanding unused vacation is reflected as vacation benefits payable on the statement of net assets.

Employees earn sick leave at the rate of 1.25 days per month of service. Sick leave accumulation is unlimited, but upon retirement or death, an employee can be paid twenty-five percent of accumulated, unused sick leave to a maximum of thirty days.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

B. Health and Life Insurance

The City provides health insurance through Medical Mutual to its employees. It also provides life insurance and accidental death and dismemberment insurance to its employees through Group Life Insurance. The option to select an HMO from Kaiser Permanente is provided to the employees and premiums are paid by the City.

Note 18 - Interfund Transfers and Balances

A. Transfers

Interfund transfers for the year ended December 31, 2004, consisted of the following:

| Transfer To | Transfer From |
|---------------------------------|-------------------------|
| | <u>General</u> |
| <i>Governmental Activities</i> | |
| Sanitary Storm Sewer | \$88,750 |
| Nonmajor Funds | <u>205,520</u> |
| Total Governmental Activities | 294,270 |
| <i>Business-Type Activities</i> | |
| Refuse | <u>40,000</u> |
| Total | <u><u>\$334,270</u></u> |

Transfers are used 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; and to segregate money for anticipated capital projects.

B. Balances

Interfund receivables and payables are due to the timing of the receipt of grant monies by the nonmajor funds. All interfund balances will be repaid within one year. Loans from other funds are due to the land held for resale for an industrial complex by the Brunswick Lake construction fund and were originally paid for by the general fund. Loans from other funds will be repaid in more than one year with the land proceeds after all contractual obligations are paid. Interfund balances at December 31, 2004, consist of the following:

City of Brunswick, Ohio
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For the Year Ended December, 31, 2004

| | Interfund Balances | |
|-----------------------------------|---------------------------|---------------------------|
| | December 31, 2004 | |
| | <u>Receivables</u> | <u>Payables</u> |
| MAJOR FUNDS | | |
| General Fund | \$2,711,941 | \$0 |
| <i>Capital Projects Fund:</i> | | |
| Brunswick Lake Construction | 0 | 2,031,000 |
| Total Major Funds | <u>2,711,941</u> | <u>2,031,000</u> |
| NONMAJOR FUNDS | | |
| <i>Special Revenue Funds:</i> | | |
| FEMA Grant | 0 | 46,750 |
| VAWA Grant | 0 | 27,750 |
| <i>Capital Projects Funds:</i> | | |
| Community Development Block Grant | 0 | 219,049 |
| Fireside Culverts | 0 | 212,392 |
| Road Improvement | 0 | 175,000 |
| Total Nonmajor Funds | <u>0</u> | <u>680,941</u> |
| Total All Funds | <u><u>\$2,711,941</u></u> | <u><u>\$2,711,941</u></u> |

Note 19 - Jointly Governed Organizations

A. Ohio Telecommunications Network Council

The City participates in the Ohio Telecommunications Network Council (Council), a regional council of governments formed under Chapter 167 of the Ohio Revised Code. The Council is governed by its membership, including six cities and villages. Each member's control over the operations of the Council is limited to its representation on the board. Currently, the Council is undertaking a joint program for the establishment and operation of a fiber optics telecommunications system. The membership approves its own budget and oversees accounting and finance related activities. During 2004, no contributions were made by the City of Brunswick. Financial information can be obtained by contacting the City of Bedford, 5661 Perkins Road, Bedford, Ohio 44146.

B. Southwest Council of Governments

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions, and regional development. The board is comprised of one member from each of the sixteen participating entities. The board exercises total 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 2004, the City contributed \$7,500 which represents 5.25 percent of total contributions.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

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

C. Northeast Ohio Public Energy Council

The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 112 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. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Brunswick did not contribute to NOPEC during 2004. Financial information can be obtained by contacting Joseph Migliorini, Board Chairman, 175 South Main Street, Akron, Ohio 44308.

D. Medway Drug Enforcement Agency

The Agency is an undercover investigative law enforcement agency, the objective of which is to remove illegal drugs from the community. The Agency is controlled by and is responsible to the Medway Council of Governments, which consists of two governing bodies: the General Assembly and the Governing Board. The General Assembly consists of a county commissioner, the City Manager of the City of Brunswick, and a representative of each township and village within the County. The Governing Board consists of the County Prosecutor and the County Sheriff, the Police Chief of the City of Brunswick, and one village chief of police chosen by a caucus of village chiefs of police. The degree of control exercised by the participating government is limited to its representation in the General Assembly and on the Board. The City of Brunswick contributed \$80,282 to Medway during 2004. The County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for the Agency.

Note 20 - Subsequent Event

On April 7, 2005, the City rolled over \$2,030,000 in bond anticipation notes. \$1,230,000 was issued for the reconstruction of the dam at Brunswick Lake and \$800,000 was issued for the dredging and improving of Brunswick Lake. Both issues had a 2.90 percent interest rate and matures in one year.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2004

Note 21 – Change in Accounting Principles

For 2004, the City has implemented GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units” and GASB Statement No. 46, “Net Assets Restricted by Enabling Legislation” and GASB Technical Bulletin No. 2004-2, “Recognition of Pension and Other Postemployment Benefit Expenditures/Expense and Liabilities by Cost-Sharing Employers.”

GASB Statement No. 39 states that entities for which a primary government is not financially accountable may still be reported as component units based on the nature and significance of their relationship with the primary government.

GASB Statement No. 46 clarifies how legal enforceability should be applied for restricted net assets.

GASB Technical Bulletin No. 2004-2 addresses the amount that should be recognized as expenditure/expense and as a liability each period by employers participating in a cost-sharing multiple-employer pension and other postemployment benefit (OPEB) plans.

The implementation of GASB Statement No. 39, GASB Statement No. 46 and GASB Technical Bulletin No. 2004-2 did not affect the presentation of the financial statements of the City.

**Combining Statements and
Individual Fund Schedules**

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

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

FEMA Grant Fund To account for federal grant monies which are used for emergency management services.

Violence Against Women Act Grant Fund To account for federal grant monies which are used to develop and strengthen effective law enforcement and prosecution strategies to combat violent crimes against women, and to develop and strengthen victim services in cases involving domestic violence crimes against women.

Police Fund To account for income tax proceeds which pays a portion of police department salaries.

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

State Highway Fund Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

Law Enforcement Fund To account for monies received from the sale or disposition of seized contraband. Expenditures from this fund are made for law enforcement purposes.

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

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

Waterworks Improvement Fund To account for waterline maintenance fees.

Cable T.V. Fund To account for cable franchise fees used for providing local programming.

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

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

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

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

Nonmajor Debt Service Fund

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

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

Nonmajor Capital Projects Funds

Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

Community Development Block Grant Fund To account for federal grant monies used for various capital projects of the City.

Fire Station Improvement Fund To account for the improvement of the fire station financed by taxes.

Capital Projects Fund To account for the various capital projects of the City financed by intergovernmental monies.

Traffic Control Equipment Fund To account for the purchase of traffic control equipment.

Park Development Fund To account for the acquisition and development of various City Parks and Public Square.

City Hall Expansion Fund To account for the expansion and improvement of City Hall.

Fireside Culverts Fund To account for transfers and Issue II monies used for the costs associated with culverts.

Road Improvement Fund To account for transfers, debt proceeds and grant monies used for improvements to various City roads.

Waterline Construction Fund To account for transfers, debt proceeds and grant monies used for the construction and improvement of waterlines.

City of Brunswick, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2004

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|-------------------------------------|--|--|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$2,272,918 | \$439,318 | \$6,541,775 | \$9,254,011 |
| Cash and Cash Equivalents: | | | | |
| With Fiscal Agents | 0 | 647 | 0 | 647 |
| Investments | 0 | 37,116 | 0 | 37,116 |
| Receivables: | | | | |
| Taxes | 844,151 | 453,749 | 0 | 1,297,900 |
| Accounts | 13,988 | 0 | 0 | 13,988 |
| Intergovernmental | 102,364 | 28,868 | 222,355 | 353,587 |
| Materials and Supplies Inventory | 23,862 | 0 | 0 | 23,862 |
| <i>Total Assets</i> | <u>\$3,257,283</u> | <u>\$959,698</u> | <u>\$6,764,130</u> | <u>\$10,981,111</u> |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts Payable | \$116,122 | \$0 | \$0 | \$116,122 |
| Contracts Payable | 31,198 | 0 | 134,730 | 165,928 |
| Accrued Wages and Benefits | 49,426 | 0 | 0 | 49,426 |
| Pension Obligation Payable | 18,544 | 0 | 0 | 18,544 |
| Notes Payable | 0 | 0 | 2,075,000 | 2,075,000 |
| Interfund Payable | 74,500 | 0 | 606,441 | 680,941 |
| Accrued Interest Payable | 0 | 0 | 34,476 | 34,476 |
| Deferred Revenue | 758,716 | 479,630 | 108,689 | 1,347,035 |
| Matured Interest Payable | 0 | 647 | 0 | 647 |
| <i>Total Liabilities</i> | <u>1,048,506</u> | <u>480,277</u> | <u>2,959,336</u> | <u>4,488,119</u> |
| Fund Balances | | | | |
| Reserved for Encumbrances | 253,529 | 0 | 665,117 | 918,646 |
| Unreserved, Undesignated, Reported in: | | | | |
| Special Revenue Funds | 1,955,248 | 0 | 0 | 1,955,248 |
| Debt Service Fund | 0 | 479,421 | 0 | 479,421 |
| Capital Projects Funds | 0 | 0 | 3,139,677 | 3,139,677 |
| <i>Total Fund Balances</i> | <u>2,208,777</u> | <u>479,421</u> | <u>3,804,794</u> | <u>6,492,992</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$3,257,283</u> | <u>\$959,698</u> | <u>\$6,764,130</u> | <u>\$10,981,111</u> |

City of Brunswick, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2004

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|-------------------------------------|--|--|
| Revenues | | | | |
| Property and Other Taxes | \$0 | \$427,987 | \$0 | \$427,987 |
| Municipal Income Tax | 1,648,000 | 31,922 | 0 | 1,679,922 |
| Charges for Services | 1,240,766 | 0 | 0 | 1,240,766 |
| Licenses, Permits and Fees | 284,776 | 0 | 157,710 | 442,486 |
| Fines and Forfeitures | 43,232 | 0 | 0 | 43,232 |
| Intergovernmental | 515,817 | 59,092 | 1,015,621 | 1,590,530 |
| Sales | 14,744 | 0 | 0 | 14,744 |
| Interest | 4,794 | 2,825 | 7,600 | 15,219 |
| Other | 16,737 | 0 | 0 | 16,737 |
| <i>Total Revenues</i> | <u>3,768,866</u> | <u>521,826</u> | <u>1,180,931</u> | <u>5,471,623</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 54,712 | 7,768 | 0 | 62,480 |
| Security of Persons and Property | 1,349,609 | 0 | 0 | 1,349,609 |
| Transportation | 431,843 | 0 | 0 | 431,843 |
| Community Environment | 386,653 | 0 | 0 | 386,653 |
| Public Health Services | 72,503 | 0 | 0 | 72,503 |
| Leisure Time Activities | 1,862,946 | 0 | 0 | 1,862,946 |
| Capital Outlay | 0 | 0 | 2,947,220 | 2,947,220 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 393,818 | 0 | 393,818 |
| Interest and Fiscal Charges | 0 | 161,442 | 57,247 | 218,689 |
| <i>Total Expenditures</i> | <u>4,158,266</u> | <u>563,028</u> | <u>3,004,467</u> | <u>7,725,761</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(389,400)</u> | <u>(41,202)</u> | <u>(1,823,536)</u> | <u>(2,254,138)</u> |
| Other Financing Sources | | | | |
| Proceeds of OPWC Loan | 0 | 0 | 126,176 | 126,176 |
| Transfers In | 148,731 | 0 | 56,789 | 205,520 |
| Total Other Financing Sources | <u>148,731</u> | <u>0</u> | <u>182,965</u> | <u>331,696</u> |
| <i>Net Change in Fund Balances</i> | (240,669) | (41,202) | (1,640,571) | (1,922,442) |
| <i>Fund Balances Beginning of Year</i> | <u>2,449,446</u> | <u>520,623</u> | <u>5,445,365</u> | <u>8,415,434</u> |
| <i>Fund Balances End of Year</i> | <u>\$2,208,777</u> | <u>\$479,421</u> | <u>\$3,804,794</u> | <u>\$6,492,992</u> |

City of Brunswick, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2004

| | Court Computerization | FEMA Grant | VAWA Grant | Police | State Highway | Law Enforcement |
|--|--------------------------|-----------------|-----------------|------------------|------------------|--------------------|
| Assets | | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$36,646 | \$83,147 | \$11,143 | \$0 | \$48,743 | \$26,209 |
| Receivables: | | | | | | |
| Taxes | 0 | 0 | 0 | 547,778 | 0 | 0 |
| Accounts | 0 | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental | 0 | 13,638 | 16,608 | 0 | 50,536 | 0 |
| Materials and Supplies Inventory | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$36,646</u> | <u>\$96,785</u> | <u>\$27,751</u> | <u>\$547,778</u> | <u>\$99,279</u> | <u>\$26,209</u> |
| Liabilities and Fund Balances | | | | | | |
| Liabilities | | | | | | |
| Accounts Payable | \$1,552 | \$0 | \$0 | \$0 | \$5,882 | \$0 |
| Contracts Payable | 0 | 0 | 0 | 0 | 0 | 0 |
| Accrued Wages and Benefits | 1,682 | 0 | 0 | 0 | 0 | 0 |
| Pension Obligation Payable | 664 | 0 | 0 | 0 | 0 | 0 |
| Interfund Payable | 0 | 46,750 | 27,750 | 0 | 0 | 0 |
| Deferred Revenue | 0 | 754 | 16,608 | 447,701 | 41,866 | 0 |
| <i>Total Liabilities</i> | <u>3,898</u> | <u>47,504</u> | <u>44,358</u> | <u>447,701</u> | <u>47,748</u> | <u>0</u> |
| Fund Balances: | | | | | | |
| Reserved for Encumbrances | 0 | 60,123 | 0 | 0 | 10,805 | 0 |
| Unreserved, Undesignated (Deficit) | 32,748 | (10,842) | (16,607) | 100,077 | 40,726 | 26,209 |
| <i>Total Fund Balances (Deficit)</i> | <u>32,748</u> | <u>49,281</u> | <u>(16,607)</u> | <u>100,077</u> | <u>51,531</u> | <u>26,209</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$36,646</u> | <u>\$96,785</u> | <u>\$27,751</u> | <u>\$547,778</u> | <u>\$99,279</u> | <u>\$26,209</u> |

| Brunswick Transit Alternative | Revolving Loan | Waterworks Improvement | Cable TV | Parks | Enforcement and Education | Community Recreation Center | Total Nonmajor Special Revenue Funds |
|-------------------------------------|-------------------|---------------------------|------------------|------------------|------------------------------|-----------------------------------|---|
| \$148,913 | \$407,469 | \$411,922 | \$790,072 | \$107,729 | \$29,782 | \$171,143 | \$2,272,918 |
| 51,099 | 0 | 0 | 0 | 245,274 | 0 | 0 | 844,151 |
| 0 | 0 | 13,988 | 0 | 0 | 0 | 0 | 13,988 |
| 21,582 | 0 | 0 | 0 | 0 | 0 | 0 | 102,364 |
| 0 | 0 | 0 | 0 | 21,842 | 0 | 2,020 | 23,862 |
| <u>\$221,594</u> | <u>\$407,469</u> | <u>\$425,910</u> | <u>\$790,072</u> | <u>\$374,845</u> | <u>\$29,782</u> | <u>\$173,163</u> | <u>\$3,257,283</u> |
| \$27,108 | \$0 | \$0 | \$5,115 | \$16,342 | \$0 | \$60,123 | \$116,122 |
| 0 | 31,198 | 0 | 0 | 0 | 0 | 0 | 31,198 |
| 515 | 0 | 0 | 7,062 | 16,316 | 0 | 23,851 | 49,426 |
| 191 | 0 | 0 | 2,007 | 7,054 | 0 | 8,628 | 18,544 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 74,500 |
| 51,324 | 0 | 0 | 0 | 200,463 | 0 | 0 | 758,716 |
| 79,138 | 31,198 | 0 | 14,184 | 240,175 | 0 | 92,602 | 1,048,506 |
| 13,940 | 85,040 | 286 | 1,248 | 33,481 | 0 | 48,606 | 253,529 |
| 128,516 | 291,231 | 425,624 | 774,640 | 101,189 | 29,782 | 31,955 | 1,955,248 |
| 142,456 | 376,271 | 425,910 | 775,888 | 134,670 | 29,782 | 80,561 | 2,208,777 |
| <u>\$221,594</u> | <u>\$407,469</u> | <u>\$425,910</u> | <u>\$790,072</u> | <u>\$374,845</u> | <u>\$29,782</u> | <u>\$173,163</u> | <u>\$3,257,283</u> |

City of Brunswick, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2004

| | Court Computerizatoin | FEMA Grant | VAWA Grant | Police | Drug Enforcement | State Highway |
|---|--------------------------|-----------------|-------------------|------------------|---------------------|------------------|
| Revenues | | | | | | |
| Municipal Income Tax | \$0 | \$0 | \$0 | \$1,069,404 | \$0 | \$0 |
| Charges for Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Licenses, Permits and Fees | 0 | 0 | 0 | 0 | 0 | 0 |
| Fines and Forfeitures | 29,175 | 0 | 0 | 0 | 0 | 8,285 |
| Intergovernmental | 0 | 112,252 | 11,143 | 0 | 80,281 | 102,780 |
| Sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Total Revenues</i> | <u>29,175</u> | <u>112,252</u> | <u>11,143</u> | <u>1,069,404</u> | <u>80,281</u> | <u>111,065</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government | 54,712 | 0 | 0 | 0 | 0 | 0 |
| Security of Persons and Property | 0 | 113,259 | 35,953 | 1,120,116 | 80,281 | 0 |
| Transportation | 0 | 0 | 0 | 0 | 0 | 92,034 |
| Community Environment | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Health Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Leisure Time Activities | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>54,712</u> | <u>113,259</u> | <u>35,953</u> | <u>1,120,116</u> | <u>80,281</u> | <u>92,034</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (25,537) | (1,007) | (24,810) | (50,712) | 0 | 19,031 |
| Other Financing Sources | | | | | | |
| Transfers In | 0 | 50,288 | 8,203 | 0 | 0 | 0 |
| <i>Net Change in Fund Balances</i> | (25,537) | 49,281 | (16,607) | (50,712) | 0 | 19,031 |
| <i>Fund Balances Beginning of Year</i> | <u>58,285</u> | <u>0</u> | <u>0</u> | <u>150,789</u> | <u>0</u> | <u>32,500</u> |
| <i>Fund Balances (Deficit) End of Year</i> | <u>\$32,748</u> | <u>\$49,281</u> | <u>(\$16,607)</u> | <u>\$100,077</u> | <u>\$0</u> | <u>\$51,531</u> |

| Law Enforcement | Brunswick Transit Alternative | Revolving Loan | Waterworks Improvement | Cable TV | Parks | Enforcement and Education | Community Recreation Center | Total Nonmajor Special Revenue Funds |
|-----------------|-------------------------------|------------------|------------------------|------------------|------------------|---------------------------|-----------------------------|--------------------------------------|
| \$0 | \$99,758 | \$0 | \$0 | \$0 | \$478,838 | \$0 | \$0 | \$1,648,000 |
| 0 | 7,424 | 0 | 138,480 | 0 | 2,777 | 0 | 1,092,085 | 1,240,766 |
| 0 | 0 | 0 | 0 | 284,776 | 0 | 0 | 0 | 284,776 |
| 0 | 0 | 0 | 0 | 0 | 0 | 5,772 | 0 | 43,232 |
| 0 | 209,361 | 0 | 0 | 0 | 0 | 0 | 0 | 515,817 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,744 | 14,744 |
| 0 | 0 | 4,794 | 0 | 0 | 0 | 0 | 0 | 4,794 |
| 0 | 0 | 0 | 0 | 0 | 2,482 | 0 | 14,255 | 16,737 |
| 0 | 316,543 | 4,794 | 138,480 | 284,776 | 484,097 | 5,772 | 1,121,084 | 3,768,866 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 54,712 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,349,609 |
| 0 | 339,809 | 0 | 0 | 0 | 0 | 0 | 0 | 431,843 |
| 0 | 0 | 39,734 | 0 | 346,919 | 0 | 0 | 0 | 386,653 |
| 0 | 0 | 0 | 72,503 | 0 | 0 | 0 | 0 | 72,503 |
| 0 | 0 | 0 | 0 | 0 | 611,202 | 0 | 1,251,744 | 1,862,946 |
| 0 | 339,809 | 39,734 | 72,503 | 346,919 | 611,202 | 0 | 1,251,744 | 4,158,266 |
| 0 | (23,266) | (34,940) | 65,977 | (62,143) | (127,105) | 5,772 | (130,660) | (389,400) |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90,240 | 148,731 |
| 0 | (23,266) | (34,940) | 65,977 | (62,143) | (127,105) | 5,772 | (40,420) | (240,669) |
| 26,209 | 165,722 | 411,211 | 359,933 | 838,031 | 261,775 | 24,010 | 120,981 | 2,449,446 |
| <u>\$26,209</u> | <u>\$142,456</u> | <u>\$376,271</u> | <u>\$425,910</u> | <u>\$775,888</u> | <u>\$134,670</u> | <u>\$29,782</u> | <u>\$80,561</u> | <u>\$2,208,777</u> |

City of Brunswick, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2004

| | <u>Community Development Block Grant</u> | <u>Fire Station Improvement</u> | <u>Capital Projects</u> | <u>Traffic Control Equipment</u> |
|--|--|-------------------------------------|-----------------------------|--|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$222,089 | \$2,243,417 | \$605,205 | \$86,709 |
| Intergovernmental Receivable | <u>2,490</u> | <u>0</u> | <u>122,358</u> | <u>0</u> |
| <i>Total Assets</i> | <u><u>\$224,579</u></u> | <u><u>\$2,243,417</u></u> | <u><u>\$727,563</u></u> | <u><u>\$86,709</u></u> |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Contracts Payable | \$0 | \$1,872 | \$0 | \$7,829 |
| Notes Payable | 0 | 0 | 0 | 0 |
| Interfund Payable | 219,049 | 0 | 0 | 0 |
| Accrued Interest Payable | 0 | 0 | 0 | 0 |
| Deferred Revenue | <u>2,490</u> | <u>0</u> | <u>104,105</u> | <u>0</u> |
| <i>Total Liabilities</i> | <u>221,539</u> | <u>1,872</u> | <u>104,105</u> | <u>7,829</u> |
| Fund Balances | | | | |
| Reserved for Encumbrances | 8,900 | 0 | 3,272 | 13,471 |
| Unreserved, Undesignated (Deficit) | <u>(5,860)</u> | <u>2,241,545</u> | <u>620,186</u> | <u>65,409</u> |
| <i>Total Fund Balances (Deficit)</i> | <u>3,040</u> | <u>2,241,545</u> | <u>623,458</u> | <u>78,880</u> |
| <i>Total Liabilities and Fund Balances</i> | <u><u>\$224,579</u></u> | <u><u>\$2,243,417</u></u> | <u><u>\$727,563</u></u> | <u><u>\$86,709</u></u> |

| <u>Park Development</u> | <u>City Hall Expansion</u> | <u>Fireside Culverts</u> | <u>Road Improvement</u> | <u>Waterline Construction</u> | <u>Total Nonmajor Capital Projects Funds</u> |
|-----------------------------|--------------------------------|------------------------------|-----------------------------|-----------------------------------|--|
| \$753,557 | \$561,387 | \$365,272 | \$1,456,280 | \$247,859 | \$6,541,775 |
| <u>0</u> | <u>0</u> | <u>37,894</u> | <u>59,613</u> | <u>0</u> | <u>222,355</u> |
| <u>\$753,557</u> | <u>\$561,387</u> | <u>\$403,166</u> | <u>\$1,515,893</u> | <u>\$247,859</u> | <u>\$6,764,130</u> |
| \$0 | \$20,608 | \$36,880 | \$66,971 | \$570 | \$134,730 |
| 0 | 0 | 0 | 575,000 | 1,500,000 | 2,075,000 |
| 0 | 0 | 212,392 | 175,000 | 0 | 606,441 |
| 0 | 0 | 0 | 3,120 | 31,356 | 34,476 |
| 0 | 0 | 0 | 2,094 | 0 | 108,689 |
| <u>0</u> | <u>20,608</u> | <u>249,272</u> | <u>822,185</u> | <u>1,531,926</u> | <u>2,959,336</u> |
| 41,670 | 1,500 | 29,452 | 478,947 | 87,905 | 665,117 |
| <u>711,887</u> | <u>539,279</u> | <u>124,442</u> | <u>214,761</u> | <u>(1,371,972)</u> | <u>3,139,677</u> |
| <u>753,557</u> | <u>540,779</u> | <u>153,894</u> | <u>693,708</u> | <u>(1,284,067)</u> | <u>3,804,794</u> |
| <u>\$753,557</u> | <u>\$561,387</u> | <u>\$403,166</u> | <u>\$1,515,893</u> | <u>\$247,859</u> | <u>\$6,764,130</u> |

City of Brunswick, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2004

| | <u>Community Development Block Grant</u> | <u>Fire Station Improvement</u> | <u>Capital Projects</u> | <u>Traffic Control Equipment</u> |
|---|--|-------------------------------------|-----------------------------|--|
| Revenues | | | | |
| Licenses, Permits and Fees | \$0 | \$0 | \$0 | \$0 |
| Intergovernmental | 123,990 | 0 | 246,343 | 0 |
| Interest | <u>0</u> | <u>7,600</u> | <u>0</u> | <u>0</u> |
| <i>Total Revenues</i> | <u>123,990</u> | <u>7,600</u> | <u>246,343</u> | <u>0</u> |
| Expenditures | | | | |
| Capital Outlay | 87,444 | 1,872 | 36,728 | 144,846 |
| Debt Service: | | | | |
| Interest and Fiscal Charges | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>87,444</u> | <u>1,872</u> | <u>36,728</u> | <u>144,846</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>36,546</u> | <u>5,728</u> | <u>209,615</u> | <u>(144,846)</u> |
| Other Financing Sources | | | | |
| Proceeds of OPWC Loan | 0 | 0 | 0 | 0 |
| Transfers In | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Other Financing Sources | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Net Change in Fund Balances</i> | 36,546 | 5,728 | 209,615 | (144,846) |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>(33,506)</u> | <u>2,235,817</u> | <u>413,843</u> | <u>223,726</u> |
| <i>Fund Balances (Deficit) End of Year</i> | <u><u>\$3,040</u></u> | <u><u>\$2,241,545</u></u> | <u><u>\$623,458</u></u> | <u><u>\$78,880</u></u> |

| <u>Park Development</u> | <u>City Hall Expansion</u> | <u>Fireside Culverts</u> | <u>Road Improvement</u> | <u>Waterline Construction</u> | <u>Total Nonmajor Capital Projects Funds</u> |
|-----------------------------|--------------------------------|------------------------------|-----------------------------|-----------------------------------|--|
| \$157,710 | \$0 | \$0 | \$0 | \$0 | \$157,710 |
| 0 | 0 | 44,064 | 601,224 | 0 | 1,015,621 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>7,600</u> |
| <u>157,710</u> | <u>0</u> | <u>44,064</u> | <u>601,224</u> | <u>0</u> | <u>1,180,931</u> |
| 321,800 | 583,419 | 284,029 | 261,072 | 1,226,010 | 2,947,220 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>15,320</u> | <u>41,927</u> | <u>57,247</u> |
| <u>321,800</u> | <u>583,419</u> | <u>284,029</u> | <u>276,392</u> | <u>1,267,937</u> | <u>3,004,467</u> |
| <u>(164,090)</u> | <u>(583,419)</u> | <u>(239,965)</u> | <u>324,832</u> | <u>(1,267,937)</u> | <u>(1,823,536)</u> |
| 0 | 0 | 126,176 | 0 | 0 | 126,176 |
| <u>0</u> | <u>0</u> | <u>17,839</u> | <u>38,950</u> | <u>0</u> | <u>56,789</u> |
| <u>0</u> | <u>0</u> | <u>144,015</u> | <u>38,950</u> | <u>0</u> | <u>182,965</u> |
| <u>(164,090)</u> | <u>(583,419)</u> | <u>(95,950)</u> | <u>363,782</u> | <u>(1,267,937)</u> | <u>(1,640,571)</u> |
| <u>917,647</u> | <u>1,124,198</u> | <u>249,844</u> | <u>329,926</u> | <u>(16,130)</u> | <u>5,445,365</u> |
| <u>\$753,557</u> | <u>\$540,779</u> | <u>\$153,894</u> | <u>\$693,708</u> | <u>(\$1,284,067)</u> | <u>\$3,804,794</u> |

Fund Descriptions - Fiduciary Funds

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

Agency Funds

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

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

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

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

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

City of Brunswick, Ohio
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2004

| | Performance Bond | Family Violence | Recreational Programs |
|---|---------------------|--------------------|--------------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$578,647 | \$3,307 | \$1,030 |
| Cash and Cash Equivalents in Segregated Accounts | 27,109 | 0 | 0 |
| <i>Total Assets</i> | <u>\$605,756</u> | <u>\$3,307</u> | <u>\$1,030</u> |
| Liabilities | | | |
| Undistributed Assets | <u>\$605,756</u> | <u>\$3,307</u> | <u>\$1,030</u> |

(continued)

City of Brunswick, Ohio
Combining Statement of Assets and Liabilities
Agency Funds (continued)
December 31, 2004

| | Flex Spending | Total |
|---|------------------|------------------|
| Assets | | |
| Equity in Pooled Cash and Cash Equivalents | \$3,334 | \$586,318 |
| Cash and Cash Equivalents in Segregated Accounts | 0 | 27,109 |
| <i>Total Assets</i> | <u>\$3,334</u> | <u>\$613,427</u> |
| Liabilities | | |
| Undistributed Assets | <u>\$3,334</u> | <u>\$613,427</u> |

City of Brunswick, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2004

| | Beginning Balance 12/31/03 | Additions | Deductions | Ending Balance 12/31/04 |
|---|----------------------------------|------------------|------------------|-------------------------------|
| <i>Performance Bond</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$672,700 | \$178,207 | \$272,260 | \$578,647 |
| Cash and Cash Equivalents in Segregated Accounts | 162,893 | 27,109 | 162,893 | 27,109 |
| <i>Total Assets</i> | <u>\$835,593</u> | <u>\$205,316</u> | <u>\$435,153</u> | <u>\$605,756</u> |
| Liabilities | | | | |
| Undistributed Assets | <u>\$835,593</u> | <u>\$205,316</u> | <u>\$435,153</u> | <u>\$605,756</u> |
| <i>Family Violence</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$3,307</u> | <u>\$0</u> | <u>\$0</u> | <u>\$3,307</u> |
| Liabilities | | | | |
| Undistributed Assets | <u>\$3,307</u> | <u>\$0</u> | <u>\$0</u> | <u>\$3,307</u> |
| <i>Recreational Programs</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$1,030</u> | <u>\$0</u> | <u>\$0</u> | <u>\$1,030</u> |
| Liabilities | | | | |
| Undistributed Assets | <u>\$1,030</u> | <u>\$0</u> | <u>\$0</u> | <u>\$1,030</u> |
| <i>Flex Spending</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$2,289</u> | <u>\$46,444</u> | <u>\$45,399</u> | <u>\$3,334</u> |
| Liabilities | | | | |
| Undistributed Assets | <u>\$2,289</u> | <u>\$46,444</u> | <u>\$45,399</u> | <u>\$3,334</u> |

(continued)

City of Brunswick, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2004

| | Beginning Balance 12/31/03 | Additions | Deductions | Ending Balance 12/31/04 |
|---|----------------------------------|------------------|------------------|-------------------------------|
| <i>Total - All Agency Funds</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$679,326 | \$224,651 | \$317,659 | \$586,318 |
| Cash and Cash Equivalents in Segregated Accounts | 162,893 | 27,109 | 162,893 | 27,109 |
| <i>Total Assets</i> | <u>\$842,219</u> | <u>\$251,760</u> | <u>\$480,552</u> | <u>\$613,427</u> |
| Liabilities | | | | |
| Undistributed Assets | <u>\$842,219</u> | <u>\$251,760</u> | <u>\$480,552</u> | <u>\$613,427</u> |

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

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-----------------------------|------------------|-------------|-------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Property and Other Taxes | \$1,371,837 | \$1,447,848 | \$1,483,255 | \$35,407 |
| Municipal Income Tax | 2,667,763 | 3,099,869 | 3,176,519 | 76,650 |
| Charges for Services | 201,165 | 211,203 | 191,333 | (19,870) |
| Licenses, Permits and Fees | 697,043 | 735,665 | 730,717 | (4,948) |
| Fines and Forfeitures | 373,808 | 394,520 | 389,650 | (4,870) |
| Intergovernmental | 1,392,905 | 1,470,083 | 1,399,405 | (70,678) |
| Interest | 216,061 | 228,033 | 245,706 | 17,673 |
| Contributions and Donations | 19,992 | 21,100 | 21,099 | (1) |
| Other | 23,792 | 25,110 | 23,833 | (1,277) |
| <i>Total Revenues</i> | 6,964,366 | 7,633,431 | 7,661,517 | 28,086 |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| City Manager: | | | | |
| Salaries and Wages | 131,463 | 135,147 | 134,974 | 173 |
| Fringe Benefits | 38,714 | 43,489 | 42,452 | 1,037 |
| Purchased Services | 5,253 | 5,400 | 5,010 | 390 |
| Materials and Supplies | 1,167 | 1,200 | 1,016 | 184 |
| Capital Outlay | 765 | 786 | 695 | 91 |
| <i>Total City Manager</i> | 177,362 | 186,022 | 184,147 | 1,875 |
| City Council: | | | | |
| Salaries and Wages | 132,171 | 135,875 | 134,510 | 1,365 |
| Fringe Benefits | 39,786 | 44,773 | 42,480 | 2,293 |
| Purchased Services | 4,794 | 4,928 | 4,247 | 681 |
| Materials and Supplies | 4,523 | 4,650 | 3,959 | 691 |
| Capital Outlay | 10,812 | 11,115 | 9,525 | 1,590 |
| <i>Total City Council</i> | 192,086 | 201,341 | 194,721 | 6,620 |
| Mayor's Court: | | | | |
| Salaries and Wages | 40,234 | 41,362 | 38,985 | 2,377 |
| Fringe Benefits | 11,365 | 13,025 | 10,638 | 2,387 |
| Purchased Services | 18,596 | 19,117 | 17,450 | 1,667 |
| Materials and Supplies | 3,273 | 3,365 | 2,681 | 684 |
| Capital Outlay | 3,332 | 3,425 | 614 | 2,811 |
| <i>Total Mayor's Court</i> | 76,800 | 80,294 | 70,368 | 9,926 |
| Commemorative Affairs: | | | | |
| Materials and Supplies | \$54,371 | \$55,895 | \$38,077 | \$17,818 |

(continued)

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|-------------------------------|------------------|------------------|------------------|---|
| | Original | Final | Actual | |
| Finance Office: | | | | |
| Salaries and Wages | \$227,092 | \$233,456 | \$233,414 | \$42 |
| Fringe Benefits | 56,553 | 64,303 | 63,622 | 681 |
| Purchased Services | 9,883 | 10,160 | 6,384 | 3,776 |
| Materials and Supplies | 6,451 | 6,632 | 6,083 | 549 |
| Capital Outlay | 5,593 | 5,750 | 222 | 5,528 |
| Total Finance Office | 305,572 | 320,301 | 309,725 | 10,576 |
| Service Director: | | | | |
| Salaries and Wages | 117,572 | 120,867 | 120,825 | 42 |
| Fringe Benefits | 31,468 | 35,785 | 35,110 | 675 |
| Purchased Services | 2,742 | 2,819 | 2,601 | 218 |
| Materials and Supplies | 777 | 799 | 617 | 182 |
| Capital Outlay | 12,305 | 12,650 | 12,436 | 214 |
| Total Service Director | 164,864 | 172,920 | 171,589 | 1,331 |
| Income Tax: | | | | |
| Salaries and Wages | 162,303 | 166,851 | 163,850 | 3,001 |
| Fringe Benefits | 92,396 | 101,036 | 99,474 | 1,562 |
| Purchased Services | 28,544 | 29,344 | 26,467 | 2,877 |
| Materials and Supplies | 19,103 | 19,638 | 19,409 | 229 |
| Capital Outlay | 444 | 456 | 276 | 180 |
| Total Income Tax | 302,790 | 317,325 | 309,476 | 7,849 |
| Law Director: | | | | |
| Salaries and Wages | 141,163 | 145,119 | 135,264 | 9,855 |
| Fringe Benefits | 36,597 | 43,882 | 43,608 | 274 |
| Purchased Services | 147,064 | 151,185 | 143,518 | 7,667 |
| Materials and Supplies | 827 | 850 | 482 | 368 |
| Capital Outlay | 4,013 | 4,125 | 3,177 | 948 |
| Total Law Director | 329,664 | 345,161 | 326,049 | 19,112 |
| Engineer: | | | | |
| Salaries and Wages | 43,266 | 44,479 | 44,479 | 0 |
| Fringe Benefits | 11,520 | 15,294 | 15,294 | 0 |
| Purchased Services | 197,385 | 202,917 | 184,788 | 18,129 |
| Materials and Supplies | 12,546 | 12,898 | 9,671 | 3,227 |
| Capital Outlay | 6,371 | 6,550 | 1,437 | 5,113 |
| Total Engineer | \$271,088 | \$282,138 | \$255,669 | \$26,469 |

(continued)

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|------------------|---|
| | Original | Final | | |
| Purchasing and Human Relations: | | | | |
| Salaries and Wages | \$64,418 | \$66,223 | \$65,701 | \$522 |
| Fringe Benefits | 16,535 | 18,872 | 18,204 | 668 |
| Purchased Services | 14,007 | 14,400 | 5,303 | 9,097 |
| Materials and Supplies | 1,945 | 2,000 | 1,481 | 519 |
| Capital Outlay | 3,186 | 3,275 | 2,722 | 553 |
| Total Purchasing and Human Relations | 100,091 | 104,770 | 93,411 | 11,359 |
| Information Systems: | | | | |
| Salaries and Wages | 70,825 | 72,810 | 72,737 | 73 |
| Fringe Benefits | 18,001 | 21,246 | 19,659 | 1,587 |
| Purchased Services | 6,838 | 7,030 | 4,205 | 2,825 |
| Materials and Supplies | 710 | 730 | 616 | 114 |
| Capital Outlay | 56,159 | 57,733 | 49,356 | 8,377 |
| Total Information Systems | 152,533 | 159,549 | 146,573 | 12,976 |
| Land and Buildings: | | | | |
| Purchased Services | 7,094 | 7,293 | 5,414 | 1,879 |
| Materials and Supplies | 11,145 | 11,457 | 10,472 | 985 |
| Capital Outlay | 57,361 | 58,969 | 50,656 | 8,313 |
| Total Land and Buildings | 75,600 | 77,719 | 66,542 | 11,177 |
| Board and Commissions: | | | | |
| Salaries and Wages | 11,631 | 11,957 | 11,742 | 215 |
| Fringe Benefits | 4,543 | 5,412 | 2,350 | 3,062 |
| Purchased Services | 25,194 | 25,900 | 16,465 | 9,435 |
| Materials and Supplies | 10,705 | 11,005 | 6,561 | 4,444 |
| Capital Outlay | 1,070 | 1,100 | 0 | 1,100 |
| Total Board and Commissions | 53,143 | 55,374 | 37,118 | 18,256 |
| Safety Director: | | | | |
| Salaries and Wages | 82,613 | 84,928 | 83,386 | 1,542 |
| Fringe Benefits | 23,835 | 26,978 | 26,978 | 0 |
| Purchased Services | 12,090 | 12,429 | 11,942 | 487 |
| Materials and Supplies | 293 | 300 | 123 | 177 |
| Capital Outlay | 3,113 | 3,200 | 935 | 2,265 |
| Total Safety Director | \$121,944 | \$127,835 | \$123,364 | \$4,471 |

(continued)

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|-----------|-----------|---|
| | Original | Final | | |
| Administrative Support: | | | | |
| Fringe Benefits | \$803,403 | \$825,918 | \$823,403 | \$2,515 |
| Purchased Services | 979,348 | 1,006,514 | 773,051 | 233,463 |
| Materials and Supplies | 25,543 | 26,259 | 23,447 | 2,812 |
| Capital Outlay | 5,928 | 6,094 | 6,094 | 0 |
| Total Administrative Support | 1,814,222 | 1,864,785 | 1,625,995 | 238,790 |
| Total General Government | 4,192,130 | 4,351,429 | 3,952,824 | 398,605 |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| Salaries and Wages | 1,879,292 | 1,931,959 | 1,833,796 | 98,163 |
| Fringe Benefits | 924,779 | 1,019,196 | 993,880 | 25,316 |
| Purchased Services | 295,626 | 303,911 | 257,595 | 46,316 |
| Materials and Supplies | 48,536 | 49,896 | 40,755 | 9,141 |
| Capital Outlay | 436,756 | 448,996 | 420,320 | 28,676 |
| Total Police | 3,584,989 | 3,753,958 | 3,546,346 | 207,612 |
| Animal Control: | | | | |
| Salaries and Wages | 25,557 | 26,273 | 26,273 | 0 |
| Fringe Benefits | 4,396 | 5,235 | 4,237 | 998 |
| Purchased Services | 3,959 | 4,070 | 3,837 | 233 |
| Materials and Supplies | 2,439 | 2,507 | 2,092 | 415 |
| Capital Outlay | 7,296 | 7,500 | 0 | 7,500 |
| Total Animal Control | 43,647 | 45,585 | 36,439 | 9,146 |
| Total Security of Persons and Property | 3,628,636 | 3,799,543 | 3,582,785 | 216,758 |
| Community Environment: | | | | |
| Planning and Zoning: | | | | |
| Salaries and Wages | 63,537 | 65,318 | 65,291 | 27 |
| Fringe Benefits | 20,857 | 24,909 | 24,269 | 640 |
| Purchased Services | 40,334 | 41,464 | 40,424 | 1,040 |
| Materials and Supplies | 58,545 | 60,186 | 59,748 | 438 |
| Capital Outlay | 2,116 | 2,175 | 1,973 | 202 |
| Total Planning and Zoning | \$185,389 | \$194,052 | \$191,705 | \$2,347 |

(continued)

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-------------------------------------|------------------|------------------|-----------------|---|
| | Original | Final | | |
| Building: | | | | |
| Salaries and Wages | \$325,734 | \$334,863 | \$334,791 | \$72 |
| Fringe Benefits | 77,606 | 90,641 | 90,018 | 623 |
| Purchased Services | 86,003 | 88,413 | 78,154 | 10,259 |
| Materials and Supplies | 6,809 | 7,000 | 3,121 | 3,879 |
| Capital Outlay | 229,173 | 235,596 | 77,713 | 157,883 |
| Total Building | 725,325 | 756,513 | 583,797 | 172,716 |
| Economic Development: | | | | |
| Salaries and Wages | 50,816 | 52,240 | 52,169 | 71 |
| Fringe Benefits | 17,227 | 19,219 | 19,023 | 196 |
| Purchased Services | 3,747 | 3,852 | 1,987 | 1,865 |
| Materials and Supplies | 672 | 690 | 393 | 297 |
| Capital Outlay | 1,848 | 1,900 | 1,790 | 110 |
| Total Economic Development | 74,310 | 77,901 | 75,362 | 2,539 |
| Total Community Environment | 985,024 | 1,028,466 | 850,864 | 177,602 |
| Public Health Services: | | | | |
| Cemetery: | | | | |
| Purchased Services | 49,598 | 50,988 | 41,235 | 9,753 |
| Materials and Supplies | 289 | 297 | 297 | 0 |
| Total Public Health Services | 49,887 | 51,285 | 41,532 | 9,753 |
| Leisure Time Activities: | | | | |
| Recreation Center: | | | | |
| Salaries and Wages | 65,125 | 66,950 | 66,890 | 60 |
| Fringe Benefits | 16,812 | 19,062 | 17,772 | 1,290 |
| Purchased Services | 4,472 | 4,597 | 4,355 | 242 |
| Materials and Supplies | 1,362 | 1,400 | 884 | 516 |
| Capital Outlay | 535 | 550 | 103 | 447 |
| Total Recreation Center | \$88,306 | \$92,559 | \$90,004 | \$2,555 |

(continued)

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Senior Citizens: | | | | |
| Salaries and Wages | \$28,764 | \$29,570 | \$28,751 | \$819 |
| Fringe Benefits | 4,706 | 8,118 | 7,786 | 332 |
| Purchased Services | 156,744 | 161,137 | 126,006 | 35,131 |
| Materials and Supplies | 1,216 | 1,250 | 1,004 | 246 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Total Senior Citizens | 191,430 | 200,075 | 163,547 | 36,528 |
| Total Leisure Time Activities | 279,736 | 292,634 | 253,551 | 39,083 |
| <i>Total Expenditures</i> | <i>9,135,413</i> | <i>9,523,357</i> | <i>8,681,556</i> | <i>841,801</i> |
| <i>Excess of Revenues</i> | | | | |
| <i>Under Expenditures</i> | <i>(2,171,047)</i> | <i>(1,889,926)</i> | <i>(1,020,039)</i> | <i>869,887</i> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 0 | 0 | 100 | 100 |
| Advances In | 1,011,030 | 1,067,049 | 958,000 | (109,049) |
| Advances Out | (348,991) | (358,771) | (239,992) | 118,779 |
| Transfers Out | (408,360) | (539,271) | (334,270) | 205,001 |
| <i>Total Other Financing Sources (Uses)</i> | <i>253,679</i> | <i>169,007</i> | <i>383,838</i> | <i>214,831</i> |
| <i>Net Change in Fund Balance</i> | <i>(1,917,368)</i> | <i>(1,720,919)</i> | <i>(636,201)</i> | <i>1,084,718</i> |
| <i>Fund Balance Beginning of Year</i> | <i>3,835,434</i> | <i>3,835,434</i> | <i>3,835,434</i> | <i>0</i> |
| Prior Year Encumbrances Appropriated | 156,201 | 156,201 | 156,201 | 0 |
| <i>Fund Balance End of Year</i> | <i>\$2,074,267</i> | <i>\$2,270,716</i> | <i>\$3,355,434</i> | <i>\$1,084,718</i> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Municipal Income Tax | \$2,209,902 | \$2,312,799 | \$2,366,028 | \$53,229 |
| Charges for Services | 493,639 | 516,150 | 542,559 | 26,409 |
| Intergovernmental | 9,086 | 9,500 | 9,503 | 3 |
| Contributions and Donations | 5,356 | 5,600 | 8,093 | 2,493 |
| Other | 13,562 | 14,180 | 14,135 | (45) |
| <i>Total Revenues</i> | <u>2,731,545</u> | <u>2,858,229</u> | <u>2,940,318</u> | <u>82,089</u> |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property | | | | |
| Fire Department: | | | | |
| Salaries and Wages | 1,587,503 | 1,618,316 | 1,616,619 | 1,697 |
| Fringe Benefits | 861,689 | 878,414 | 868,152 | 10,262 |
| Purchased Services | 212,859 | 216,991 | 201,124 | 15,867 |
| Materials and Supplies | 39,783 | 40,555 | 35,732 | 4,823 |
| Capital Outlay | 70,319 | 72,589 | 28,415 | 44,174 |
| <i>Total Expenditures</i> | <u>2,772,153</u> | <u>2,826,865</u> | <u>2,750,042</u> | <u>76,823</u> |
| <i>Net Change in Fund Balance</i> | (40,608) | 31,364 | 190,276 | 158,912 |
| <i>Fund Balance Beginning of Year</i> | 638,002 | 638,002 | 638,002 | 0 |
| Prior Year Encumbrances Appropriated | 5,944 | 5,944 | 5,944 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$603,338</u> | <u>\$675,310</u> | <u>\$834,222</u> | <u>\$158,912</u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Repair and Maintenance Fund
For the Year Ended December 31, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Municipal Income Tax | \$974,472 | \$1,031,615 | \$1,033,895 | \$2,280 |
| Charges for Services | 12,705 | 13,450 | 13,684 | 234 |
| Intergovernmental | 1,130,460 | 1,196,751 | 1,249,764 | 53,013 |
| Other | 9,635 | 10,200 | 10,189 | (11) |
| <i>Total Revenues</i> | <u>2,127,272</u> | <u>2,252,016</u> | <u>2,307,532</u> | <u>55,516</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| Street Department: | | | | |
| Salaries and Wages | 853,706 | 913,596 | 901,057 | 12,539 |
| Fringe Benefits | 396,315 | 424,118 | 400,786 | 23,332 |
| Purchased Services | 632,903 | 677,303 | 628,821 | 48,482 |
| Materials and Supplies | 364,238 | 389,790 | 380,636 | 9,154 |
| Capital Outlay | 153,170 | 163,916 | 145,321 | 18,595 |
| Total Transportation | 2,400,332 | 2,568,723 | 2,456,621 | 112,102 |
| Debt Service: | | | | |
| Principal Retirement | 10,000 | 10,000 | 10,000 | 0 |
| <i>Total Expenditures</i> | <u>2,410,332</u> | <u>2,578,723</u> | <u>2,466,621</u> | <u>112,102</u> |
| <i>Net Change in Fund Balance</i> | (283,060) | (326,707) | (159,089) | 167,618 |
| <i>Fund Balance Beginning of Year</i> | 982,052 | 982,052 | 982,052 | 0 |
| Prior Year Encumbrances Appropriated | 63,067 | 63,067 | 63,067 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$762,059</u> | <u>\$718,412</u> | <u>\$886,030</u> | <u>\$167,618</u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|---|
| Revenues | | | |
| Special Assessments | \$212,145 | \$134,899 | (\$77,246) |
| Interest | 1,600 | 77,100 | 75,500 |
| <i>Total Revenues</i> | <u>213,745</u> | <u>211,999</u> | <u>(1,746)</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Purchased Services | 5,835 | 4,421 | 1,414 |
| Debt Service: | | | |
| Principal Retirement - Laurel | 25,000 | 25,000 | 0 |
| Principal Retirement - Center | 8,182 | 8,182 | 0 |
| Principal Retirement - Crosscreek | 35,000 | 35,000 | 0 |
| Principal Retirement - Carpenter | 4,000 | 4,000 | 0 |
| Principal Retirement - Lwest Waterline | 15,000 | 15,000 | 0 |
| Principal Retirement - Grafton III | 2,717 | 2,717 | 0 |
| Principal Retirement - South Industrial Park | 45,000 | 45,000 | 0 |
| Total Principal Retirement | <u>134,899</u> | <u>134,899</u> | <u>0</u> |
| Interest and Fiscal Charges - Laurel | 2,594 | 2,594 | 0 |
| Interest and Fiscal Charges - Center | 2,209 | 2,209 | 0 |
| Interest and Fiscal Charges - Crosscreek | 19,213 | 19,213 | 0 |
| Interest and Fiscal Charges - Carpenter | 2,278 | 2,278 | 0 |
| Interest and Fiscal Charges - Lwest Waterline | 14,078 | 14,078 | 0 |
| Interest and Fiscal Charges - Grafton III | 2,177 | 2,177 | 0 |
| Interest and Fiscal Charges - South Industrial Park | 58,744 | 58,744 | 0 |
| Total Interest and Fiscal Charges | <u>101,293</u> | <u>101,293</u> | <u>0</u> |
| Total Debt Service | <u>236,192</u> | <u>236,192</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>242,027</u> | <u>240,613</u> | <u>1,414</u> |
| <i>Net Change in Fund Balance</i> | (28,282) | (28,614) | (332) |
| <i>Fund Balance Beginning of Year</i> | <u>349,047</u> | <u>349,047</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$320,765</u> | <u>\$320,433</u> | <u>(\$332)</u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Brunswick Lake Construction Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|-------------|---|
| Revenues | | | |
| Interest | \$5,800 | \$5,751 | (\$49) |
| Other | 250 | 253 | 3 |
| <i>Total Revenues</i> | 6,050 | 6,004 | (46) |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | 2,279,837 | 1,727,830 | 552,007 |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (2,273,787) | (1,721,826) | 551,961 |
| Other Financing Sources (Uses) | | | |
| Sale of Assets Held for Resale | 3,755,217 | 1,384,988 | (2,370,229) |
| Advances Out | (2,957,000) | (926,000) | 2,031,000 |
| Note Proceeds | 2,030,000 | 2,030,000 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | 2,828,217 | 2,488,988 | (339,229) |
| <i>Net Change in Fund Balance</i> | 554,430 | 767,162 | 212,732 |
| <i>Fund Balance Beginning of Year</i> | 216,366 | 216,366 | 0 |
| Prior Year Encumbrances Appropriated | 10,997 | 10,997 | 0 |
| <i>Fund Balance End of Year</i> | \$781,793 | \$994,525 | \$212,732 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sanitary Storm Sewer Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|-------------|---|
| Revenues | | | |
| Intergovernmental | \$639,705 | \$75,939 | (\$563,766) |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | 3,539,637 | 1,615,628 | 1,924,009 |
| Debt Service: | | | |
| Principal Retirement | 1,500,000 | 1,500,000 | 0 |
| Interest and Fiscal Charges | 83,750 | 18,698 | 65,052 |
| Total Debt Service | 1,583,750 | 1,518,698 | 65,052 |
| <i>Total Expenditures</i> | 5,123,387 | 3,134,326 | 1,989,061 |
| <i>Excess of Revenues</i> <i>Under Expenditures</i> | (4,483,682) | (3,058,387) | 1,425,295 |
| Other Financing Sources | | | |
| Notes Issued | 2,600,000 | 2,600,000 | 0 |
| Transfers In | 378,967 | 88,750 | (290,217) |
| <i>Total Other Financing Sources</i> | 2,978,967 | 2,688,750 | (290,217) |
| <i>Net Change in Fund Balance</i> | (1,504,715) | (369,637) | 1,135,078 |
| <i>Fund Balance Beginning of Year</i> | 1,542,413 | 1,542,413 | 0 |
| Prior Year Encumbrances Appropriated | 97,018 | 97,018 | 0 |
| <i>Fund Balance End of Year</i> | \$134,716 | \$1,269,794 | \$1,135,078 |

City of Brunswick, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Refuse Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--------------------------------------|-------------------------|-------------------------|---|
| Revenues | | | |
| Charges for Services | \$1,615,200 | \$1,540,658 | (\$74,542) |
| Other | 448 | 455 | 7 |
| <i>Total Revenues</i> | <u>1,615,648</u> | <u>1,541,113</u> | <u>(74,535)</u> |
| Expenses | | | |
| Salaries and Wages | 72,728 | 72,639 | 89 |
| Fringe Benefits | 36,192 | 26,379 | 9,813 |
| Purchased Services | 1,656,571 | 1,627,782 | 28,789 |
| Materials and Supplies | 4,575 | 3,804 | 771 |
| Capital Outlay | 362,000 | 329,402 | 32,598 |
| <i>Total Expenses</i> | <u>2,132,066</u> | <u>2,060,006</u> | <u>72,060</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenses</i> | (516,418) | (518,893) | (2,475) |
| Transfers In | 40,000 | 40,000 | 0 |
| <i>Net Change in Fund Equity</i> | (476,418) | (478,893) | (2,475) |
| <i>Fund Equity Beginning of Year</i> | <u>608,914</u> | <u>608,914</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$132,496</u></u> | <u><u>\$130,021</u></u> | <u><u>(\$2,475)</u></u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computerization Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Fines and Forfeitures | \$28,415 | \$29,175 | \$760 |
| Expenditures | | | |
| Current: | | | |
| General Government: | | | |
| Court Computerization: | | | |
| Salaries and Wages | 41,462 | 41,447 | 15 |
| Fringe Benefits | 16,614 | 10,237 | 6,377 |
| Purchased Services | 1,000 | 225 | 775 |
| Materials and Supplies | 500 | 336 | 164 |
| Capital Outlay | 13,650 | 0 | 13,650 |
| <i>Total Expenditures</i> | 73,226 | 52,245 | 20,981 |
| <i>Net Change in Fund Balance</i> | (44,811) | (23,070) | 21,741 |
| <i>Fund Balance Beginning of Year</i> | 59,649 | 59,649 | 0 |
| <i>Fund Balance End of Year</i> | \$14,838 | \$36,579 | \$21,741 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
FEMA Grant Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Intergovernmental | \$264,897 | \$99,368 | (\$165,529) |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property: | | | |
| Federal Emergency Management: | | | |
| Salaries and Wages | 12,557 | 9,627 | 2,930 |
| Fringe Benefits | 4,400 | 2,570 | 1,830 |
| Purchased Services | 18,931 | 16,247 | 2,684 |
| Materials and Supplies | 6,605 | 197 | 6,408 |
| Capital Outlay | 340,932 | 144,741 | 196,191 |
| <i>Total Expenditures</i> | 383,425 | 173,382 | 210,043 |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (118,528) | (74,014) | 44,514 |
| Other Financing Sources | | | |
| Advances In | 0 | 46,750 | 46,750 |
| Transfers In | 118,528 | 50,288 | (68,240) |
| <i>Total Other Financing Sources</i> | 118,528 | 97,038 | (21,490) |
| <i>Net Change in Fund Balance</i> | 0 | 23,024 | 23,024 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$23,024 | \$23,024 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
VAWA Grant Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|----------|---|
| Revenues | | | |
| Intergovernmental | \$27,750 | \$11,143 | (\$16,607) |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property: | | | |
| Federal Emergency Management: | | | |
| Salaries and Wages | 18,903 | 18,903 | 0 |
| Fringe Benefits | 800 | 800 | 0 |
| Purchased Services | 14,750 | 14,750 | 0 |
| Materials and Supplies | 1,500 | 1,500 | 0 |
| <i>Total Expenditures</i> | 35,953 | 35,953 | 0 |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (8,203) | (24,810) | (16,607) |
| Other Financing Sources (Uses) | | | |
| Advances In | 27,750 | 27,750 | 0 |
| Advances Out | (27,750) | 0 | 27,750 |
| Transfers In | 8,203 | 8,203 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | 8,203 | 35,953 | 27,750 |
| <i>Net Change in Fund Balance</i> | 0 | 11,143 | 11,143 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$11,143 | \$11,143 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|-------------|---|
| Revenues | | | |
| Municipal Income Tax | \$1,136,731 | \$1,065,707 | (\$71,024) |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property: | | | |
| Police: | | | |
| Salaries and Wages | 1,191,140 | 1,120,116 | 71,024 |
| <i>Net Change in Fund Balance</i> | (54,409) | (54,409) | 0 |
| <i>Fund Balance Beginning of Year</i> | 54,409 | 54,409 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$0 | \$0 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Enforcement Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Intergovernmental | \$92,000 | \$80,281 | (\$11,719) |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property: | | | |
| Drug Enforcement: | | | |
| Purchased Services | 92,000 | 80,281 | 11,719 |
| <i>Net Change in Fund Balance</i> | 0 | 0 | 0 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$0 | \$0 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------------|------------------------|---|
| Revenues | | | |
| Fines and Forfeitures | \$7,500 | \$8,285 | \$785 |
| Intergovernmental | 97,081 | 101,071 | 3,990 |
| <i>Total Revenues</i> | <u>104,581</u> | <u>109,356</u> | <u>4,775</u> |
| Expenditures | | | |
| Current: | | | |
| Transportation: | | | |
| State Highway: | | | |
| Salaries and Wages | 25,400 | 25,400 | 0 |
| Purchased Services | 58,350 | 54,349 | 4,001 |
| Materials and Supplies | 25,000 | 25,000 | 0 |
| <i>Total Expenditures</i> | <u>108,750</u> | <u>104,749</u> | <u>4,001</u> |
| <i>Net Change in Fund Balance</i> | (4,169) | 4,607 | 8,776 |
| <i>Fund Balance Beginning of Year</i> | 26,100 | 26,100 | 0 |
| Prior Year Encumbrances Appropriated | <u>1,350</u> | <u>1,350</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$23,281</u></u> | <u><u>\$32,057</u></u> | <u><u>\$8,776</u></u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Fines and Forfeitures | \$1,500 | \$0 | (\$1,500) |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property: | | | |
| Law Enforcement: | | | |
| Capital Outlay | 1,000 | 0 | 1,000 |
| <i>Net Change in Fund Balance</i> | 500 | 0 | (500) |
| <i>Fund Balance Beginning of Year</i> | 26,209 | 26,209 | 0 |
| <i>Fund Balance End of Year</i> | \$26,709 | \$26,209 | (\$500) |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Brunswick Transit Alternative Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|---|
| Revenues | | | |
| Municipal Income Tax | \$99,193 | \$99,413 | \$220 |
| Charges for Services | 7,500 | 7,424 | (76) |
| Intergovernmental | 441,022 | 208,906 | (232,116) |
| <i>Total Revenues</i> | <u>547,715</u> | <u>315,743</u> | <u>(231,972)</u> |
| Expenditures | | | |
| Current: | | | |
| Transportation: | | | |
| Brunswick Transit Alternative: | | | |
| Salaries and Wages | 11,241 | 11,241 | 0 |
| Fringe Benefits | 2,493 | 2,362 | 131 |
| Purchased Services | 361,709 | 351,925 | 9,784 |
| Materials and Supplies | 500 | 0 | 500 |
| Capital Outlay | 450,000 | 5,600 | 444,400 |
| <i>Total Expenditures</i> | <u>825,943</u> | <u>371,128</u> | <u>454,815</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (278,228) | (55,385) | 222,843 |
| Other Financing Sources | | | |
| Transfers In | 225,000 | 0 | (225,000) |
| <i>Net Change in Fund Balance</i> | (53,228) | (55,385) | (2,157) |
| <i>Fund Balance Beginning of Year</i> | 129,933 | 129,933 | 0 |
| Prior Year Encumbrances Appropriated | 35,289 | 35,289 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$111,994</u> | <u>\$109,837</u> | <u>(\$2,157)</u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Revolving Loan Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|-----------|---|
| Revenues | | | |
| Interest | \$0 | \$5,610 | \$5,610 |
| Other | 0 | 2,647 | 2,647 |
| <i>Total Revenues</i> | 0 | 8,257 | 8,257 |
| Expenditures | | | |
| Current: | | | |
| Community Environment: | | | |
| Revolving Loan: | | | |
| Capital Outlay | 149,000 | 137,274 | 11,726 |
| <i>Net Change in Fund Balance</i> | (149,000) | (129,017) | 19,983 |
| <i>Fund Balance Beginning of Year</i> | 420,248 | 420,248 | 0 |
| <i>Fund Balance End of Year</i> | \$271,248 | \$291,231 | \$19,983 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Waterworks Improvement Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|-----------|---|
| Revenues | | | |
| Charges for Services | \$156,810 | \$138,515 | (\$18,295) |
| Expenditures | | | |
| Current: | | | |
| Public Health Services: | | | |
| Waterworks Improvement: | | | |
| Salaries and Wages | 50,309 | 43,900 | 6,409 |
| Fringe Benefits | 9,524 | 9,202 | 322 |
| Purchased Services | 15,585 | 13,452 | 2,133 |
| Materials and Supplies | 1,000 | 332 | 668 |
| Capital Outlay | 14,967 | 6,200 | 8,767 |
| <i>Total Expenditures</i> | 91,385 | 73,086 | 18,299 |
| <i>Net Change in Fund Balance</i> | 65,425 | 65,429 | 4 |
| <i>Fund Balance Beginning of Year</i> | 340,006 | 340,006 | 0 |
| Prior Year Encumbrances Appropriated | 6,200 | 6,200 | 0 |
| <i>Fund Balance End of Year</i> | \$411,631 | \$411,635 | \$4 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cable TV Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|-----------|---|
| Revenues | | | |
| Licenses, Permits and Fees | \$284,775 | \$284,776 | \$1 |
| Expenditures | | | |
| Current: | | | |
| Community Environment: | | | |
| Cable TV: | | | |
| Salaries and Wages | 116,102 | 116,101 | 1 |
| Fringe Benefits | 105,397 | 45,169 | 60,228 |
| Purchased Services | 24,350 | 15,399 | 8,951 |
| Materials and Supplies | 5,250 | 3,448 | 1,802 |
| Capital Outlay | 184,333 | 164,663 | 19,670 |
| <i>Total Expenditures</i> | 435,432 | 344,780 | 90,652 |
| <i>Net Change in Fund Balance</i> | (150,657) | (60,004) | 90,653 |
| <i>Fund Balance Beginning of Year</i> | 847,243 | 847,243 | 0 |
| Prior Year Encumbrances Appropriated | 783 | 783 | 0 |
| <i>Fund Balance End of Year</i> | \$697,369 | \$788,022 | \$90,653 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------------|------------------------|---|
| Revenues | | | |
| Municipal Income Tax | \$476,130 | \$477,182 | \$1,052 |
| Charges for Services | 2,777 | 2,777 | 0 |
| Other | 2,483 | 2,482 | (1) |
| <i>Total Revenues</i> | <u>481,390</u> | <u>482,441</u> | <u>1,051</u> |
| Expenditures | | | |
| Current: | | | |
| Leisure Time Activities: | | | |
| Parks: | | | |
| Salaries and Wages | 329,270 | 328,949 | 321 |
| Fringe Benefits | 146,379 | 146,366 | 13 |
| Purchased Services | 80,352 | 77,954 | 2,398 |
| Materials and Supplies | 41,655 | 40,431 | 1,224 |
| Capital Outlay | 42,290 | 42,290 | 0 |
| <i>Total Expenditures</i> | <u>639,946</u> | <u>635,990</u> | <u>3,956</u> |
| <i>Net Change in Fund Balance</i> | (158,556) | (153,549) | 5,007 |
| <i>Fund Balance Beginning of Year</i> | 222,043 | 222,043 | 0 |
| Prior Year Encumbrances Appropriated | <u>3,077</u> | <u>3,077</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$66,564</u></u> | <u><u>\$71,571</u></u> | <u><u>\$5,007</u></u> |

City of Brunswick, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2004*

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Fines and Forfeitures | \$15,000 | \$5,772 | (\$9,228) |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property: | | | |
| Enforcement and Education: | | | |
| Capital Outlay | 15,000 | 0 | 15,000 |
| <i>Net Change in Fund Balance</i> | 0 | 5,772 | 5,772 |
| <i>Fund Balance Beginning of Year</i> | 24,010 | 24,010 | 0 |
| <i>Fund Balance End of Year</i> | \$24,010 | \$29,782 | \$5,772 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Recreation Center Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|------------------------|---|
| Revenues | | | |
| Charges for Services | \$1,083,750 | \$1,092,085 | \$8,335 |
| Sales | 14,750 | 14,744 | (6) |
| Other | 14,700 | 14,255 | (445) |
| <i>Total Revenues</i> | <u>1,113,200</u> | <u>1,121,084</u> | <u>7,884</u> |
| Expenditures | | | |
| Current: | | | |
| Leisure Time Activities: | | | |
| Community Recreation: | | | |
| Salaries and Wages | 525,437 | 525,107 | 330 |
| Fringe Benefits | 181,796 | 175,294 | 6,502 |
| Purchased Services | 517,000 | 492,099 | 24,901 |
| Materials and Supplies | 77,500 | 67,309 | 10,191 |
| Capital Outlay | 35,800 | 34,127 | 1,673 |
| <i>Total Expenditures</i> | <u>1,337,533</u> | <u>1,293,936</u> | <u>43,597</u> |
| <i>Excess of Revenues</i> | | | |
| <i> Under Expenditures</i> | (224,333) | (172,852) | 51,481 |
| Other Financing Sources | | | |
| Transfers In | 200,000 | 90,240 | (109,760) |
| <i>Net Change in Fund Balance</i> | (24,333) | (82,612) | (58,279) |
| <i>Fund Balance Beginning of Year</i> | <u>179,763</u> | <u>179,763</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$155,430</u></u> | <u><u>\$97,151</u></u> | <u><u>(\$58,279)</u></u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|---|
| Revenues | | | |
| Property and Other Taxes | \$414,900 | \$427,987 | \$13,087 |
| Municipal Income Tax | 31,742 | 31,812 | 70 |
| Intergovernmental | 59,356 | 59,092 | (264) |
| Interest | 2,900 | 2,825 | (75) |
| <i>Total Revenues</i> | <u>508,898</u> | <u>521,716</u> | <u>12,818</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Purchased Services | 29,890 | 7,768 | 22,122 |
| Debt Service: | | | |
| Principal Retirement - Community Recreation Center | 310,000 | 310,000 | 0 |
| Principal Retirement - Center Road Improvement | 6,818 | 6,818 | 0 |
| Principal Retirement - City Hall | 77,000 | 77,000 | 0 |
| Total Principal Retirement | <u>393,818</u> | <u>393,818</u> | <u>0</u> |
| Interest and Fiscal Charges - Community Recreation Center | 136,075 | 136,075 | 0 |
| Interest and Fiscal Charges - Hadcock Road Improvement | 45,000 | 0 | 45,000 |
| Interest and Fiscal Charges - Center Road Improvement | 1,841 | 1,841 | 0 |
| Interest and Fiscal Charges - City Hall | 42,150 | 42,150 | 0 |
| Total Interest and Fiscal Charges | <u>225,066</u> | <u>180,066</u> | <u>45,000</u> |
| Total Debt Service | <u>618,884</u> | <u>573,884</u> | <u>45,000</u> |
| <i>Total Expenditures</i> | <u>648,774</u> | <u>581,652</u> | <u>67,122</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (139,876) | (59,936) | 79,940 |
| Other Financing Sources | | | |
| Notes Premium | 18,624 | 18,624 | 0 |
| <i>Net Change in Fund Balance</i> | (121,252) | (41,312) | 79,940 |
| <i>Fund Balance Beginning of Year</i> | 518,393 | 518,393 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$397,141</u> | <u>\$477,081</u> | <u>\$79,940</u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|-----------|---|
| Revenues | | | |
| Intergovernmental | \$413,500 | \$180,000 | (\$233,500) |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | 322,862 | 99,224 | 223,638 |
| <i>Excess of Revenues</i> | | | |
| <i>Over Expenditures</i> | 90,638 | 80,776 | (9,862) |
| Other Financing Sources (Uses) | | | |
| Advances In | 110,000 | 110,000 | 0 |
| Advances Out | (219,049) | 0 | 219,049 |
| <i>Total Other Financing Sources (Uses)</i> | (109,049) | 110,000 | 219,049 |
| <i>Net Change in Fund Balance</i> | (18,411) | 190,776 | 209,187 |
| <i>Fund Balance Beginning of Year</i> | 20,886 | 20,886 | 0 |
| Prior Year Encumbrances Appropriated | 1,528 | 1,528 | 0 |
| <i>Fund Balance End of Year</i> | \$4,003 | \$213,190 | \$209,187 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Station Improvement Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|---------------------------|---------------------------|---|
| Revenues | | | |
| Interest | \$8,000 | \$7,600 | (\$400) |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | <u>50,000</u> | <u>4,983</u> | <u>45,017</u> |
| <i>Net Change in Fund Balance</i> | (42,000) | 2,617 | 44,617 |
| <i>Fund Balance Beginning of Year</i> | <u>2,240,800</u> | <u>2,240,800</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$2,198,800</u></u> | <u><u>\$2,243,417</u></u> | <u><u>\$44,617</u></u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|-----------|---|
| Revenues | | | |
| Intergovernmental | \$244,700 | \$244,716 | \$16 |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | 58,790 | 40,000 | 18,790 |
| <i>Net Change in Fund Balance</i> | 185,910 | 204,716 | 18,806 |
| <i>Fund Balance Beginning of Year</i> | 397,217 | 397,217 | 0 |
| <i>Fund Balance End of Year</i> | \$583,127 | \$601,933 | \$18,806 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Traffic Control Equipment Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------------|------------------------|---|
| Revenues | \$0 | \$0 | \$0 |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | <u>194,484</u> | <u>158,317</u> | <u>36,167</u> |
| <i>Net Change in Fund Balance</i> | (194,484) | (158,317) | 36,167 |
| <i>Fund Balance Beginning of Year</i> | <u>223,726</u> | <u>223,726</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$29,242</u></u> | <u><u>\$65,409</u></u> | <u><u>\$36,167</u></u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Development Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-------------------------|---|
| Revenues | | | |
| Licenses, Permits and Fees | \$215,000 | \$157,710 | (\$57,290) |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | <u>376,505</u> | <u>363,470</u> | <u>13,035</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (161,505) | (205,760) | (44,255) |
| Other Financing Uses | | | |
| Transfers Out | <u>(66,108)</u> | <u>0</u> | <u>66,108</u> |
| <i>Net Change in Fund Balance</i> | (227,613) | (205,760) | 21,853 |
| <i>Fund Balance Beginning of Year</i> | 908,551 | 908,551 | 0 |
| Prior Year Encumbrances Appropriated | <u>9,096</u> | <u>9,096</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$690,034</u></u> | <u><u>\$711,887</u></u> | <u><u>\$21,853</u></u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Hall Expansion Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-------------------------|---|
| Revenues | \$0 | \$0 | \$0 |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | <u>592,826</u> | <u>582,769</u> | <u>10,057</u> |
| <i>Net Change in Fund Balance</i> | (592,826) | (582,769) | 10,057 |
| <i>Fund Balance Beginning of Year</i> | 1,122,899 | 1,122,899 | 0 |
| Prior Year Encumbrances Appropriated | <u>2,400</u> | <u>2,400</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$532,473</u></u> | <u><u>\$542,530</u></u> | <u><u>\$10,057</u></u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fireside Culverts Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|---|
| Revenues | | | |
| Intergovernmental | \$58,400 | \$6,170 | (\$52,230) |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | 358,221 | 313,481 | 44,740 |
| Debt Service: | | | |
| Principal Retirement | 189,200 | 0 | 189,200 |
| <i>Total Expenditures</i> | <u>547,421</u> | <u>313,481</u> | <u>233,940</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | <u>(489,021)</u> | <u>(307,311)</u> | <u>181,710</u> |
| Other Financing Sources (Uses) | | | |
| Proceeds of OPWC Loan | 189,200 | 126,176 | (63,024) |
| Advances In | 55,492 | 55,492 | 0 |
| Transfers In | 67,816 | 17,839 | (49,977) |
| Transfers Out | <u>(156,900)</u> | <u>0</u> | <u>156,900</u> |
| <i>Total Other Financing Sources (Uses)</i> | <u>155,608</u> | <u>199,507</u> | <u>43,899</u> |
| <i>Net Change in Fund Balance</i> | (333,413) | (107,804) | 225,609 |
| <i>Fund Balance Beginning of Year</i> | 240,889 | 240,889 | 0 |
| Prior Year Encumbrances Appropriated | <u>165,855</u> | <u>165,855</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$73,331</u> | <u>\$298,940</u> | <u>\$225,609</u> |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Improvement Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|-------------|---|
| Revenues | | | |
| Intergovernmental | \$2,726,272 | \$543,705 | (\$2,182,567) |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | 5,482,434 | 1,077,897 | 4,404,537 |
| Debt Service: | | | |
| Principal Retirement | 575,000 | 575,000 | 0 |
| Interest and Fiscal Charges | 24,050 | 12,200 | 11,850 |
| Total Debt Service | 599,050 | 587,200 | 11,850 |
| <i>Total Expenditures</i> | 6,081,484 | 1,665,097 | 4,416,387 |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (3,355,212) | (1,121,392) | 2,233,820 |
| Other Financing Sources (Uses) | | | |
| Notes Issued | 2,394,563 | 575,000 | (1,819,563) |
| Advances Out | (32,000) | (32,000) | 0 |
| Transfers In | 53,950 | 38,950 | (15,000) |
| Transfers Out | (285,000) | 0 | 285,000 |
| <i>Total Other Financing Sources (Uses)</i> | 2,131,513 | 581,950 | (1,549,563) |
| <i>Net Change in Fund Balance</i> | (1,223,699) | (539,442) | 684,257 |
| <i>Fund Balance Beginning of Year</i> | 502,186 | 502,186 | 0 |
| Prior Year Encumbrances Appropriated | 947,619 | 947,619 | 0 |
| <i>Fund Balance End of Year</i> | \$226,106 | \$910,363 | \$684,257 |

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Waterline Construction Fund
For the Year Ended December 31, 2004

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|-------------|---|
| Revenues | \$0 | \$0 | \$0 |
| Expenditures | | | |
| Capital Outlay: | | | |
| Capital Outlay | 1,389,333 | 1,313,915 | 75,418 |
| Debt Service: | | | |
| Principal Retirement | 2,100,000 | 2,100,000 | 0 |
| Interest and Fiscal Charges | 26,250 | 26,177 | 73 |
| Total Debt Service | 2,126,250 | 2,126,177 | 73 |
| <i>Total Expenditures</i> | 3,515,583 | 3,440,092 | 75,491 |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (3,515,583) | (3,440,092) | 75,491 |
| Other Financing Sources | | | |
| Note Proceeds | 1,500,000 | 1,500,000 | 0 |
| <i>Net Change in Fund Balance</i> | (2,015,583) | (1,940,092) | 75,491 |
| <i>Fund Balance Beginning of Year</i> | 920,417 | 920,417 | 0 |
| Prior Year Encumbrances Appropriated | 1,179,059 | 1,179,059 | 0 |
| <i>Fund Balance End of Year</i> | \$83,893 | \$159,384 | \$75,491 |

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Statistical Section

City of Brunswick, Ohio
*Governmental Activities Revenues by Source
and Expenses by Function (1)*
Last Three Years

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|------------------------------------|---------------------|---------------------|---------------------|
| Program Revenues | | | |
| Charges for Services and Sales | \$3,441,399 | \$2,844,016 | \$2,850,287 |
| Operating Grants and Contributions | 1,945,181 | 1,550,608 | 1,638,566 |
| Capital Grants and Contributions | 1,137,855 | 1,051,604 | 755,058 |
| General Revenues | | | |
| Property and Other Taxes | 1,897,175 | 1,895,291 | 1,838,865 |
| Municipal Income Taxes | 8,637,284 | 8,065,065 | 7,891,165 |
| Intergovernmental | 1,586,733 | 1,861,276 | 1,677,622 |
| Gain on Sale of Capital Assets | 690,499 | 2,286,150 | 0 |
| Interest | 355,588 | 294,165 | 647,790 |
| Other | 65,147 | 117,014 | 129,896 |
| Total | <u>\$19,756,861</u> | <u>\$19,965,189</u> | <u>\$17,429,249</u> |
| Expenses | | | |
| General Government | \$3,957,619 | \$3,604,869 | \$3,546,194 |
| Security of Persons and Property | 7,649,594 | 6,940,757 | 6,907,858 |
| Transportation | 3,390,709 | 3,298,189 | 3,805,430 |
| Community Environment | 1,986,991 | 1,248,223 | 1,247,678 |
| Public Health Services | 349,448 | 382,577 | 379,241 |
| Leisure Time Activities | 2,298,656 | 2,033,068 | 2,033,892 |
| Interest and Fiscal Charges | 358,729 | 409,492 | 430,787 |
| Total | <u>\$19,991,746</u> | <u>\$17,917,175</u> | <u>\$18,351,080</u> |

Source: City Financial Records

(1) Full Accrual Basis

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

| | 2004 | 2003 | 2002 | 2001 |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Taxes | \$10,189,384 | \$9,804,477 | \$9,853,217 | \$9,437,572 |
| Charges for Services | 1,977,325 | 1,609,278 | 1,659,321 | 1,558,635 |
| Special Assessments | 134,899 | 135,899 | 125,898 | 286,691 |
| Licenses, Permits and Fees | 1,174,158 | 734,104 | 661,994 | 2,006,113 |
| Fines and Forfeitures | 432,882 | 545,944 | 529,516 | 518,478 |
| Intergovernmental | 4,467,468 | 4,147,681 | 3,795,297 | 3,665,703 |
| Sales | 14,744 | 17,445 | 22,263 | 27,071 |
| Interest | 344,554 | 336,368 | 529,556 | 798,594 |
| Contributions and Donations | 29,192 | 0 | 0 | 500 |
| Other | 65,147 | 117,014 | 129,896 | 60,462 |
| Total | \$18,829,753 | \$17,448,210 | \$17,306,958 | \$18,359,819 |
| Expenditures | | | | |
| Current: | | | | |
| General Government | \$3,891,681 | \$3,525,380 | \$2,957,192 | \$4,171,678 |
| Security of Persons and Property | 7,639,752 | 7,412,518 | 6,877,234 | 6,137,473 |
| Transportation | 2,812,561 | 3,044,175 | 2,266,534 | 2,056,940 |
| Community Environment | 1,218,980 | 900,780 | 844,769 | 868,139 |
| Public Health Services | 110,770 | 142,773 | 117,673 | 112,813 |
| Leisure Time Activities | 2,116,225 | 2,019,593 | 1,873,197 | 1,705,517 |
| Capital Outlay | 5,214,484 | 779,386 | 3,011,639 | 1,894,324 |
| Debt Service | 888,647 | 5,714,151 | 1,292,382 | 1,391,589 |
| Total | \$23,893,100 | \$23,538,756 | \$19,240,620 | \$18,338,473 |

Source: City Financial Records

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds. Modified Accrual Basis.

| 2000 | 1999 | 1998 | 1997 | 1996 | 1995 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$9,143,684 | \$8,570,404 | \$8,036,966 | \$7,639,588 | \$6,626,551 | \$5,489,459 |
| 1,506,997 | 1,429,831 | 1,202,170 | 1,248,655 | 1,146,885 | 1,082,171 |
| 428,196 | 268,354 | 212,728 | 343,674 | 279,683 | 317,367 |
| 900,832 | 865,456 | 935,516 | 748,956 | 686,454 | 639,659 |
| 620,207 | 498,272 | 481,459 | 485,742 | 481,458 | 309,771 |
| 3,553,568 | 3,559,850 | 4,068,102 | 4,164,522 | 3,327,785 | 2,736,470 |
| 27,852 | 34,610 | 50,887 | 38,470 | 48,582 | 98,103 |
| 1,127,177 | 703,104 | 714,832 | 549,585 | 407,076 | 372,656 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 228,408 | 141,515 | 406,541 | 109,434 | 196,040 | 153,524 |
| <u>\$17,536,921</u> | <u>\$16,071,396</u> | <u>\$16,109,201</u> | <u>\$15,328,626</u> | <u>\$13,200,514</u> | <u>\$11,199,180</u> |

| | | | | | |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$2,735,766 | \$2,195,371 | \$2,279,025 | \$1,963,227 | \$2,085,024 | \$1,920,726 |
| 5,116,511 | 4,556,861 | 4,333,618 | 3,764,522 | 3,594,321 | 3,088,478 |
| 2,028,411 | 2,047,688 | 1,762,026 | 1,886,056 | 1,854,871 | 1,606,096 |
| 773,283 | 790,137 | 869,300 | 573,017 | 612,803 | 577,084 |
| 107,726 | 105,083 | 85,615 | 79,420 | 79,232 | 76,752 |
| 1,493,797 | 1,410,081 | 1,349,203 | 1,293,582 | 1,269,554 | 1,214,755 |
| 1,171,758 | 1,383,501 | 5,647,025 | 1,767,664 | 1,472,259 | 710,649 |
| 1,217,302 | 1,120,798 | 1,213,679 | 971,665 | 1,021,341 | 1,152,774 |
| <u>\$14,644,554</u> | <u>\$13,609,520</u> | <u>\$17,539,491</u> | <u>\$12,299,153</u> | <u>\$11,989,405</u> | <u>\$10,347,314</u> |

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

| Year (1) | Real Property | | Public Utility Property | |
|----------|----------------|----------------------------|-------------------------|----------------------------|
| | Assessed Value | Estimated Actual Value (2) | Assessed Value | Estimated Actual Value (2) |
| 2004 | \$599,069,050 | \$1,711,625,857 | \$9,788,860 | \$11,123,705 |
| 2003 | 585,813,840 | 1,673,753,829 | 10,001,610 | 11,365,466 |
| 2002 | 569,430,520 | 1,626,944,343 | 9,703,390 | 11,026,580 |
| 2001 | 480,559,280 | 1,373,026,514 | 13,837,630 | 15,724,580 |
| 2000 | 467,679,330 | 1,336,226,657 | 13,803,680 | 15,686,000 |
| 1999 | 441,882,770 | 1,262,522,200 | 15,722,480 | 17,866,455 |
| 1998 | 414,182,320 | 1,183,378,057 | 14,460,450 | 16,432,330 |
| 1997 | 396,115,700 | 1,131,759,143 | 16,259,590 | 18,476,807 |
| 1996 | 381,223,180 | 1,089,209,086 | 16,363,670 | 18,595,080 |
| 1995 | 297,435,380 | 849,815,371 | 17,659,080 | 20,067,136 |

Source: Medina County, Ohio; County Auditor

(1) The year represents collection year.

(2) For 2003 and 2004, this amount is calculated based on the following percentages:

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

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

Tangible personal is assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory.

| Tangible Personal Property | | Total | | |
|----------------------------|----------------------------|----------------|------------------------|---------|
| Assessed Value | Estimated Actual Value (2) | Assessed Value | Estimated Actual Value | Ratio |
| \$41,285,346 | \$165,141,384 | \$650,143,256 | \$1,887,890,946 | 34.44 % |
| 41,423,866 | 165,695,464 | 637,239,316 | 1,850,814,759 | 34.43 |
| 38,711,687 | 154,846,748 | 617,845,597 | 1,792,817,671 | 34.46 |
| 34,705,810 | 138,823,240 | 529,102,720 | 1,527,574,334 | 34.64 |
| 28,055,480 | 112,221,920 | 509,538,490 | 1,464,134,577 | 34.80 |
| 25,769,480 | 103,077,920 | 483,374,730 | 1,383,466,575 | 34.94 |
| 23,801,975 | 95,207,900 | 452,444,745 | 1,295,018,287 | 34.94 |
| 22,628,700 | 90,514,800 | 435,003,990 | 1,240,750,750 | 35.06 |
| 19,473,447 | 77,893,788 | 417,060,297 | 1,185,697,954 | 35.17 |
| 17,042,770 | 68,171,080 | 332,137,230 | 938,053,587 | 35.41 |

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

| <u>Year</u> | <u>Total Tax Levy (1)</u> | <u>Current Collections</u> | <u>Percent Collected</u> | <u>Delinquent Collections</u> |
|-------------|---------------------------|----------------------------|--------------------------|-------------------------------|
| 2004 | \$2,130,856 | \$1,985,132 | 93.16 % | \$53,788 |
| 2003 | 2,074,140 | 1,943,186 | 93.69 | 48,313 |
| 2002 | 2,015,896 | 1,881,416 | 93.33 | 44,610 |
| 2001 | 1,770,180 | 1,669,218 | 94.30 | 38,413 |
| 2000 | 1,709,265 | 1,659,674 | 97.10 | 39,727 |
| 1999 | 1,670,254 | 1,629,239 | 97.54 | 50,275 |
| 1998 | 1,658,848 | 1,611,546 | 97.15 | 38,451 |
| 1997 | 1,760,843 | 1,705,881 | 96.88 | 46,639 |
| 1996 | 2,624,087 | 2,406,884 | 91.72 | 67,470 |
| 1995 | 2,265,108 | 2,233,632 | 98.61 | 44,845 |

Source: Medina County, Ohio; County Auditor

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

(2) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

| <u>Total Collections</u> | <u>Percent of Total Collections To Tax Levy</u> | <u>Outstanding Delinquent Taxes (2)</u> | <u>Percent of Delinquent Taxes to Tax Levy</u> |
|------------------------------|---|---|--|
| \$2,038,920 | 95.69 % | \$42,785 | 2.01 % |
| 1,991,499 | 96.02 | 53,398 | 2.57 |
| 1,926,026 | 95.54 | 44,813 | 2.22 |
| 1,707,631 | 96.47 | 42,170 | 2.38 |
| 1,699,401 | 99.42 | 38,971 | 2.28 |
| 1,679,514 | 100.55 | 40,707 | 2.44 |
| 1,649,997 | 99.47 | 43,057 | 2.60 |
| 1,752,520 | 99.53 | 43,566 | 2.47 |
| 2,474,354 | 94.29 | 52,684 | 2.01 |
| 2,278,477 | 100.59 | 68,505 | 3.02 |

City of Brunswick, Ohio
Computation of Legal Debt Margin
December 31, 2004

| | |
|---|-----------------------------|
| Total Assessed Property Value | <u><u>\$650,143,256</u></u> |
| Overall Debt Limitation (10 1/2% of Assessed Valuation) | <u>\$68,265,042</u> |
| Gross Indebtedness: | |
| General Obligation Bonds | 2,941,449 |
| Special Assessment Bonds | 1,687,665 |
| OPWC Loans | 151,176 |
| Notes | <u>6,705,000</u> |
| Total Gross Indebtedness | <u>11,485,290</u> |
| Less: Special Assessments Bonds | (1,687,665) |
| OPWC Loans | (151,176) |
| Debt Service Fund Balance | <u>(479,421)</u> |
| Net Debt Within 10 1/2% Limitations | <u>9,167,028</u> |
| Legal Debt Margin Within 10 1/2% Limitations | <u><u>\$59,098,014</u></u> |
| | |
| Unvoted Debt Limitation (5 1/2% of Assessed Valuation) | <u>\$35,757,879</u> |
| | |
| Gross Indebtedness | 11,485,290 |
| Less: Special Assessments Bonds | (1,687,665) |
| OPWC Loans | (151,176) |
| Debt Service Fund Balance | <u>(479,421)</u> |
| Net Debt Within 5 1/2% Limitations | <u>9,167,028</u> |
| Legal Debt Margin Within 5 1/2% Limitations | <u><u>\$26,590,851</u></u> |

Source: City Financial Records

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

| Year | City of Brunswick | Medina County | Brunswick City Schools | Medina County Joint Vocational School | Medina County Library | Park District | Total |
|------|----------------------|------------------|------------------------------|--|-----------------------------|------------------|---------|
| 2004 | \$3.35 | \$8.23 | \$60.67 | \$3.05 | \$2.25 | \$0.50 | \$78.05 |
| 2003 | 3.35 | 8.24 | 60.67 | 3.05 | 1.25 | 0.50 | 77.06 |
| 2002 | 3.35 | 8.06 | 61.92 | 3.05 | 1.25 | 0.50 | 78.13 |
| 2001 | 3.45 | 8.19 | 63.24 | 3.05 | 1.25 | 0.50 | 79.68 |
| 2000 | 3.55 | 8.20 | 63.24 | 3.05 | 1.25 | 0.50 | 79.79 |
| 1999 | 3.65 | 7.92 | 63.77 | 3.05 | 1.25 | 0.50 | 80.14 |
| 1998 | 3.87 | 7.95 | 64.52 | 3.05 | 1.25 | 0.50 | 81.14 |
| 1997 | 4.27 | 7.97 | 65.67 | 3.05 | 1.25 | 0.50 | 82.71 |
| 1996 | 8.27 | 7.98 | 65.67 | 3.05 | 1.25 | 0.50 | 86.72 |
| 1995 | 8.77 | 8.09 | 68.34 | 3.05 | 1.25 | 0.50 | 90.00 |

Source: Medina County, Ohio; County Auditor

City of Brunswick, Ohio
Special Assessments Collections (1)
Last Ten Years

| Year | Current Assessments Due | Delinquent Assessments Due | Total Assessments Due | Current Collections | Delinquent Collections |
|----------|-------------------------------|----------------------------------|-----------------------------|------------------------|---------------------------|
| 2004 (3) | \$107,182 | \$44,047 | \$151,229 | \$110,910 | \$47,312 |
| 2003 (3) | 161,861 | 33,088 | 194,949 | 112,833 | 23,066 |
| 2002 (3) | 142,232 | 32,094 | 174,326 | 96,265 | 29,633 |
| 2001 | 383,520 | 68,415 | 451,935 | 260,109 | 26,582 |
| 2000 | 383,834 | 125,114 | 508,948 | 366,583 | 31,307 |
| 1999 | 302,502 | 109,800 | 412,302 | 223,334 | 41,775 |
| 1998 | 311,154 | 62,851 | 374,005 | 198,221 | 13,927 |
| 1997 | 317,866 | 70,873 | 388,739 | 221,553 | 29,052 |
| 1996 | 315,967 | 56,754 | 372,721 | 241,939 | 26,250 |
| 1995 | 306,252 | 51,149 | 357,401 | 301,652 | 15,715 |

Source: Medina County, Ohio; County Auditor

(1) Includes special assessments collected by the County for the retirement of debt.

(2) This column represents payments received for all future assessments.

(3) Prior to 2002, special assessments included both principal and interest.

| <u>Paid in Full (2)</u> | <u>Total Assessments Collected</u> | <u>Ratio of Collections to Amount Due</u> | <u>Total Outstanding Assessments</u> |
|-----------------------------|--|---|--|
| \$0 | \$158,222 | 105 % | \$1,731,712 |
| 0 | 135,899 | 70 | 1,889,934 |
| 0 | 125,898 | 72 | 2,025,833 |
| 0 | 286,691 | 63 | 2,811,938 |
| 0 | 397,890 | 78 | 3,098,629 |
| 3,245 | 268,354 | 65 | 3,510,580 |
| 580 | 212,728 | 57 | 1,720,195 |
| 12,294 | 262,899 | 68 | 1,932,923 |
| 11,494 | 279,683 | 75 | 2,139,522 |
| 0 | 317,367 | 89 | 2,419,205 |

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

| Year | Property Value (2) | Residential | | Commercial (1) | |
|------|--------------------|-----------------|--------------|-----------------|-------------|
| | | Number of Units | Value | Number of Units | Value |
| 2004 | \$650,143,256 | 294 | \$22,313,100 | 9 | \$4,530,000 |
| 2003 | 637,239,316 | 123 | 20,664,100 | 15 | 10,265,000 |
| 2002 | 617,845,597 | 138 | 20,632,075 | 10 | 3,479,500 |
| 2001 | 529,102,720 | 244 | 33,483,486 | 6 | 1,923,390 |
| 2000 | 509,538,490 | 227 | 31,844,663 | 29 | 14,423,200 |
| 1999 | 483,374,730 | 270 | 46,940,508 | 19 | 10,820,131 |
| 1998 | 452,444,745 | 310 | 51,842,393 | 19 | 6,435,600 |
| 1997 | 435,003,990 | 255 | 37,682,439 | 12 | 8,282,140 |
| 1996 | 417,060,297 | 276 | 43,797,645 | 11 | 4,918,100 |
| 1995 | 332,137,230 | 222 | 35,407,401 | 11 | 4,637,000 |

Sources: City building permits reports
Federal Reserve Bank of Cleveland

(1) Number of units include new construction only

(2) Represents total assessed value

(3) Decrease from prior years is due to changes in banking headquarters

| Industrial (1) | | Domestic Bank Deposits in the County (in thousands) |
|--------------------|-------------|--|
| Number of Units | Value | |
| 3 | \$2,593,650 | \$278,690 |
| 5 | 3,829,950 | 258,348 |
| 1 | 1,000,000 | 230,397 |
| 3 | 2,640,000 | 191,217 |
| 7 | 10,842,200 | 151,846 |
| 4 | 4,258,685 | 129,769 |
| 3 | 2,555,000 | 90,782 |
| 3 | 2,125,000 | 75,228 (3) |
| 8 | 2,548,845 | 384,267 |
| 7 | 5,344,000 | 379,546 |

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

| <u>Year</u> | <u>Population</u> | <u>Net General Obligation Bonded Debt</u> | <u>Assessed Value</u> | <u>Ratio of Net Bonded Debt to Assessed Value</u> | <u>Net General Obligation Bonded Debt Per Capita</u> |
|-------------|-------------------|---|---------------------------|---|--|
| 2004 | 35,880 | \$2,532,552 | \$650,143,256 | 0.39 % | \$70.58 |
| 2003 | 34,094 | 2,894,072 | 637,239,316 | 0.45 | 84.89 |
| 2002 | 34,094 | 3,155,364 | 617,845,597 | 0.51 | 92.55 |
| 2001 | 34,094 | 3,439,387 | 529,102,720 | 0.65 | 100.88 |
| 2000 | 33,388 | 3,745,923 | 509,538,490 | 0.74 | 112.19 |
| 1999 | 32,000 | 4,120,493 | 483,374,730 | 0.85 | 128.77 |
| 1998 | 31,980 | 4,494,247 | 452,444,745 | 0.99 | 140.53 |
| 1997 | 31,880 | 4,862,680 | 435,003,990 | 1.12 | 152.53 |
| 1996 | 31,554 | 5,358,708 | 417,060,297 | 1.28 | 169.83 |
| 1995 | 31,337 | 5,685,415 | 332,137,230 | 1.71 | 181.43 |

Source: Medina County, Ohio; County Auditor

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

| Year | Principal | Interest | Total Debt Service | Total Governmental Expenditures | Ratio of Debt Service To Total Governmental Expenditures |
|------|-----------|-----------|--------------------------|---------------------------------------|--|
| 2004 | \$393,818 | \$161,442 | \$555,260 | \$23,893,100 | 2.32 % |
| 2003 | 1,351,818 | 182,949 | 1,534,767 | 23,538,756 | 6.52 |
| 2002 | 374,818 | 231,043 | 605,861 | 20,168,142 | 3.00 |
| 2001 | 324,818 | 253,059 | 577,877 | 18,338,473 | 3.15 |
| 2000 | 369,818 | 277,850 | 647,668 | 14,644,554 | 4.42 |
| 1999 | 349,818 | 322,847 | 672,665 | 13,609,520 | 4.94 |
| 1998 | 334,363 | 269,855 | 604,218 | 17,539,491 | 3.44 |
| 1997 | 318,909 | 402,850 | 721,759 | 12,299,153 | 5.87 |
| 1996 | 333,909 | 427,609 | 761,518 | 11,989,405 | 6.35 |
| 1995 | 366,765 | 451,179 | 817,944 | 10,347,314 | 7.90 |

Source: City financial records

City of Brunswick, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2004

| | <u>General Obligation Debt Outstanding</u> | <u>Percentage Applicable to City (1)</u> | <u>Amount Applicable to City of Brunswick</u> |
|------------------------------|--|--|---|
| <i>Direct:</i> | | | |
| City of Brunswick | <u>\$3,011,973</u> | 100.00 % | <u>\$3,011,973</u> |
| <i>Overlapping:</i> | | | |
| Medina County | 11,393,375 | 17.10 | 1,948,267 |
| Brunswick City Schools | <u>20,435,833</u> | 77.38 | <u>15,813,248</u> |
| Total Overlapping Debt | <u>31,829,208</u> | | <u>17,761,515</u> |
| Total Direct and Overlapping | <u><u>\$34,841,181</u></u> | | <u><u>\$20,773,488</u></u> |

Source: Medina County, Ohio; County Auditor

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

City of Brunswick, Ohio
Principal Taxpayers
Real and Public Utility Property Tax
December 31, 2004

| Taxpayer | Real and Public Utility Property Tax Assessed Value | Percent of Total Assessed Value |
|--|---|---------------------------------------|
| Village in the Park | \$4,507,190 | 0.74 % |
| Mark Spagnuolo LLC | 4,311,670 | 0.71 |
| Inland Brunswick Marketplace | 4,214,010 | 0.69 |
| Verizon North Incorporated | 4,193,520 | 0.69 |
| Kimco Brunswick Associates | 3,216,940 | 0.53 |
| Clearbrooke Limited Partnership | 3,177,270 | 0.52 |
| Hickory Hill Apartments LP | 2,656,360 | 0.44 |
| HD Development of Maryland, Inc. | 2,540,480 | 0.42 |
| Interstate Properties Limited Partnership | 2,413,120 | 0.40 |
| Ohio Edison Company | 2,410,120 | 0.40 |
| Totals | <u>\$33,640,680</u> | <u>5.53 %</u> |
| Total Real and Public Utility Property Tax Assessed Value | <u>\$608,857,910</u> | |

Source: Medina County, Ohio; County Auditor

City of Brunswick, Ohio
Principal Taxpayers - Tangible Personal Property Tax
December 31, 2004

| Taxpayer | Tangible Personal Property Assessed Value | Percent of Total Assessed Value |
|---|---|---------------------------------------|
| Brunswick Auto Mart, Inc. | \$3,076,270 | 7.45 % |
| Legacy Ford, Inc. | 2,179,520 | 5.28 |
| General Parts, Inc. | 1,754,370 | 4.25 |
| Litehouse Products, Inc. | 1,698,680 | 4.11 |
| Bohler Uddeholm Corporation | 1,629,190 | 3.95 |
| Southeastern Equipment Company, Inc. | 1,398,600 | 3.39 |
| Recreational Products, Inc. | 1,295,520 | 3.14 |
| Mullinax Lincoln-Mercury, Inc. | 1,249,140 | 3.03 |
| Tinnerman Palnut Engineered Products | 1,028,140 | 2.49 |
| Tops Market LLC | 943,910 | 2.29 |
| Totals | <u>\$16,253,340</u> | <u>39.37 %</u> |
| Total Tangible Personal Property Assessed Valuation | <u>\$41,285,346</u> | |

Source: Medina County, Ohio; County Auditor

City of Brunswick, Ohio

Demographic Statistics

Last Six Censuses

| <u>Year</u> | <u>Population</u> | <u>Occupied Households</u> | <u>Total Dwelling Units</u> | <u>Persons Per Household</u> | <u>Median Household Income</u> |
|-------------|-------------------|--------------------------------|-------------------------------------|----------------------------------|--|
| 2000 | 33,388 | 11,883 | 12,251 | 2.81 | \$56,288 |
| 1990 | 28,220 | 9,032 | 9,444 | 3.09 | 36,808 |
| 1980 | 28,104 | 8,008 | 8,327 | 3.42 | 28,122 |
| 1970 | 15,852 | 3,775 | 3,844 | 4.15 | 11,746 |
| 1960 | 11,725 | 2,805 | 2,863 | 4.17 | 6,967 |
| 1950 | 2,460 | N/A | N/A | N/A | N/A |

N/A - Information not available

Source: U.S. Bureau of the Census

City of Brunswick, Ohio

Miscellaneous Statistics

December 31, 2004

| | |
|--|----------------------|
| Date of Incorporation | October 12, 1960 |
| Form of Government | Council/City Manager |
| Area | 12.6 Square Miles |
| Miles of Streets | 130 |
| Number of Traffic Lights | 21 |
| Fire and EMS Protection: | |
| Number of Stations | 2 |
| Number of Firefighters/EMS and Officers: | |
| Part-Time | 4 |
| Full-Time | 26 |
| Police Protection: | |
| Number of Stations | 1 |
| Number of Police Officers | |
| Part-Time | 3 |
| Full-Time | 40 |
| Building Permits Issued: | |
| (Including Additions to Previously Constructed Buildings) | 347 |
| Recreation and Culture: | |
| Number of Parks | 16 |
| Area (acres) | 273.4 |
| Community Rec-Center (complete with indoor pool, whirlpool, sauna, indoor track, weight room, fitness center, gym, craft center and floating dance floor.) | 1 |
| Number of Libraries | 1 |
| Volumes | 50,000 |
| Employees: | |
| Full Time | 154 |
| Part Time | 104 |

Source: City Records



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

CITY OF BRUNSWICK

MEDINA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 2, 2005**