

# **City of Brunswick, Ohio**

## **Comprehensive Annual Financial Report**

*For the Year Ended December 31, 2005*

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, 2005*  
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**MAYOR**  
DALE STRASSER

**CITY MANAGER**  
ROBERT ZIENKOWSKI

# CITY OF BRUNSWICK

**COUNCIL**  
ANTHONY CAPRETTA  
VINCENT CARL  
JOSEPH P. DELSANTER  
SUSAN L. HAMBLEY  
TIM SMITH  
PATRICK McNAMARA  
GARY F. WERNER

May 9, 2006

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, 2005, 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 on the City's web site at [www.brunswick.oh.us](http://www.brunswick.oh.us), 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 funds 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



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financial burdens on the City. The ability to impose its will on the organization exists if the City can 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 expenditures and salaries are budgeted and accounted for in the general and court computerization special revenue funds.

The City is associated with 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 21 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 administrative officer of the City. The City Manager is responsible for hiring directors for each of the following departments: Law, Finance, Safety, Service, Parks & Recreation, Community Development, Courts, Cable, Information Technology, Economic Development and Building.

### **City Services**

The City provides full-time police and fire protection, emergency medical services, full-time street maintenance, full-time park improvement and maintenance and refuse billing and collection as well as general administration services for all of its citizens. Water and sanitary sewer services are provided by the Cleveland Water Department and Medina County Sanitary Sewer Department, respectively. The private sector provides other major utilities, including refuse pick-up, for the City.

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, one dog park and a new skate park, which is under construction. 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, generally within one mile. In 2004, the City opened its very first park dedicated to all the dog owners in the City. In 2005 the City gained ownership of a property that had been operating as a junkyard in an effort to expand Hopkins Park. In 2006 the City began to clean the junkyard property with the help of residents who raised funds and community awareness in cleaning and preserving this land for future park use. In early 2006, the City also completed the installation of a new skate park next to City Hall. Further, the City currently has three "open space" parks that are undeveloped by design to offer a 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 & Fitness Center serving residents as a fitness center, community event center, recreational program center, senior citizen center, and social center for public use. The Community Recreation 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 Recreation & Fitness Center offers a Community Concert Series hosting concerts and plays for people of all ages. The Recreation & Fitness Center offers a variety of community wide programs, at no additional charge to the residents, such as the Senior Fair, Community Health Fair and Family Fund Day as well as many various speakers of interest throughout the year.

## **Economic Condition, Outlook and Major Initiatives**

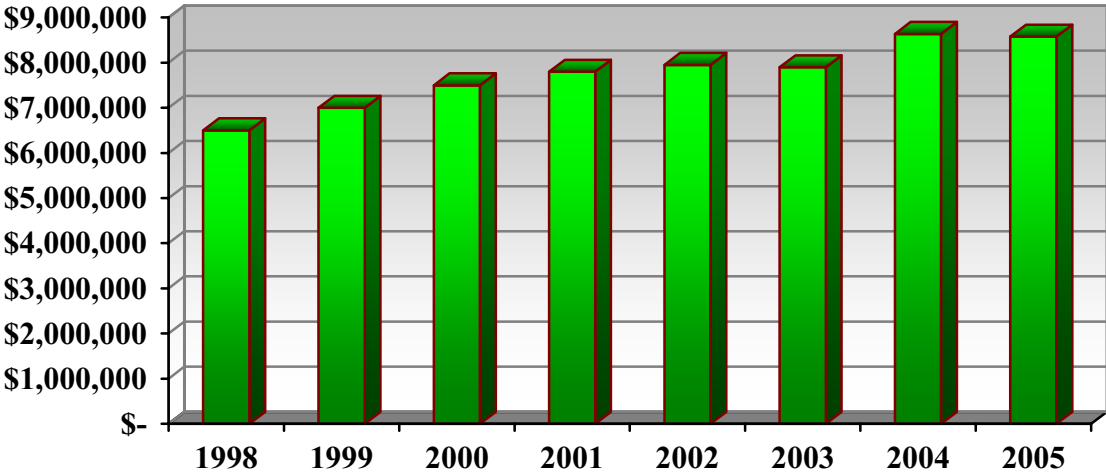
The City of Brunswick's Office of Economic Development experienced some major changes in 2005. City Council, through its goal-setting session, made economic development a major priority for the City. Council has identified the retention and expansion of the City's business tax base as a major initiative moving forward. Such an initiative will help ensure that the City services continue to have a secure funding base. Late in 2005, Council adopted a \$50,000 increase to the Office of Economic Development's 2006 budget to allow for the coordinator to contract out for the update/creation of the City's Economic Development Plan. So far in 2006, those funds have also been used to contract for the creation of promotional advertising for the City as well as review of the City's current promotional information.

Also, the City has introduced a new Economic Development Coordinator, who has been tasked with following through with Council's objectives. The Office of Economic Development is quickly working on the creation of several tax incentive programs aimed at the retention and expansion portion of Council's goals. It is clear that Council's vision for the City includes a very strong economic program and base.

Another indicator of the City's economic condition is City income tax collections. The following graph illustrates a couple different trends in the City's tax receipts. From 1998-2001 the City enjoyed a steady, reliable increase from year to year. 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. In 2005, due to the recognition and reversal of prior years' income tax receivables, the reported tax revenues showed a slight decrease

from 2004. The City is looking to create a greater emphasis on economic development and retention and to develop incentive programs to reduce the amount of income tax delinquencies.

### **Income Tax Revenues**



The City’s income tax base is made up of an even mix between residential (family) and businesses. In 2005, the biggest contributing group for income tax collections was the residents at \$4,295,566, which represents 50 percent of total collections. The other major portion of the City’s income tax was the business withholdings, which represent 45 percent of total collections. The remaining 5 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 was established in 1992 and serves as the business development information center for the City. The office 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 Office of Economic Development 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 and Future City Projects and Departmental Highlights**

#### **Storm Water and Waterline Improvement Projects**

The City continued its focus on solving storm water issues again in 2005. Storm water retention was made a priority by Council as a result of the major spring storms that hit the City in May and June of 2004 which 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. The following is a listing of the storm water projects that the City has continued or started during 2005 and the total expenditures as of December 31, 2005:



<b>Project Name</b>	<b>2005 Expenditures</b>
Garfield / McKinley Storm Sewer Improvement	\$ 114,077
Applewood Storm Sewer Improvement	3,188
Fernwood Storm Sewer Improvement	56,605
Fireside Single Culvert Replacement Improvement	63,108
Fireside Double Culvert Replacement Improvement	13,564
Boston Road Storm Sewer Improvement	2,822
Francis Boulevard Storm Sewer Improvement	921,767
Betti Lane Storm Sewer Improvement	20,896
Ashleigh/Oakleigh/Briarleigh Area Storm Sewer Improvement	38,599
NPDES Phase II Storm Sewer Mapping Mandate	70,818
Brunswick Lake Dredging Improvement	2,218
Brunswick Lake Dam Improvement	543,715
Emergency Engineering Storm Water Services	38,774
Flood Mitigation Improvement	177,750
Fillmore Area Storm Sewer Improvement	31,250
Meadowbrook Area Storm Sewer Improvement	155,407
East / West / Hadcock Area Storm Sewer Improvement	1,132
Stanford / Andrea Area Storm Sewer Improvement	1,408
Sandstone Way Storm Sewer Improvement	5,460
Elmer Road Storm Sewer Improvement	1,001
Canterberry Road Storm Sewer Improvement	1,100
Totals	<b>\$ 2,264,659</b>

In 2003, the City awarded the Waterline South of Center Replacement Project to Don Wartko Construction, Inc for \$1,179,059. This project was 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.

### **Road Improvement Projects**

The Boston Road Improvement 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 and all eligible costs will be reimbursed by the Ohio Department of Transportation 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 now complete. In 2005, the City put the project on hold until the plans could be reviewed and expanded to include a section of the road that was previously left out of the project. Due to this development, the City now anticipates construction on North Carpenter Road to begin sometime in 2008. The project will expand the three major intersections along North Carpenter Road, at Center Road, at Grafton Road, and at Boston Road to three lanes. In addition, the construction will include an upgrade to a full concrete roadway, curb and gutter, storm sewers and sidewalks. The project is currently being funded by the City, Medina County and the Northeast Ohio Area Coordinating Agency.

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. For 2006, City Council has

budgeted \$100,000 to proceed with beautifying one quadrant of the intersection. The anticipated dates for the remaining areas of the intersection are not known at this time.

The City also budgets and expends funds for its annual road repair and maintenance program. In 2005, the Service Department spent in excess of \$260,000 addressing some of the City's concrete roads in addition to spending \$70,000 on asphalt road improvements.

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

The City is also moving forward with the engineering phase of the City-Wide Traffic Signalization Improvement project. The proposed project will consist of the replacement and or modification of approximately 27 traffic signals within the City. Proposed alternatives include providing new traffic signals where warranted and upgrading existing signals at optimal locations. The benefits of the project will include providing a coordinated and monitored closed loop traffic system. In addition, the system will be enhanced by providing an emergency pre-emptive traffic signal system to aid public safety forces response time. The preliminary engineering study was completed in February 2005. The study defined which intersections met Ohio Department of Transportation traffic signal warrants. The City has made application to the NOACA Board for 80 percent funding late in 2005.

### **City Park, Building and Other Public Area Improvement Projects**

The City, in conjunction with the Brunswick Rotary Club, is in the process of raising funds for the improvement plan for the Center Road / Pearl Road intersection. The Brunswick Rotary is conducting a fund raising campaign to raise funds to help offset the City's expense to upgrade from the current sign board to a new electronic sign board as well as to upgrade the landscaping in the northeast corner of this intersection. The City anticipates enough funds will be raised and the improvements will begin in 2006.

As discussed earlier, the City's parks are being improved as well. Mooney Park is budgeted to receive a new concession and shade stand. This project began in 2005 and is expected to be completed by the spring baseball season in 2006. North Park is budgeted to receive a new expanded driveway and parking lot. This will be a considerable improvement over the current dirt and gravel driveway and parking lot. In addition, the City's Parks Department continued to make capital improvements to the other various City athletic fields and facilities.

The Historical Farm House reflects 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. In 2005, the City continued to develop site plans for this project. 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 repaired the existing City Hall roof in 2004 at a total cost of \$479,974. Then, in 2005, the City had to replace major portions of the Recreation Center's roof at an estimated cost of \$418,000. The roof had been deteriorating over the last several years and a new roof will protect and ensure the safety of all the Recreation Center members, employees and other users.

## **2005 City Departmental Highlights**

Brunswick Transit Alternative (BTA): 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 rider-ship. 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 began using one newly acquired transit bus to add to the two new buses purchased and put in operation in 2003. These state-of-the-art buses 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.

Brunswick Area Television (BAT): In 1986, the City of Brunswick entered the world of Government Access Television through its cable franchise. Dissatisfied with Cablevision's performance in the area of Public Access availability, the City won a federal lawsuit, bringing our Public Access operation back to full force. The City took over operation of the local studio and opened a new, state of the art facility in 2002. Since that time, nearly 3,000 hours of new, community based programming has been produced by a variety of organizations and volunteers. We are proud of the ability to present alternative viewpoints on issues, and highlights of community organizations that make our City what it is today.

In 2005, our Public and Government Access cable programming center, Brunswick Area Television, completed renovation of our studio facilities, increasing the quality of programs produced by our residents, and staff alike. The new studio features a robotic, digital three camera production center, new audio equipment, lighting and exciting furnishings to give our programs a professional appearance seen on most local network affiliates.

Our staff of three full-time and two-part time employees work with individuals, organizations and fellow staff members to produce a wide variety of programs, meeting a compliment of needs. Informational shows by all of the City Departments and Divisions have been developed, to keep our community involved with their local government.

Service Department: The Service Department has actively expanded and improved their existing programs over the last several years. Some of the programs and services that the Service Department now offers include 1) branch chipping and leaf collection; 2) drive pipe installation; 3) an expanded fix-up, clean-up, spruce up (a program in which numerous companies in the City of Brunswick offer residents 10-30% discounts off of services and products to improve their homes and property); 4) tool loan; 5) asphalt and concrete repair and maintenance; 6) culvert and storm water cleaning and monitoring; 7)

snow removal; 8) street sweeping; 9) traffic signal and sign maintenance and repair; and 10) City building maintenance.

The City is very proud to be able to offer these improved and expanded services to its residents.

### **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 Board. 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 seven to ten years.

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 \$1.8 million available for the prospect of renovating and equipping the existing fire stations.

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 twelve 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 or the residents. The Finance Department is hoping to obtain funding in 2006 and begin the installation process late in 2006 or early 2007.

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 Applewood Phase IV Storm Sewer Improvements, Maplewood Area Storm Sewer Improvements, Bramblewood Area Storm Sewer Improvements and Joseph Parkway Drainage 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 (at the fund level) 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 fourth 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 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 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 2005.

## **Cash Management**

The City adheres to the regulations set forth within its own Investment Policy and 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 \$21,361,227. In addition, the City's inland marine coverage for all property that moves has a coverage limit of \$894,946.

## **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, 2005. 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, 2004. A copy of this certificate is contained within this report. This is the 22<sup>nd</sup> award the City has received.

A Certificate of Achievement is valid for a period of one year. The City of Brunswick believes the 2005 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, 2004

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.



*Carla E. Perry*

President

*Jeffrey R. Emer*

Executive Director



**City of Brunswick, Ohio**

*City Officials*  
*December 31, 2005*

*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*

Roger Westfall (Interim)

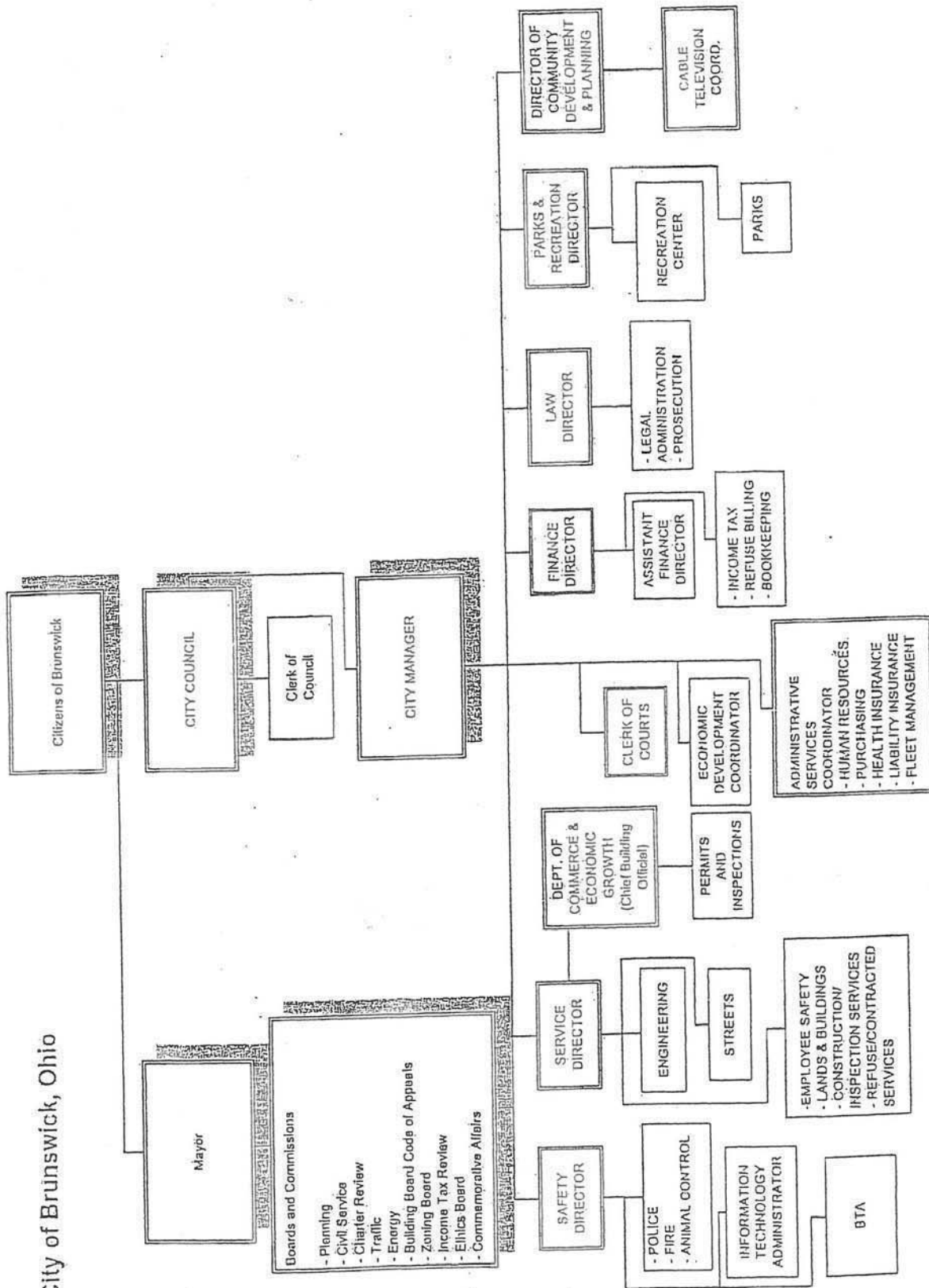
*Safety Director*

Pat Beyer

*Service Director*

Sam Scaffide

# City of Brunswick, Ohio



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## 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 activity, 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, 2005, 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 activity, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, as of December 31, 2005, and the respective changes in financial position and where applicable, cash flows, 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 May 9, 2006, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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.



**Betty Montgomery**  
Auditor of State

May 9, 2006

**City of Brunswick, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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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, 2005. 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 2005 are:

- Total assets decreased by \$8,154,840, a 10.26 percent decrease from 2004.
- Total net assets decreased by \$7,612,323, or 12.13 percent from 2004.
- Total capital assets decreased \$7,714,733, or 15.95 percent from 2004.
- Total outstanding long term liabilities decreased \$381,446 from 2004, a decrease of 5.23 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 the City's specific financial condition.

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

**Reporting the City of 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 2005?" 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.

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

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*Management's Discussion and Analysis*  
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*Unaudited*

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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 a business-type activity; therefore, these statements will essentially match the information provided in the statements for the City as a whole.

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**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 2005 compared to 2004.

**Table 1**  
**Net Assets**

	Governmental Activities		Business-Type Activity		Total	
	2005	2004	2005	2004	2005	2004
<b>Assets</b>						
Current and Other Assets	\$30,313,570	\$30,664,799	\$347,459	\$436,337	\$30,661,029	\$31,101,136
Capital Assets, Net	40,335,860	48,044,706	325,385	331,272	40,661,245	48,375,978
<i>Total Assets</i>	<u>70,649,430</u>	<u>78,709,505</u>	<u>672,844</u>	<u>767,609</u>	<u>71,322,274</u>	<u>79,477,114</u>
<b>Liabilities</b>						
Current and Other Liabilities	9,106,899	9,275,706	138,388	130,652	9,245,287	9,406,358
Long-Term Liabilities:						
Due Within One Year	2,648,423	2,634,450	4,067	11	2,652,490	2,634,461
Due in More than One Year	4,242,183	4,657,461	15,869	66	4,258,052	4,657,527
<i>Total Liabilities</i>	<u>15,997,505</u>	<u>16,567,617</u>	<u>158,324</u>	<u>130,729</u>	<u>16,155,829</u>	<u>16,698,346</u>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	32,491,981	39,352,980	305,682	331,272	32,797,663	39,684,252
Restricted:						
Capital Projects	6,373,225	7,869,564	0	0	6,373,225	7,869,564
Debt Service	2,315,797	2,446,081	0	0	2,315,797	2,446,081
Other Purposes	6,122,479	6,518,605	0	0	6,122,479	6,518,605
Unrestricted	7,348,443	5,954,658	208,838	305,608	7,557,281	6,260,266
<i>Total Net Assets</i>	<u>\$54,651,925</u>	<u>\$62,141,888</u>	<u>\$514,520</u>	<u>\$636,880</u>	<u>\$55,166,445</u>	<u>\$62,778,768</u>

Total assets decreased by \$8,154,840 from 2004 to 2005. The decrease was mainly due to the City selling its waterline infrastructure to the City of Cleveland. The City of Brunswick no longer has the financial obligation to repair or maintain the waterlines.

Total liabilities decreased by \$542,517, mainly due to a decrease of long term liabilities debt obligations.

Total net assets decreased \$7,612,323 with governmental net assets comprising \$7,489,963 and the business-type activity comprising \$122,360 of that amount. Net assets decreased in the governmental activities mainly due to the selling of the City waterlines to the City of Cleveland at a loss of \$5.7 million. Net assets decreased in the business-type activity because of the spending down of cash reserves on non-capital items.



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Table 2 shows the changes in net assets for the year ended December 31, 2005. Total revenues decreased \$816,144 or 3.83 percent. Total expenses increased \$786,850 or 3.64 percent.

**Table 2**  
**Changes in Net Assets**

	Governmental Activities		Business-Type Activity		Total Activities	
	2005	2004	2005	2004	2005	2004
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services and Sales	\$3,073,483	\$3,441,399	\$1,550,528	\$1,545,684	\$4,624,011	\$4,987,083
Operating Grants and Contributions	2,136,676	1,945,181	0	0	2,136,676	1,945,181
Capital Grants and Contributions	792,664	1,137,855	0	0	792,664	1,137,855
<i>Total Program Revenues</i>	<u>6,002,823</u>	<u>6,524,435</u>	<u>1,550,528</u>	<u>1,545,684</u>	<u>7,553,351</u>	<u>8,070,119</u>
<i>General Revenues:</i>						
Property Taxes	2,072,102	1,897,175	0	0	2,072,102	1,897,175
Income Tax	8,543,260	8,637,284	0	0	8,543,260	8,637,284
Grants and Entitlements	1,545,535	1,586,733	0	0	1,545,535	1,586,733
Gain on Sale of Assets Held for Resale	0	690,499	0	0	0	690,499
Interest	643,300	355,588	0	0	643,300	355,588
Other	129,228	65,147	80	455	129,308	65,602
<i>Total General Revenues</i>	<u>12,933,425</u>	<u>13,232,426</u>	<u>80</u>	<u>455</u>	<u>12,933,505</u>	<u>13,232,881</u>
<i>Total Revenues</i>	<u>18,936,248</u>	<u>19,756,861</u>	<u>1,550,608</u>	<u>1,546,139</u>	<u>20,486,856</u>	<u>21,303,000</u>
<i>Program Expenses:</i>						
General Government	4,930,502	3,957,619	0	0	4,930,502	3,957,619
Security of Persons and Property	8,458,878	7,649,594	0	0	8,458,878	7,649,594
Transportation	3,546,954	3,390,709	0	0	3,546,954	3,390,709
Community Environment	861,386	1,986,991	0	0	861,386	1,986,991
Public Health Services	249,267	349,448	0	0	249,267	349,448
Leisure Time Activities	2,207,800	2,298,656	0	0	2,207,800	2,298,656
Refuse	0	0	1,672,465	1,617,998	1,672,465	1,617,998
Interest and Fiscal Charges	468,839	358,729	503	0	469,342	358,729
<i>Total Program Expenses</i>	<u>20,723,626</u>	<u>19,991,746</u>	<u>1,672,968</u>	<u>1,617,998</u>	<u>22,396,594</u>	<u>21,609,744</u>
<i>Special Item:</i>						
Loss on Sale of Capital Assets	<u>(5,702,585)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,702,585)</u>	<u>0</u>
Transfer	<u>0</u>	<u>(40,000)</u>	<u>0</u>	<u>40,000</u>	<u>0</u>	<u>0</u>
Decrease in Net Assets	(7,489,963)	(274,885)	(122,360)	(31,859)	(7,612,323)	(306,744)
Net Assets Beginning 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>
Net Assets End of Year	<u>\$54,651,925</u>	<u>\$62,141,888</u>	<u>\$514,520</u>	<u>\$636,880</u>	<u>\$55,166,445</u>	<u>\$62,778,768</u>

**City of Brunswick, Ohio**  
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The overall financial strength of the City declined in 2005. Although the total net assets declined by \$7,612,323, \$5,702,585 was related to the sale of waterline infrastructure to the City of Cleveland. The sale of the waterline infrastructure allowed the City to retire \$1,500,000 in outstanding bond anticipation notes for a completed waterline project and eliminate the future financial obligation of repairing, maintaining, and replacing waterline infrastructure. The remaining decline of \$1,909,738 was mainly due to the reduction of gain on sale of assets held for resale, a reduction in estate and income tax receivables and the increase in salaries, benefits and worker's compensation expenses. Although the City did not sell any land held for resale during 2005, 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. For the business-type activity the City had a decline in net assets. The decrease was due to an increase in salaries, benefits, contractual services and depreciation expenses. The decrease was partly offset by a \$.20 monthly rate increase per home on October 1, 2005. The increase in rate was a direct result from House Bill 920 passed by the State on July 1, 2005. The City also instituted a no tag policy on bagging of grass clippings in 2004. 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 2005 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 2005 was \$8,543,260. 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 had been offset by the City's strong economic development program during these years. During 2004 and 2005, the economy showed signs of recovery and the unemployment rates decreased. 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 is committed to a strong economic development program which correlates into 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 without significantly affecting the financial needs of the City. During 2005 the City income tax revenues of \$8,543,260 were distributed to the following funds by City Council approved Ordinance: General Fund (38.70 percent), Fire Department (29.75 percent), Brunswick Transit Authority (1.25 percent), Parks Department (6.00 percent), Street Repair and Maintenance Fund (10.50 percent), the General Obligation Debt Retirement Fund (.40 percent) and the Police Fund (13.4 percent).

Total governmental activities revenues for 2005 were \$18,936,248. Income tax made up \$8,543,260 or 45.12 percent of total revenues for governmental activities for the City. Charges for services accounted for

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*Unaudited*

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\$3,073,483 or 16.23 percent, operating grants and contributions accounted for \$2,136,676 or 11.28 percent, property taxes accounted for \$2,072,102 or 10.94 percent, grants and entitlements accounted for \$1,545,535 or 8.16 percent, capital grants accounted for \$792,664 or 4.19 percent and the remaining \$772,528 or 4.08 percent consists of interest 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 2005 were \$20,723,626. Security of persons and property represents the highest program expense at \$8,458,878 or 40.82 percent, followed by general government expenses at \$4,930,502 or 23.79 percent and transportation expenses at \$3,546,954 or 17.12 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 \$2,207,800 or 10.65 percent and \$861,386 or 4.16 percent, respectively, of the 2005 City governmental program expenses. Interest and fiscal charges and public health services make up the remaining \$718,106 or 3.46 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 2 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 2005, 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 27 full-time and 4 part-time firefighters/EMT personnel and is headed by a full-time chief. The Fire Department has previously 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 \$3,546,954 or 17.12 percent of the 2005 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 a portion of the City's income tax. During 2005 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 as 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. A large portion of capital and operating expenses needed to run a public transit system are reimbursable through the Ohio Greater Cleveland Regional Transit Authority (RTA), Ohio Department of Transportation and the United States Department of Transportation. The City also has a contract with the Northeast Ohio Areawide Coordinating Agency (NOACA) to assist the City in achieving its goal of improving the economy, environment, transportation system and quality of life for the citizens of Northeast Ohio and the City of Brunswick. During

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*Unaudited*

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2005 the City was reimbursed for 65 percent of the net transit operation expenses, 90 percent of NOACA contractual service expenses and 100 percent of capital purchases.

***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 \$18,963,572 and expenditures of \$22,893,679.

The most significant funds are the general fund and fire fund. The general fund had a year-end balance of \$6,843,750, which included an unreserved fund balance of \$4,392,771, compared to annual expenditures of \$8,692,303. Expenditures exceeded revenues by \$456,758 and a portion of the prior year fund balance totaling \$1,036,706 was transferred to other funds. These transferred funds enabled the City to fund storm sewer projects, federal grant required matches, a portion of the recreation and parks operations and various City Hall and Recreation Center improvements. The general fund also received a transfer in of \$2,236,441 which consisted of the remaining fund balance from the water fund. All activity, service, and obligations incurred and payable from the water fund were terminated during 2005 and therefore the balance was transferred into the general fund pursuant to Ohio Revised Code Section 5705.14. The fire fund had a year-end balance of \$818,545, which included an unreserved fund balance of \$607,869, compared to annual expenditures of \$2,987,733. Expenditures exceeded revenues by \$23,667. The fire fund supports the operations of 27 full-time and 4 part-time firefighters.

***Business-Type Fund***

As mentioned earlier, the City's lone business-type activity is the refuse fund. Total assets decreased by \$94,765 from 2004 to 2005. Ending cash balance decreased by \$86,698 or 34.25 percent from \$253,114 in 2004 to \$166,416 in 2005.

Charges for services revenue increased by \$4,844 or 0.31 percent from \$1,545,684 in 2004 to \$1,550,528 in 2005. The increase in revenue was directly related to the increase in households of 64 throughout 2005 and a \$.20 monthly rate increase per home instituted on October 1, 2005. The refuse collection billing is generally a very accurate indicator of the progress of new housing developments.

**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 2005, the City amended its general fund budget eleven times for a total increase in estimated revenues of \$738,364 and a total increase in budgeted expenditures of \$929,697. All capital projects and requests for capital type purchases in excess of \$7,500 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

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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 revenue and expenditures for the capital improvement are tracked and monitored. For the general fund, the original budgeted revenues were \$7,559,809 and the final budgeted amount was \$8,298,173. Of this \$738,364 difference, most was due to increased property tax, intergovernmental and interest 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 56.63 percent of those revenues.

**Capital Assets and Debt Administration**

*Capital Assets*

**Table 3**  
**Capital Assets**  
**(Net of Depreciation)**

	Governmental Activities		Business-Type Activity		Total	
	2005	2004	2005	2004	2005	2004
Land	\$3,793,108	\$3,833,904	\$0	\$0	\$3,793,108	\$3,833,904
Land Improvements	25,115	26,228	0	0	25,115	26,228
Buildings and Improvements	7,657,316	7,978,508	0	0	7,657,316	7,978,508
Machinery, Equipment and Vehicles	3,471,760	3,597,248	325,385	331,272	3,797,145	3,928,520
Furniture and Fixtures	167,573	200,439	0	0	167,573	200,439
Infrastructure						
Roads	7,193,335	7,519,151	0	0	7,193,335	7,519,151
Sidewalks	766,156	698,713	0	0	766,156	698,713
Storm Sewers	10,233,997	10,203,160	0	0	10,233,997	10,203,160
Waterlines	0	7,796,426	0	0	0	7,796,426
Bridges	202,388	208,984	0	0	202,388	208,984
Dam	1,584,408	0			1,584,408	0
Culverts	1,419,845	1,465,387	0	0	1,419,845	1,465,387
Construction in Progress	3,820,859	4,516,558	0	0	3,820,859	4,516,558
Totals	<u>\$40,335,860</u>	<u>\$48,044,706</u>	<u>\$325,385</u>	<u>\$331,272</u>	<u>\$40,661,245</u>	<u>\$48,375,978</u>

Total capital assets for the City of Brunswick as of December 31, 2005 were \$40,661,245. The most significant additions in capital assets came in the areas of construction in progress, waterline infrastructure and dam infrastructure of \$2,680,310, \$1,356,123 and \$1,616,743 respectively. The construction in progress additions were mainly related to infrastructure projects which were not completed as of December 31, 2005 and the waterline and dam infrastructure additions were due to the completion of these construction in progress projects during 2005. The most significant deletion was the waterline infrastructure that was sold to the City of Cleveland during 2005. For additional information see Note 10 to the basic financial statements.

**City of Brunswick, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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, 2005 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 2005, no additional land parcels were sold, however an agreement exists to sell the remaining parcels. City Council and the Administration are committed to making sure that this development defines the City as one of the premier cities in northern Ohio.

The Administration continues to seek grants for infrastructure projects, assistance for flooding and other weather related events and improving City facilities and services. In 2005, 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 hazard mitigation projects relating to floods, public assistance for flooding and other weather related events, community development, support and assistance for violence against women, citizen police academy funding, improvements and widening of North Carpenter and Boston Roads, capital bus purchase 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, Fireside, Hadcock, Stanford/Andrea and Oakleigh/Ashleigh/Briarleigh 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, 2005, the City of Brunswick had \$11,079,395 in general obligation bonds, special assessment bonds, notes, capital leases and OPWC loans outstanding. Table 4 summarizes bonds, notes and loans outstanding.

**Table 4**  
**Outstanding Debt at Year End**

	Governmental Activities		Business-Type Activities		Totals	
	2005	2004	2005	2004	2005	2004
General Obligation Bonds	\$2,579,251	\$3,011,973	\$0	\$0	\$2,579,251	\$3,011,973
Special Assessment Bonds	1,609,510	1,723,996	0	0	1,609,510	1,723,996
Notes	6,595,000	6,705,000	0	0	6,595,000	6,705,000
Capital Leases	80,128	0	19,703	0	99,831	0
OPWC Loans	195,803	151,176	0	0	195,803	151,176
<b>Totals</b>	<b>\$11,059,692</b>	<b>\$11,592,145</b>	<b>\$19,703</b>	<b>\$0</b>	<b>\$11,079,395</b>	<b>\$11,592,145</b>

The general obligation bonds outstanding are composed of a voter-approved Recreation Center Refunding Bonds of \$1,825,000, City Hall Expansion Bond of \$740,620, and a Center Road Improvement Bond of \$13,631. The voter-approved Recreation Center Refunding Bonds are paid from property tax and homestead

**City of Brunswick, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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and rollback monies. The City Hall Expansion and Center Road Improvement Bonds are paid from tax revenue, 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 \$3,990,000 - the note will be paid with the proceeds from the sale of general obligation 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 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 bonds upon the completion of the project and the bonds will be repaid with general fund transfers; (3) 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, 2005 was \$74,809,222. The aggregate outstanding debt after issuance of bonds subject to the ten and one-half percent limitation is \$8,531,833. The difference of \$66,277,389 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 15 to the basic financial statements.

### **Current Financial Related Activities**

The City of Brunswick is committed to a strong economic development program and continues to maintain the highest level of public safety, recreation and street and storm sewer infrastructures. Growth in industrial, commercial and residential development is essential to maintaining these high standards of service and excellence. Council has demonstrated their commitment to a strong economic development program by increasing the 2006 original budget for economic development by 55.91 percent over the 2005 final budget. The economic development of the City has lead to a strong healthy community that has a bond rating of Aa3 by Moody's. On May 10, 2005, Moody's announced the City's bond rating had been upgraded to Aa3 from A1. The City is extremely proud of receiving this upgrade and should ultimately result in the City receiving lower interest rates on newly issued debt obligations.

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

**City of Brunswick, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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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. City Council and the Administration are committed to making sure that this development defines the City as one of the premier cities in northern Ohio.

As previously stated, the City sold its waterline infrastructure to the City of Cleveland during 2005. The City of Brunswick no longer has the financial obligation to repair, improve or maintain the waterlines. The City is relieved to relinquish the enormous financial burden of maintaining these lines.

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.

On July 20, 2005 Betty Montgomery presented the Auditor's Award to the City of Brunswick for our outstanding commitment to the highest standards of financial reporting. This recognition award is given to the top 3 to 4 percent of governments in the State of Ohio for not only meeting the strict standards established by the United States Government Finance Officers Association, but also for building sound internal accounting controls that provide for the safeguarding, reliability and accountability of financial records and city assets.

This award would not have been possible without the hard work of the Finance Committee, Finance Department staff, City Administration, and the State Auditor's Office. It is a great honor for the City of Brunswick to be able to place itself in the top 3 to 4 percent of all governments in the State of Ohio and we look forward to maintaining excellence in financial reporting and internal accounting controls in the years to come.

### **Contacting the City's Finance Department**

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



## Basic Financial Statements

**City of Brunswick, Ohio**

*Statement of Net Assets*

*December 31, 2005*

	Governmental Activities	Business-Type Activity	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$18,647,464	\$166,416	\$18,813,880
Cash and Cash Equivalents:			
In Segregated Accounts	1,894	0	1,894
With Fiscal Agents	647	0	647
Investments	34,399	0	34,399
Accounts Receivable	114,972	181,043	296,015
Accrued Interest Receivable	47,991	0	47,991
Intergovernmental Receivable	1,825,814	0	1,825,814
Materials and Supplies Inventory	89,910	0	89,910
Income Taxes Receivable	4,191,536	0	4,191,536
Property Taxes Receivable	2,108,340	0	2,108,340
Special Assessments Receivable	1,601,246	0	1,601,246
Deferred Charges	35,075	0	35,075
Assets Held for Resale	1,614,282	0	1,614,282
Nondepreciable Capital Assets	7,613,967	0	7,613,967
Depreciable Capital Assets	32,721,893	325,385	33,047,278
<i>Total Assets</i>	<u>70,649,430</u>	<u>672,844</u>	<u>71,322,274</u>
<b>Liabilities</b>			
Accounts Payable	841,425	133,058	974,483
Contracts Payable	189,100	0	189,100
Accrued Wages and Benefits	726,509	3,157	729,666
Notes Payable	4,565,000	0	4,565,000
Deferred Revenue	2,048,632	0	2,048,632
Pension Obligation Payable	347,013	1,442	348,455
Vacation Benefits Payable	218,105	731	218,836
Matured Interest Payable	647	0	647
Accrued Interest Payable	170,468	0	170,468
Long-Term Liabilities:			
Due Within One Year	2,648,423	4,067	2,652,490
Due in More Than One Year	4,242,183	15,869	4,258,052
<i>Total Liabilities</i>	<u>15,997,505</u>	<u>158,324</u>	<u>16,155,829</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	32,491,981	305,682	32,797,663
Restricted for:			
Capital Projects	6,373,225	0	6,373,225
Debt Service	2,315,797	0	2,315,797
Police	603,134	0	603,134
Fire	1,719,296	0	1,719,296
Transportation	2,264,163	0	2,264,163
Cable Television Local Programming	945,910	0	945,910
Parks and Recreation	286,344	0	286,344
Community Improvement	295,988	0	295,988
Other Purposes	7,644	0	7,644
Unrestricted	7,348,443	208,838	7,557,281
<i>Total Net Assets</i>	<u>\$54,651,925</u>	<u>\$514,520</u>	<u>\$55,166,445</u>

See accompanying notes to the basic financial statements

**City of Brunswick, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2005

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$4,930,502	\$479,604	\$27,929	\$240,042
Security of Persons and Property	8,458,878	547,382	341,831	0
Transportation	3,546,954	34,935	1,766,916	259,223
Community Environment	861,386	854,056	0	218,510
Public Health Services	249,267	64,892	0	69,889
Leisure Time Activities	2,207,800	1,092,614	0	5,000
Interest and Fiscal Charges	468,839	0	0	0
<i>Total Governmental Activities</i>	20,723,626	3,073,483	2,136,676	792,664
<b>Business-Type Activity</b>				
Refuse	1,672,968	1,550,528	0	0
<i>Totals</i>	<u>\$22,396,594</u>	<u>\$4,624,011</u>	<u>\$2,136,676</u>	<u>\$792,664</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

Interest

Other

*Total General Revenues*

**Special Item**

Loss on Sale of Capital Assets

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
(\$4,182,927)	\$0	(4,182,927)
(7,569,665)	0	(7,569,665)
(1,485,880)	0	(1,485,880)
211,180	0	211,180
(114,486)	0	(114,486)
(1,110,186)	0	(1,110,186)
(468,839)	0	(468,839)
(14,720,803)	0	(14,720,803)
0	(122,440)	(122,440)
(14,720,803)	(122,440)	(14,843,243)
1,608,434	0	1,608,434
463,668	0	463,668
3,513,824	0	3,513,824
32,938	0	32,938
2,449,791	0	2,449,791
846,265	0	846,265
1,103,435	0	1,103,435
102,932	0	102,932
494,075	0	494,075
1,545,535	0	1,545,535
643,300	0	643,300
129,228	80	129,308
12,933,425	80	12,933,505
(5,702,585)	0	(5,702,585)
(7,489,963)	(122,360)	(7,612,323)
62,141,888	636,880	62,778,768
\$54,651,925	\$514,520	\$55,166,445

**City of Brunswick, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2005*

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement	Brunswick Lake Construction
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$4,965,180	\$904,809	\$985,861	\$223,134	\$884,008
Cash and Cash Equivalents:					
in Segregated Accounts	1,894	0	0	0	0
With Fiscal Agents	0	0	0	0	0
Investments	0	0	0	0	0
Receivables:					
Income Taxes	1,538,294	1,246,982	523,942	0	0
Property Taxes	1,636,415	0	0	0	0
Accounts	19,457	63,474	0	0	0
Interfund	447,612	0	0	0	0
Loans to Other Funds	2,031,000	0	0	0	0
Intergovernmental	719,672	0	673,265	0	0
Accrued Interest	47,991	0	0	0	0
Special Assessments	0	0	0	1,601,246	0
Materials and Supplies Inventory	6,587	1,992	56,965	0	0
Assets Held for Resale	0	0	0	0	1,614,282
<i>Total Assets</i>	<u>\$11,414,102</u>	<u>\$2,217,257</u>	<u>\$2,240,033</u>	<u>\$1,824,380</u>	<u>\$2,498,290</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$437,001	\$117,090	\$101,270	\$0	\$0
Contracts Payable	0	0	0	0	15,664
Accrued Wages and Benefits	381,290	159,222	108,741	0	0
Pension Obligation Payable	176,525	124,947	27,675	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	3,575,536	997,453	979,363	1,601,246	40,003
Matured Interest Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>4,570,352</u>	<u>1,398,712</u>	<u>1,217,049</u>	<u>1,601,246</u>	<u>2,086,667</u>
<b>Fund Balances (Deficit)</b>					
Reserved for Encumbrances	201,001	210,676	189,860	0	22,444
Reserved for Unclaimed Money	218,978	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	4,392,771	0	0	0	0
Special Revenue Funds	0	607,869	833,124	0	0
Debt Service Funds	0	0	0	223,134	0
Capital Projects Funds	0	0	0	0	(1,225,103)
<i>Total Fund Balances (Deficit)</i>	<u>6,843,750</u>	<u>818,545</u>	<u>1,022,984</u>	<u>223,134</u>	<u>411,623</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$11,414,102</u>	<u>\$2,217,257</u>	<u>\$2,240,033</u>	<u>\$1,824,380</u>	<u>\$2,498,290</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, 2005*

Sanitary Storm Sewer	Other Governmental Funds	Total Governmental Funds
\$3,062,148	\$7,622,324	\$18,647,464
0	0	1,894
0	647	647
0	34,399	34,399
0	882,318	4,191,536
0	471,925	2,108,340
0	32,041	114,972
0	0	447,612
0	0	2,031,000
35,867	397,010	1,825,814
0	0	47,991
0	0	1,601,246
0	24,366	89,910
0	0	1,614,282
<u>\$3,098,015</u>	<u>\$9,465,030</u>	<u>\$32,757,107</u>
\$0	\$186,064	\$841,425
65,931	107,505	189,100
0	77,256	726,509
0	17,866	347,013
3,990,000	575,000	4,565,000
0	447,612	447,612
0	0	2,031,000
102,210	5,750	107,960
0	1,409,424	8,603,025
0	647	647
<u>4,158,141</u>	<u>2,827,124</u>	<u>17,859,291</u>
358,185	747,510	1,729,676
0	0	218,978
0	0	2,031,000
0	0	1,614,282
0	0	4,392,771
0	1,639,989	3,080,982
0	580,798	803,932
(1,418,311)	3,669,609	1,026,195
<u>(1,060,126)</u>	<u>6,637,906</u>	<u>14,897,816</u>
<u>\$3,098,015</u>	<u>\$9,465,030</u>	<u>\$32,757,107</u>

<b>Total Governmental Fund Balances</b>	<b>\$14,897,816</b>
<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.	40,335,860
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Delinquent Property Taxes	99,711
Income Tax	3,352,783
Special Assessments	1,601,246
Grants	1,459,172
Charges for Services	18,012
Interest	23,469
Total	<u>6,554,393</u>
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	(62,508)
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	(218,105)
Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds.	35,075
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	(2,517,631)
General Obligation Bond Premium	(61,620)
Special Assessment Bonds	(1,577,766)
Special Assessment Bond Premium	(31,744)
Capital Leases	(80,128)
OPWC Loan	(195,803)
Notes	(2,030,000)
Compensated Absences	(395,914)
Total	<u>(6,890,606)</u>
<b>Net Assets of Governmental Activities</b>	<b><u>\$54,651,925</u></b>

**City of Brunswick, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2005*

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement	Brunswick Lake Construction
<b>Revenues</b>					
Property and Other Taxes	\$1,595,976	\$0	\$0	\$0	\$0
Municipal Income Tax	3,492,813	2,446,301	861,504	0	0
Charges for Services	178,631	491,002	17,259	0	0
Special Assessments	0	0	0	130,466	0
Licenses, Permits and Fees	420,414	0	0	0	0
Fines and Forfeitures	433,175	0	0	0	0
Intergovernmental	1,493,703	2,000	1,352,602	0	0
Sales	0	0	0	0	0
Interest	549,943	0	0	78,411	7,920
Contributions and Donations	19,100	18,553	0	0	0
Other	51,790	6,210	4,277	0	5,507
<i>Total Revenues</i>	<u>8,235,545</u>	<u>2,964,066</u>	<u>2,235,642</u>	<u>208,877</u>	<u>13,427</u>
<b>Expenditures</b>					
Current:					
General Government	4,097,847	0	0	4,601	0
Security of Persons and Property	3,634,984	2,987,733	0	0	0
Transportation	0	0	2,408,167	0	0
Community Environment	702,356	0	0	0	0
Public Health Services	8,550	0	0	0	0
Leisure Time Activities	248,566	0	0	0	0
Capital Outlay	0	0	0	0	326,086
Debt Service:					
Principal Retirement	0	0	61,947	109,899	0
Interest and Fiscal Charges	0	0	504	93,311	25,375
<i>Total Expenditures</i>	<u>8,692,303</u>	<u>2,987,733</u>	<u>2,470,618</u>	<u>207,811</u>	<u>351,461</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(456,758)</u>	<u>(23,667)</u>	<u>(234,976)</u>	<u>1,066</u>	<u>(338,034)</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	0	0	0	0	0
Inception of Capital Lease	0	0	132,075	0	0
Notes Premium	0	0	0	0	0
Refunding Notes Issued	0	0	0	0	2,030,000
OPWC Loan Issued	0	0	0	0	0
Payment to Refund Notes	0	0	0	0	(2,030,000)
Transfers In	2,236,441	0	0	0	0
Transfers Out	(1,036,706)	0	0	(98,365)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,199,735</u>	<u>0</u>	<u>132,075</u>	<u>(98,365)</u>	<u>0</u>
<b>Special Item</b>					
Proceeds from the Sale of Waterlines	0	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>742,977</u>	<u>(23,667)</u>	<u>(102,901)</u>	<u>(97,299)</u>	<u>(338,034)</u>
<i>Fund Balances (Deficit) Beginning 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>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$6,843,750</u>	<u>\$818,545</u>	<u>\$1,022,984</u>	<u>\$223,134</u>	<u>\$411,623</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, 2005*

Sanitary Storm Sewer	Other Governmental Funds	Total Governmental Funds		
			<b>Net Change in Fund Balances -Total Governmental Funds</b>	(\$436,011)
			<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
			Governmental funds report capital outlays as expenditures.	
			However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
\$0	\$460,378	\$2,056,354	Capital Asset Additions	3,696,135
0	1,730,910	8,531,528	Current Year Depreciation	(2,248,537)
0	977,058	1,663,950	Total	1,447,598
0	0	130,466		
0	478,226	898,640	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.	(9,156,444)
0	46,996	480,171		
69,889	1,436,829	4,355,023	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
0	12,710	12,710	Delinquent Property Taxes	15,748
0	26,575	662,849	Income Tax	11,732
0	5,000	42,653	Special Assessment	(130,466)
20,379	41,065	129,228	Grants	77,199
			Charges for Services	18,012
90,268	5,215,747	18,963,572	Interest	(19,549)
			Total	(27,324)
0	69,100	4,171,548	Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	2,625,664
0	1,501,023	8,123,740		
0	673,831	3,081,998	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	
0	342,999	1,045,355	Accrued Interest	(22,617)
0	286	8,836	Bond Premium	13,491
0	1,957,635	2,206,201	Bond Issuance Costs	(5,846)
1,111,276	1,731,972	3,169,334	Total	(14,972)
0	423,818	595,664	Inception of a capital lease is an other financing source in the governmental funds, but increases liabilities in governmental activities.	(132,075)
150,882	220,931	491,003		
1,262,158	6,921,595	22,893,679	Proceeds of debt is an other financing source in the governmental funds, but increases liabilities in governmental activities.	(2,084,627)
(1,171,890)	(1,705,848)	(3,930,107)		
20,000	258	20,258	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.	
0	0	132,075	Compensated Absences	(21,148)
0	37,136	37,136	Vacation Benefits Payable	309,376
0	0	2,030,000	Total	288,228
0	54,627	54,627	<i>Change in Net Assets of Governmental Activities</i>	(7,489,963)
0	0	(2,030,000)		
389,889	745,182	3,371,512		
0	(2,236,441)	(3,371,512)		
409,889	(1,399,238)	244,096		
0	3,250,000	3,250,000		
(762,001)	144,914	(436,011)		
(298,125)	6,492,992	15,333,827		
(\$1,060,126)	\$6,637,906	\$14,897,816		



**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, 2005*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Taxes	\$1,289,255	\$1,594,555	\$1,595,976	\$1,421
Municipal Income Tax	3,367,522	3,382,022	3,455,347	73,325
Charges for Services	275,750	187,022	176,549	(10,473)
Licenses, Permits and Fees	635,897	436,235	423,410	(12,825)
Fines and Forfeitures	527,000	458,750	431,281	(27,469)
Intergovernmental	1,282,703	1,625,737	1,602,346	(23,391)
Interest	73,042	538,102	538,176	74
Contributions and Donations	0	5,015	5,071	56
Other	108,640	70,735	51,790	(18,945)
<i>Total Revenues</i>	<u>7,559,809</u>	<u>8,298,173</u>	<u>8,279,946</u>	<u>(18,227)</u>
<b>Expenditures</b>				
Current:				
General Government	4,064,546	4,501,163	4,187,605	313,558
Security of Persons and Property	3,458,666	3,849,138	3,580,603	268,535
Community Environment	671,241	747,022	713,960	33,062
Public Health Services	11,142	12,400	9,450	2,950
Leisure Time Activities	226,482	252,051	246,012	6,039
<i>Total Expenditures</i>	<u>8,432,077</u>	<u>9,361,774</u>	<u>8,737,630</u>	<u>624,144</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(872,268)</u>	<u>(1,063,601)</u>	<u>(457,684)</u>	<u>605,917</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	258,537	379,350	378,650	(700)
Advances Out	(255,321)	(255,321)	(145,321)	110,000
Transfers In	2,013,658	2,316,873	2,236,441	(80,432)
Transfers Out	(1,477,517)	(1,477,517)	(1,036,706)	440,811
<i>Total Other Financing Sources (Uses)</i>	<u>539,357</u>	<u>963,385</u>	<u>1,433,064</u>	<u>469,679</u>
<i>Net Change in Fund Balance</i>	(332,911)	(100,216)	975,380	1,075,596
<i>Fund Balance Beginning of Year</i>	3,355,434	3,355,434	3,355,434	0
Prior Year Encumbrances Appropriated	358,170	358,170	358,170	0
<i>Fund Balance End of Year</i>	<u>\$3,380,693</u>	<u>\$3,613,388</u>	<u>\$4,688,984</u>	<u>\$1,075,596</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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Tax	\$2,388,000	\$2,388,000	\$2,418,957	\$30,957
Charges for Services	360,000	450,405	465,433	15,028
Intergovernmental	10,000	2,000	2,000	0
Contributions and Donations	12,500	4,595	4,524	(71)
Other	500	6,000	6,210	210
<i>Total Revenues</i>	2,771,000	2,851,000	2,897,124	46,124
<b>Expenditures</b>				
Current:				
Security of Persons and Property	3,083,245	3,144,661	3,075,221	69,440
<i>Net Change in Fund Balance</i>	(312,245)	(293,661)	(178,097)	115,564
<i>Fund Balance Beginning of Year</i>	834,222	834,222	834,222	0
Prior Year Encumbrances Appropriated	35,109	35,109	35,109	0
<i>Fund Balance End of Year</i>	<u>\$557,086</u>	<u>\$575,670</u>	<u>\$691,234</u>	<u>\$115,564</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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Tax	\$842,825	\$842,825	\$853,749	\$10,924
Charges for Services	14,000	17,065	17,259	194
Intergovernmental	1,288,764	1,332,000	1,346,529	14,529
Other	5,000	4,130	4,277	147
<i>Total Revenues</i>	<u>2,150,589</u>	<u>2,196,020</u>	<u>2,221,814</u>	<u>25,794</u>
<b>Expenditures</b>				
Current:				
Transportation	2,419,883	2,735,758	2,533,688	202,070
Debt Service:				
Principal Retirement	10,000	10,000	10,000	0
<i>Total Expenditures</i>	<u>2,429,883</u>	<u>2,745,758</u>	<u>2,543,688</u>	<u>202,070</u>
<i>Net Change in Fund Balance</i>	(279,294)	(549,738)	(321,874)	227,864
<i>Fund Balance Beginning of Year</i>	886,030	886,030	886,030	0
Prior Year Encumbrances Appropriated	202,018	202,018	202,018	0
<i>Fund Balance End of Year</i>	<u><u>\$808,754</u></u>	<u><u>\$538,310</u></u>	<u><u>\$766,174</u></u>	<u><u>\$227,864</u></u>

See accompanying notes to the basic financial statements

**City of Brunswick, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Fund*  
*December 31, 2005*

	Refuse
<b>Assets</b>	
<i>Current Assets</i>	
Equity in Pooled Cash and Cash Equivalents	\$166,416
Accounts Receivable	181,043
Total Current Assets	347,459
<i>Noncurrent Assets</i>	
Depreciable Capital Assets, Net	325,385
<i>Total Assets</i>	672,844
<b>Liabilities</b>	
<i>Current Liabilities</i>	
Accounts Payable	133,058
Accrued Wages and Benefits	3,157
Pension Obligation Payable	1,442
Vacation Benefits Payable	731
Capital Lease Payable	4,035
Compensated Absences Payable	32
<i>Total Current Liabilities</i>	142,455
<i>Long-Term Liabilities</i>	
Capital Lease Payable (net of current portion)	15,668
Compensated Absences Payable (net of current portion)	201
<i>Total Long-Term Liabilities</i>	15,869
<i>Total Liabilities</i>	158,324
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	305,682
Unrestricted	208,838
<i>Total Net Assets</i>	\$514,520

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, 2005

	Refuse
<b>Operating Revenues</b>	
Charges for Services	\$1,550,528
Other	80
	1,550,608
 <b>Operating Expenses</b>	
Salaries and Wages	78,987
Fringe Benefits	35,283
Purchased Services	1,528,644
Materials and Supplies	1,095
Depreciation	28,456
	1,672,465
<i>Total Operating Expenses</i>	<i>1,672,465</i>
 <i>Operating Loss</i>	 (121,857)
 <b>Non-Operating Expense</b>	
Interest	(503)
	(503)
 <i>Change in Net Assets</i>	 (122,360)
 <i>Net Assets Beginning of Year</i>	 636,880
	636,880
 <i>Net Assets End of Year</i>	 \$514,520
	\$514,520

See accompanying notes to the basic financial statements

**City of Brunswick, Ohio**  
*Statement of Cash Flows*  
*Proprietary Fund*  
*For the Year Ended December 31, 2005*

	Refuse
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>	
<b>Cash Flows from Operating Activities</b>	
Cash Received From Customers	\$1,552,708
Cash Payments to Suppliers for Goods and Services	(1,522,926)
Cash Payments for Employee Services	(75,830)
Cash Payments for Employee Benefits	(37,361)
Other Operating Revenues	80
<i>Net Cash Used for Operating Activities</i>	(83,329)
<b>Cash Flows From Capital and Related Financing Activities</b>	
Payments for Capital Acquisitions	(919)
Principal Payment - Capital Lease	(1,947)
Interest Payment - Capital Lease	(503)
<i>Net Cash Used for Capital and Related Financing Activities</i>	(3,369)
<i>Net Decrease in Cash and Cash Equivalents</i>	(86,698)
Cash and Cash Equivalents Beginning of Year	253,114
Cash and Cash Equivalents End of Year	\$166,416
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>	
<i>Operating Loss</i>	(\$121,857)
Adjustment:	
Depreciation	28,456
<i>(Increase)/Decrease in Assets:</i>	
Accounts Receivable	2,180
<i>Increase/(Decrease) in Liabilities:</i>	
Accounts Payable	8,552
Accrued Wages and Benefits	394
Vacation Benefits Payable	(797)
Compensated Absences Payable	156
Pension Obligation Payable	(413)
<i>Total Adjustments</i>	38,528
<i>Net Cash Used for Operating Activities</i>	(\$83,329)

See accompanying notes to the basic financial statements

**City of Brunswick, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2005*

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**Assets**

Equity in Pooled Cash and Cash Equivalents	\$367,365
Cash and Cash Equivalents in Segregated Accounts	<u>29,035</u>
	<u>\$396,400</u>

**Liabilities**

Undistributed Assets	<u>\$396,400</u>
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See accompanying notes to the basic financial statements

**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**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 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 Southwest Council of Governments, Northeast Ohio Public Energy Council and Medway Drug Enforcement Agency as jointly governed organizations. Additional information is included in Note 21.

**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 activity 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, 2005*

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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 expenditures 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 of 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, 2005*

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***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, 2005*

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***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 7) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

***Deferred 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, 2005, but which were levied to finance year 2006 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, 2005*

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***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 2005.

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 2005, 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**  
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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, 2005.

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 2005 amounted to \$549,943, which includes \$373,576 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. As of January 1, 2005, the City maintains a capitalization threshold of ten thousand dollars for infrastructure, zero dollars for land, works of art, computers and computer peripherals and five thousand dollars for all other assets. Prior to January 1, 2005 the City capitalized all assets over \$150. 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:

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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, dams, 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 "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 and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

**City of Brunswick, Ohio**  
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***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 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 \$14,811,501 of restricted net assets, of which \$10,112,142 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. The special item was due to the loss on the sale of waterlines to the City of Cleveland. (See Note 10)

**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
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**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.

**Note 3 – Fund Deficits**

**A. Fund Deficits**

The Federal Emergency Management Agency Grant special revenue fund, the Violence Against Women Act Grant special revenue fund and the Sanitary Storm Sewer capital projects fund had deficit fund balances of \$41,566, \$14,599 and \$1,060,126 respectively. The deficit fund balances in the special revenue funds are 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 deficit in the capital projects fund arose from the requirement to report bond anticipation note liabilities in the fund which received the note proceeds. The deficit will be alleviated when the bonds are issued or when the notes are paid.

**Note 4 – Change in Accounting Principles**

For 2005, the City has implemented GASB Statement No. 40, “Deposit and Investment Risk Disclosures” and GASB Statement No. 42, “Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.”

GASB Statement No. 40 establishes new disclosure requirements for risks associated with deposits and investments.

GASB Statement No. 42 establishes accounting and financial reporting standards for impairment of capital assets and clarifies and establishes accounting requirements for insurance recoveries.

The implementation of GASB Statement No. 42 did not affect the presentation of the financial statements of the City.

**Note 5 - Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balance/net assets 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).



**City of Brunswick, Ohio**  
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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	\$742,977	(\$23,667)	(\$102,901)
Net Adjustment for Revenue Accruals	58,179	(66,942)	(145,903)
Advances In	378,650	0	0
Change in Fair Value of Investments	(13,778)	0	0
Net Adjustment for Expenditure Accruals	244,647	126,087	146,617
Advances Out	(145,321)	0	0
Adjustments for Encumbrances	(289,974)	(213,575)	(219,687)
Budget Basis	<u>\$975,380</u>	<u>(\$178,097)</u>	<u>(\$321,874)</u>

**Note 6 - Deposits and Investments**

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

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

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

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

**City of Brunswick, Ohio**  
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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).

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.

### **Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, the

**City of Brunswick, Ohio**  
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carrying amount of the City's deposits was \$10,119,438 and the bank balance was \$10,332,332. Of the bank balance \$406,762 was covered by Federal depository insurance and \$9,925,570 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department or agent, but not in the City's name.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

**Investments**

Investments are reported at fair value. As of December 31, 2005, the City had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Repurchase Agreements		
Federal Home Loan Mortgage Bond	\$810,000	Daily
Federal National Mortgage Association Note	997,422	March 10, 2008
Federal Home Loan Mortgage Note	982,600	April 30, 2007
Manuscript Bond	34,399	December 1, 2018
STAROhio	<u>6,301,513</u>	Average 39 days
Total Portfolio	<u><u>\$9,125,934</u></u>	

**Interest Rate Risk** As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. To date, no investments have been purchased with a life greater than five years except for the manuscript bonds. The manuscript bond represents an investment in which the City purchased its own special assessment bond to pay the property owners' portion of the cost of improving Grafton Road. This bond matures on December 1, 2018.

**Credit Risk** The Federal Home Loan Mortgage Bond, the Federal National Mortgage Association Note and the Federal Home Loan Mortgage Note all carry a rating of AAA by Standard and Poor's. STAROhio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that would further limit its investment choices.

**Custodial Credit Risk** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Mortgage Bond, Federal National Mortgage Association Note and Federal Home Loan Mortgage Note are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

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**Concentration of Credit Risk** is defined by the Governmental Accounting Standards Board as having five percent or more invested in the securities of a single issuer. The City's investment policy places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2005:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Repurchase Agreement	8.88%
Federal National Mortgage Association Note	10.93
Federal Home Loan Mortgage Note	10.77
STAROhio	69.05

**Note 7 - Receivables**

Receivables at December 31, 2005, consisted primarily of municipal income taxes, property and other taxes, special assessments, intergovernmental receivables arising from grants, entitlements and shared revenues, interest, interfund, 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 \$1,462,867 in the special assessment bond retirement fund. The amount of delinquent special assessments outstanding at year-end is \$23,480.

**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 2005 for real and public utility property taxes represents collections of 2004 taxes. Property tax payments received during 2005 for tangible personal property (other than public utility property) are for 2005 taxes.

2005 real property taxes are levied after October 1, 2005, on the assessed value as of January 1, 2005, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2005 real property taxes are collected in and intended to finance 2006.

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. 2005 public utility property taxes became a lien December 31, 2004, are levied after October 1, 2005, and are collected in 2006 with real property taxes.

2005 tangible personal property taxes are levied after October 1, 2004, on the value as of December 31, 2004. Collections are made in 2005. 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, 2005, was \$3.35 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2005 property tax receipts were based are as follows:

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	<u>Assessed Value</u>
Real Estate	\$660,584,830
Public Utility Property	9,531,030
Tangible Personal	<u>42,352,922</u>
Total Assessed Value	<u><u>\$712,468,782</u></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, 2005 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 2005 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 2005, after income tax department expenditures, are credited to the following funds: 38.70 percent to the general fund, 29.75 percent to the fire special revenue fund, 10.50 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.

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**C. Intergovernmental Receivables**

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

	Amounts
Local Government	\$537,296
Gasoline Tax	518,644
Grants	226,727
Permissive Motor Vehicle License Tax	201,186
Homestead and Rollback	137,400
Motor Vehicle License Registration	128,824
Deregulation Monies	43,109
Fines, Licenses and Fees	18,858
Estate Tax	13,770
Total	\$1,825,814

**Note 8 – Contractual Commitments**

As of December 31, 2005, the City had the following contractual commitments:

Project	Amount Remaining on Contract
I-71 and 303 Interchange Northbound On-Ramp	\$332,000
Fire Station Replacement Roof	220,604
Fire Ambulance	204,613
Francis Storm Sewer	195,836
Street Sweeper	70,517
Boston Road Engineering	49,583
Stanford/Andrea Storm Sewer	44,187
Ashleigh Area Storm Sewer	41,620
East/West Hadcock Storm Sewer	38,051
Laurel Road Improvement	37,090
Recreation Center Replacement Roof	34,427
Salt Barn	32,166
Storm Water Mapping	24,625
Total	\$1,325,319

**Note 9 - 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, 2005.

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**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, 2005.

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2005, was as follows:

	Balance 12/31/04	Additions	Deletions	Balance 12/31/05
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$3,833,904	\$144,604	(\$185,400)	\$3,793,108
Construction in Progress	4,516,558	2,680,310	(3,376,009)	3,820,859
<i>Total Capital Assets, not being depreciated</i>	<u>8,350,462</u>	<u>2,824,914</u>	<u>(3,561,409)</u>	<u>7,613,967</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	28,307	0	0	28,307
Buildings and Improvements	12,940,879	59,461	0	13,000,340
Equipment, Machinery and Vehicles	10,246,856	737,254	(119,544)	10,864,566
Furniture and Fixtures	436,499	0	(659)	435,840
Infrastructure				
Roads	11,904,708	73,456	0	11,978,164
Sidewalks	1,069,937	106,663	0	1,176,600
Storm Sewers	13,037,140	297,530	0	13,334,670
Waterlines	9,998,225	1,356,123	(11,354,348)	0
Bridges	263,823	0	0	263,823
Dam	0	1,616,743	0	1,616,743
Culverts	1,821,670	0	0	1,821,670
<i>Total Capital Assets, being depreciated</i>	<u>61,748,044</u>	<u>4,247,230</u>	<u>(11,474,551)</u>	<u>54,520,723</u>
Less Accumulated Depreciation:				
Land Improvements	(2,079)	(1,113)	0	(3,192)
Buildings and Improvements	(4,962,371)	(380,653)	0	(5,343,024)
Equipment, Machinery and Vehicles	(6,649,608)	(844,283)	101,085	(7,392,806)
Furniture and Fixtures	(236,060)	(32,866)	659	(268,267)
Infrastructure				
Roads	(4,385,557)	(399,272)	0	(4,784,829)
Sidewalks	(371,224)	(39,220)	0	(410,444)
Storm Sewers	(2,833,980)	(266,693)	0	(3,100,673)
Waterlines	(2,201,799)	(199,964)	2,401,763	0
Bridges	(54,839)	(6,596)	0	(61,435)
Dam	0	(32,335)	0	(32,335)
Culverts	(356,283)	(45,542)	0	(401,825)
Total Accumulation Depreciation	<u>(22,053,800)</u>	<u>(2,248,537) *</u>	<u>2,503,507</u>	<u>(21,798,830)</u>
Total Capital Assets being depreciated, net	<u>39,694,244</u>	<u>1,998,693</u>	<u>(8,971,044)</u>	<u>32,721,893</u>
Governmental Activities Capital Assets, Net	<u>\$48,044,706</u>	<u>\$4,823,607</u>	<u>(\$12,532,453)</u>	<u>\$40,335,860</u>

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	Balance 12/31/04	Additions	Deletions	Balance 12/31/05
<b>Business-Type Activities</b>				
<i>Capital Assets, being depreciated:</i>				
Machinery, Equipment and Vehicles	\$389,429	\$22,569	\$0	\$411,998
Furniture and Fixtures	1,811	0	0	1,811
<i>Total Capital Assets, being depreciated</i>	<u>391,240</u>	<u>22,569</u>	<u>0</u>	<u>413,809</u>
Less Accumulated Depreciation:				
Machinery, Equipment and Vehicles	(58,157)	(28,456)	0	(86,613)
Furniture and Fixtures	(1,811)	0	0	(1,811)
Total Accumulation Depreciation	<u>(59,968)</u>	<u>(28,456)</u>	<u>0</u>	<u>(88,424)</u>
Business-Type Activities Capital Assets, Net	<u>\$331,272</u>	<u>(\$5,887)</u>	<u>\$0</u>	<u>\$325,385</u>

\* Depreciation expense was charged to governmental functions as follows:

General Government	\$221,045
Security of Persons and Property	448,470
Transportation	708,634
Community Environment	444,841
Public Health Services	240,888
Leisure Time Activities	<u>184,659</u>
Total Depreciation Expense	<u>\$2,248,537</u>

The large decrease in capital assets is due to the fact that during 2005 the City sold all of its waterlines to the City of Cleveland, which resulted in a loss of \$5,702,585.

**Note 11 – 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 2005, the City did not sell any of the land. As of December 31, 2005 the City has 33 acres of land remaining which is being held for resale.

**Note 12 - 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 St. Paul 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 St. Paul Insurance Company are \$1,000,000 per occurrence and \$2,000,000 aggregate per year with a \$10,000 deductible. Vehicle coverage, with St. Paul Insurance Company, is limited to \$1,000,000 per each occurrence, no aggregate, with a \$0 liability deductible and a \$1,000 physical damage deductible for comprehensive and collision for all City vehicles.



**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

Comprehensive crime is covered at \$100,000 for money and securities. The Computer Equipment coverage is \$870,958 with a \$1,000 deductible.

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$21,361,227 with a \$2,500 per event deductible. Inland marine coverage for all City property that moves has a limit of \$894,946 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 13 – Capital Leases Payable**

During 2005, the City has entered into leases for the acquisition of a street sweeper and a sewer camera. These lease obligations meet the criteria of a capital lease as defined by Financial Accounting Standards Board Statement Number 13, "Accounting for Leases," and have been recorded as capital assets on the government-wide statements. Capital lease payments have been reclassified and are reflected as debt service expenditures in the general fund on the basic financial statements. These expenditures are reflected as programs/function expenditures on a budgetary basis.

	Governmental Activities	Business-Type Activities
Asset:		
Machinery and Equipment	\$132,075	\$21,650
Less: Accumulated depreciation	(6,465)	(2,593)
Current Book Value	\$125,610	\$19,057

Such agreements provide for minimum, annual lease payments as follows:

	Governmental Activities	Business-Type Activities
2006	\$18,760	\$4,900
2007	18,760	4,900
2008	18,761	4,900
2009	18,760	4,900
2010	16,311	2,450
Total Minimum Lease Payments	91,352	22,050
Less: Amount Representing Interest	(11,224)	(2,347)
Total	\$80,128	\$19,703

**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2005

**Note 14 – Notes Payable**

A summary of the note transactions for the year ended December 31, 2005, follows:

	Outstanding 12/31/2004	Issued	Retired	Outstanding 12/31/2005
2.50% Waterline Replacement Notes	\$1,500,000	\$0	\$1,500,000	\$0
4.00% Waterline Replacement Notes	0	1,500,000	1,500,000	0
2.33% Laurel Road Notes	575,000	0	575,000	0
4.00% Laurel Road Notes	0	575,000	0	575,000
2.50% Storm Sewer Replacement Notes	2,600,000	0	2,600,000	0
4.25% Storm Sewer Replacement Notes	0	3,990,000	0	3,990,000
<b>Total</b>	<u>\$4,675,000</u>	<u>\$6,065,000</u>	<u>\$6,175,000</u>	<u>\$4,565,000</u>

All of the notes are bond anticipation notes which are backed by the full faith and credit of the City. The Storm Sewer Replacement notes mature May 24, 2006 and the Laurel Road notes mature September 14, 2006. The note liability is reflected in the fund which received the proceeds and will repay the debt.

**Note 15 - 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 with Governmental Commitment</i>				
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	2005	2.90	2,030,000	April 6, 2006
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, 2005

A schedule of changes in bonds and other long-term obligations of the City during 2005 follows:

	Amounts Outstanding 12/31/04	Additions	Reductions	Amounts Outstanding 12/31/05	Amounts Due in One Year
<i>General Obligation Bonds:</i>					
<i>Voted:</i>					
Community Recreation Center Refunding Bonds	\$2,160,000	\$0	(\$335,000)	\$1,825,000	\$325,000
<i>Unvoted:</i>					
Center Road Improvement	20,449	0	(6,818)	13,631	6,817
Refunded City Hall Expansion	761,000	0	(82,000)	679,000	83,000
Unamortized Premium	70,524	0	(8,904)	61,620	8,904
Net Refunded City Hall Expansion	831,524	0	(90,904)	740,620	91,904
<i>Total General Obligation Bonds</i>	<u>3,011,973</u>	<u>0</u>	<u>(432,722)</u>	<u>2,579,251</u>	<u>423,721</u>
<i>Special Assessment Bonds with Governmental Commitment:</i>					
Center Road Improvement	24,549	0	(8,182)	16,367	8,182
Laurel Road West Waterline	210,000	0	(15,000)	195,000	15,000
Grafton Road Improvement	37,116	0	(2,717)	34,399	2,717
South Industrial Improvement	1,030,000	0	(45,000)	985,000	50,000
Refunded Cross Creek Improvement	345,000	0	(35,000)	310,000	35,000
Unamortized Premium	32,494	0	(4,103)	28,391	4,103
Net Cross Creek Improvement	377,494	0	(39,103)	338,391	39,103
Refunded Carpenter Road Improvement	41,000	0	(4,000)	37,000	4,000
Unamortized Premium	3,837	0	(484)	3,353	484
Net Carpenter Road Improvement	44,837	0	(4,484)	40,353	4,484
<i>Total Special Assessment Bonds</i>	<u>1,723,996</u>	<u>0</u>	<u>(114,486)</u>	<u>1,609,510</u>	<u>119,486</u>
<i>Long Term Notes:</i>					
Brunswick Lake Dam and Dredging Notes					
\$2,030,000 2004 1.25%	2,030,000	0	(2,030,000)	0	0
\$2,030,000 2005 2.90%	0	2,030,000	0	2,030,000	2,030,000
<i>Total Long Term Notes</i>	<u>2,030,000</u>	<u>2,030,000</u>	<u>(2,030,000)</u>	<u>2,030,000</u>	<u>2,030,000</u>
Capital Leases	0	132,075	(51,947)	80,128	15,025
Compensated Absences	374,766	291,393	(270,245)	395,914	55,191
<i>OPWC Loans:</i>					
1998 OPWC Loan 0%	25,000	0	(10,000)	15,000	5,000
2004 OPWC Loan 0%	126,176	54,627	0	180,803	0
<i>Total OPWC Loans</i>	<u>151,176</u>	<u>54,627</u>	<u>(10,000)</u>	<u>195,803</u>	<u>5,000</u>
<i>Total Governmental Long-Term Liabilities</i>	<u>\$7,291,911</u>	<u>\$2,508,095</u>	<u>(\$2,909,400)</u>	<u>\$6,890,606</u>	<u>\$2,648,423</u>

(continued)

**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2005

	Amounts Outstanding 12/31/04	Additions	Reductions	Amounts Outstanding 12/31/05	Amounts Due in One Year
<i>Business-Type Activities:</i>					
Capital Lease	\$0	\$21,650	(\$1,947)	\$19,703	\$4,035
Compensated Absences	77	156	0	233	32
<i>Total Business-Type Activities</i>	<u>\$77</u>	<u>\$21,806</u>	<u>(\$1,947)</u>	<u>\$19,936</u>	<u>\$4,067</u>

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.

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.

Bond anticipation notes that are refinanced prior to the issuance of the basic financial statements and have a maturity date more than 12 months subsequent to the end of the year are reported in the long-term liabilities and will be paid from the Brunswick Lake Construction capital projects fund. This note is backed by the full faith of the City of Brunswick. (See Note 22).

The City's overall debt margin was \$66,277,389 and the unvoted legal debt margin was \$32,478,950 at December 31, 2005. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2005, are as follows:

	General Obligation Bonds		Special Assessment Bonds		OPWC Loan	Total	
	Principal	Interest	Principal	Interest		Principal	Interest
2006	\$414,817	\$142,148	\$114,899	\$87,827	\$5,000	\$534,716	\$229,975
2007	436,817	122,930	125,899	82,090	10,000	572,716	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	515,000	43,645	143,717	62,353	0	658,717	105,998
2011-2015	225,997	19,665	580,684	192,779	0	806,681	212,444
2016-2019	0	0	367,133	52,511	0	367,133	52,511
Total	<u>\$2,517,631</u>	<u>\$498,478</u>	<u>\$1,577,766</u>	<u>\$622,491</u>	<u>\$15,000</u>	<u>\$4,110,397</u>	<u>\$1,120,969</u>

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 \$180,803.

**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**Note 16 – 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. 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.

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, 2005, was \$1,155,076. The bonds fully mature in 2008.

**Note 17 - 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, Ohio 43215-4642 or by calling (614) 222-6701 or (800) 222-7377.

For the year ended December 31, 2005, 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 employer contribution rate for pension benefits for 2005 was 9.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the employer's pension contributions were 12.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2005, 2004, and 2003 were \$476,886, \$449,938 and \$364,492, respectively; 87.15 percent has been contributed for 2005 and 100 percent for 2004 and 2003. Contributions to the member-directed plan for 2005 were \$1,952 made by the City and \$1,225 made by the plan members.

***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 \$312,396 and \$279,404 for the year ended December 31, 2005, \$301,747 and \$266,205 for the year ended December 31, 2004 and \$267,118 and \$243,824 for the year ended December 31, 2003. The full amount has been contributed for 2004 and 2003. 73.67 percent and 69.72 percent, respectively, have been contributed for 2005.

**Note 18 - 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 2005 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, 2004, 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.

**City of Brunswick, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contributions for 2005 which were used to fund postemployment benefits were \$199,743. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2004, (the latest information available) were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 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. Member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

***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 2005. 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 2005 that were used to fund postemployment benefits were \$206,048 for police and \$133,254 for firefighters. The OP&F's total health care expense for the year ended December 31, 2004, (the latest information available) was \$102,173,796, which was net of member contributions of \$55,665,341. The number of OP&F participants eligible to receive health care benefits as of December 31, 2004, was 13,812 for police and 10,528 for firefighters.

**Note 19 - 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.

**City of Brunswick, Ohio**  
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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.

**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 20 - Interfund Transfers and Balances**

**A. Transfers**

Interfund transfers for the year ended December 31, 2005, consisted of the following:

<b>Transfer To</b>	<b>Transfer From</b>			<b>Totals</b>
	<b>General</b>	<b>Special Assessment Bond Retirement</b>	<b>Nonmajor</b>	
<i>Governmental Activities</i>				
General	\$0	\$0	\$2,236,441	\$2,236,441
Sanitary Storm Sewer	389,889	0	0	389,889
Nonmajor Funds	646,817	98,365	0	745,182
<b>Total</b>	<b>\$1,036,706</b>	<b>\$98,365</b>	<b>\$2,236,441</b>	<b>\$3,371,512</b>

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. The transfer of \$2,236,441 to the general fund was to close the waterworks improvement special revenue fund. The transfer of \$98,365 from the special assessment bond retirement debt service fund to the general obligation bond retirement debt service fund was to close one of the special assessment funds for a special assessment project that was completed.

**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 in the Brunswick Lake construction fund, which was originally paid for by the general fund. Loans from other funds will be repaid in more than one year with the proceeds from the sale of the land after all contractual obligations are paid. Interfund balances at December 31, 2005, consist of the following:



**City of Brunswick, Ohio**  
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	Interfund Balances	
	December 31, 2005	
	Receivables	Payables
<b>MAJOR FUNDS</b>		
General Fund	\$2,478,612	\$0
<i>Capital Projects Fund:</i>		
Brunswick Lake Construction	0	2,031,000
<b>Total Major Funds</b>	2,478,612	2,031,000
<b>NONMAJOR FUNDS</b>		
<i>Special Revenue Funds:</i>		
FEMA Grant	0	144,621
VAWA Grant	0	28,450
<i>Capital Projects Funds:</i>		
Community Development Block Grant	0	219,049
Fireside Culverts	0	55,492
<b>Total Nonmajor Funds</b>	0	447,612
<b>Total All Funds</b>	\$2,478,612	\$2,478,612

**Note 21 - Jointly Governed Organizations**

***A. Southwest Council of Governments***

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions, and regional development. The board is comprised of one member from each of the sixteen participating entities. The board exercises total 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 2005, the City contributed \$7,500 which represents 5.25 percent of total contributions.

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.

***B. Northeast Ohio Public Energy Council***

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 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.

**City of Brunswick, Ohio**  
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*For the Year Ended December 31, 2005*

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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 2005. Financial information can be obtained by contacting Joseph Migliorini, Board Chairman, 175 South Main Street, Akron, Ohio 44308.

***C. Medway Drug Enforcement Agency***

The Medway Drug Enforcement Agency is an undercover investigative law enforcement agency whose objective is to remove illegal drugs from the community. The Agency is controlled by and is responsible to the Medway Council of Governments, which consists of two governing bodies: the General Assembly and the Governing Board. The General Assembly consists of a county commissioner, the City Manager of the City of Brunswick, and a representative of each township and village within the County. The Governing Board consists of the County Prosecutor and the County Sheriff, the Police Chief of the City of Brunswick, and one village chief of police chosen by a caucus of village chiefs of police. The 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 \$90,625 to Medway during 2005. The County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for the Agency.

**Note 22 - Subsequent Event**

On April 6, 2006, 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 3.85 percent interest rate and matures in one year.

## Combining Statements and Individual Fund Schedules

### *Fund Descriptions – Nonmajor Governmental Funds*

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#### *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 (VAWA) 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)***

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***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***

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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***

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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, 2005*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,865,116	\$543,044	\$5,214,164	\$7,622,324
Cash and Cash Equivalents:				
With Fiscal Agents	0	647	0	647
Investments	0	34,399	0	34,399
Receivables:				
Income Taxes	865,552	16,766	0	882,318
Property Taxes	0	471,925	0	471,925
Accounts	32,041	0	0	32,041
Intergovernmental	133,641	30,761	232,608	397,010
Materials and Supplies Inventory	24,366	0	0	24,366
<i>Total Assets</i>	<u>\$2,920,716</u>	<u>\$1,097,542</u>	<u>\$5,446,772</u>	<u>\$9,465,030</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$186,064	\$0	\$0	\$186,064
Contracts Payable	0	0	107,505	107,505
Accrued Wages and Benefits	77,256	0	0	77,256
Pension Obligation Payable	17,866	0	0	17,866
Notes Payable	0	0	575,000	575,000
Interfund Payable	173,071	0	274,541	447,612
Accrued Interest Payable	0	0	5,750	5,750
Deferred Revenue	792,332	516,097	100,995	1,409,424
Matured Interest Payable	0	647	0	647
<i>Total Liabilities</i>	<u>1,246,589</u>	<u>516,744</u>	<u>1,063,791</u>	<u>2,827,124</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	34,138	0	713,372	747,510
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,639,989	0	0	1,639,989
Debt Service Fund	0	580,798	0	580,798
Capital Projects Funds	0	0	3,669,609	3,669,609
<i>Total Fund Balances</i>	<u>1,674,127</u>	<u>580,798</u>	<u>4,382,981</u>	<u>6,637,906</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,920,716</u>	<u>\$1,097,542</u>	<u>\$5,446,772</u>	<u>\$9,465,030</u>

**City of Brunswick, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2005*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property and Other Taxes	\$0	\$460,378	\$0	\$460,378
Municipal Income Tax	1,698,019	32,891	0	1,730,910
Charges for Services	977,058	0	0	977,058
Licenses, Permits and Fees	420,265	0	57,961	478,226
Fines and Forfeitures	46,996	0	0	46,996
Intergovernmental	857,103	62,889	516,837	1,436,829
Sales	12,710	0	0	12,710
Interest	2,596	6,525	17,454	26,575
Contributions and Donations	0	0	5,000	5,000
Other	23,655	0	17,410	41,065
<i>Total Revenues</i>	<u>4,038,402</u>	<u>562,683</u>	<u>614,662</u>	<u>5,215,747</u>
<b>Expenditures</b>				
Current:				
General Government	57,912	11,188	0	69,100
Security of Persons and Property	1,501,023	0	0	1,501,023
Transportation	673,831	0	0	673,831
Community Environment	342,999	0	0	342,999
Public Health Services	286	0	0	286
Leisure Time Activities	1,957,635	0	0	1,957,635
Capital Outlay	0	0	1,731,972	1,731,972
Debt Service:				
Principal Retirement	0	423,818	0	423,818
Interest and Fiscal Charges	0	161,801	59,130	220,931
<i>Total Expenditures</i>	<u>4,533,686</u>	<u>596,807</u>	<u>1,791,102</u>	<u>6,921,595</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(495,284)</u>	<u>(34,124)</u>	<u>(1,176,440)</u>	<u>(1,705,848)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	258	0	0	258
Notes Premium	0	37,136	0	37,136
Proceeds of OPWC Loan	0	0	54,627	54,627
Transfers In	446,817	98,365	200,000	745,182
Transfers Out	(2,236,441)	0	0	(2,236,441)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,789,366)</u>	<u>135,501</u>	<u>254,627</u>	<u>(1,399,238)</u>
<b>Special Item</b>				
Proceeds from the Sale of Waterlines	1,750,000	0	1,500,000	3,250,000
<i>Net Change in Fund Balances</i>	<u>(534,650)</u>	<u>101,377</u>	<u>578,187</u>	<u>144,914</u>
<i>Fund Balances Beginning of Year</i>	<u>2,208,777</u>	<u>479,421</u>	<u>3,804,794</u>	<u>6,492,992</u>
<i>Fund Balances End of Year</i>	<u>\$1,674,127</u>	<u>\$580,798</u>	<u>\$4,382,981</u>	<u>\$6,637,906</u>

**City of Brunswick, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2005*

	Court Computerization	FEMA Grant	VAWA Grant	Police	Drug Enforcement	State Highway
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$7,469	\$91,224	\$13,851	\$0	\$35,425	\$58,007
Receivables:						
Income Taxes	0	0	0	561,666	0	0
Accounts	0	0	0	0	0	0
Intergovernmental	0	11,831	15,254	0	0	54,589
Materials and Supplies Inventory	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$7,469</u>	<u>\$103,055</u>	<u>\$29,105</u>	<u>\$561,666</u>	<u>\$35,425</u>	<u>\$112,596</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$240	\$0	\$0	\$0	\$35,425	\$1,142
Accrued Wages and Benefits	176	0	0	0	0	0
Pension Obligation Payable	64	0	0	0	0	0
Interfund Payable	0	144,621	28,450	0	0	0
Deferred Revenue	0	0	15,254	449,273	0	45,427
<i>Total Liabilities</i>	<u>480</u>	<u>144,621</u>	<u>43,704</u>	<u>449,273</u>	<u>35,425</u>	<u>46,569</u>
<b>Fund Balances:</b>						
Reserved for Encumbrances	5	0	0	0	0	0
Unreserved, Undesignated (Deficit)	6,984	(41,566)	(14,599)	112,393	0	66,027
<i>Total Fund Balances (Deficit)</i>	<u>6,989</u>	<u>(41,566)</u>	<u>(14,599)</u>	<u>112,393</u>	<u>0</u>	<u>66,027</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$7,469</u>	<u>\$103,055</u>	<u>\$29,105</u>	<u>\$561,666</u>	<u>\$35,425</u>	<u>\$112,596</u>

<u>Law Enforcement</u>	<u>Brunswick Transit Alternative</u>	<u>Revolving Loan</u>	<u>Cable TV</u>	<u>Parks</u>	<u>Enforcement and Education</u>	<u>Community Recreation Center</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$7,391	\$127,809	\$295,988	\$964,045	\$91,035	\$34,077	\$138,795	\$1,865,116
0	52,394	0	0	251,492	0	0	865,552
0	0	0	18,012	0	0	14,029	32,041
0	51,967	0	0	0	0	0	133,641
0	0	0	0	22,952	0	1,414	24,366
<u>\$7,391</u>	<u>\$232,170</u>	<u>\$295,988</u>	<u>\$982,057</u>	<u>\$365,479</u>	<u>\$34,077</u>	<u>\$154,238</u>	<u>\$2,920,716</u>
\$0	\$28,926	\$0	\$11,975	\$29,101	\$0	\$79,255	\$186,064
0	1,066	0	12,941	24,564	0	38,509	77,256
0	393	0	3,096	5,608	0	8,705	17,866
0	0	0	0	0	0	0	173,071
0	63,199	0	18,012	201,167	0	0	792,332
0	93,584	0	46,024	260,440	0	126,469	1,246,589
636	23,138	2,160	121	559	0	7,519	34,138
6,755	115,448	293,828	935,912	104,480	34,077	20,250	1,639,989
7,391	138,586	295,988	936,033	105,039	34,077	27,769	1,674,127
<u>\$7,391</u>	<u>\$232,170</u>	<u>\$295,988</u>	<u>\$982,057</u>	<u>\$365,479</u>	<u>\$34,077</u>	<u>\$154,238</u>	<u>\$2,920,716</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, 2005*

	Court Computerization	FEMA Grant	VAWA Grant	Police	Drug Enforcement	State Highway
<b>Revenues</b>						
Municipal Income Tax	\$0	\$0	\$0	\$1,101,863	\$0	\$0
Charges for Services	0	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0	0
Fines and Forfeitures	32,153	0	0	0	0	9,261
Intergovernmental	0	173,187	29,553	0	90,625	109,670
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>32,153</u>	<u>173,187</u>	<u>29,553</u>	<u>1,101,863</u>	<u>90,625</u>	<u>118,931</u>
<b>Expenditures</b>						
Current:						
General Government	57,912	0	0	0	0	0
Security of Persons and Property	0	264,034	36,712	1,089,547	90,625	0
Transportation	0	0	0	0	0	104,435
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>57,912</u>	<u>264,034</u>	<u>36,712</u>	<u>1,089,547</u>	<u>90,625</u>	<u>104,435</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(25,759)</u>	<u>(90,847)</u>	<u>(7,159)</u>	<u>12,316</u>	<u>0</u>	<u>14,496</u>
<b>Other Financing Sources (Uses)</b>						
Sale of Capital Assets	0	0	0	0	0	0
Transfers In	0	0	9,167	0	0	0
Transfers Out	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>9,167</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Special Item</b>						
Proceeds from the Sale of Waterlines	0	0	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>(25,759)</u>	<u>(90,847)</u>	<u>2,008</u>	<u>12,316</u>	<u>0</u>	<u>14,496</u>
<i>Fund Balances (Deficit) Beginning 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>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$6,989</u></u>	<u><u>(\$41,566)</u></u>	<u><u>(\$14,599)</u></u>	<u><u>\$112,393</u></u>	<u><u>\$0</u></u>	<u><u>\$66,027</u></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	\$102,785	\$0	\$0	\$0	\$493,371	\$0	\$0	\$1,698,019
0	8,415	0	60,817	0	2,899	0	904,927	977,058
0	0	0	0	420,265	0	0	0	420,265
150	0	0	0	0	0	5,432	0	46,996
0	454,068	0	0	0	0	0	0	857,103
0	0	0	0	0	0	0	12,710	12,710
0	0	2,596	0	0	0	0	0	2,596
0	0	0	0	0	3,004	0	20,651	23,655
<u>150</u>	<u>565,268</u>	<u>2,596</u>	<u>60,817</u>	<u>420,265</u>	<u>499,274</u>	<u>5,432</u>	<u>938,288</u>	<u>4,038,402</u>
0	0	0	0	0	0	0	0	57,912
18,968	0	0	0	0	0	1,137	0	1,501,023
0	569,396	0	0	0	0	0	0	673,831
0	0	82,879	0	260,120	0	0	0	342,999
0	0	0	286	0	0	0	0	286
0	0	0	0	0	686,555	0	1,271,080	1,957,635
<u>18,968</u>	<u>569,396</u>	<u>82,879</u>	<u>286</u>	<u>260,120</u>	<u>686,555</u>	<u>1,137</u>	<u>1,271,080</u>	<u>4,533,686</u>
<u>(18,818)</u>	<u>(4,128)</u>	<u>(80,283)</u>	<u>60,531</u>	<u>160,145</u>	<u>(187,281)</u>	<u>4,295</u>	<u>(332,792)</u>	<u>(495,284)</u>
0	258	0	0	0	0	0	0	258
0	0	0	0	0	157,650	0	280,000	446,817
0	0	0	(2,236,441)	0	0	0	0	(2,236,441)
0	258	0	(2,236,441)	0	157,650	0	280,000	(1,789,366)
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,750,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,750,000</u>
<u>(18,818)</u>	<u>(3,870)</u>	<u>(80,283)</u>	<u>(425,910)</u>	<u>160,145</u>	<u>(29,631)</u>	<u>4,295</u>	<u>(52,792)</u>	<u>(534,650)</u>
<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>
<u>\$7,391</u>	<u>\$138,586</u>	<u>\$295,988</u>	<u>\$0</u>	<u>\$936,033</u>	<u>\$105,039</u>	<u>\$34,077</u>	<u>\$27,769</u>	<u>\$1,674,127</u>

**City of Brunswick, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2005*

	<u>Community Development Block Grant</u>	<u>Fire Station Improvement</u>	<u>Capital Projects</u>	<u>Traffic Control Equipment</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$109,049	\$2,067,604	\$602,886	\$73,531
Intergovernmental Receivable	<u>110,000</u>	<u>0</u>	<u>120,800</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$219,049</u></u>	<u><u>\$2,067,604</u></u>	<u><u>\$723,686</u></u>	<u><u>\$73,531</u></u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Contracts Payable	\$0	\$85,426	\$0	\$0
Notes Payable	0	0	0	0
Interfund Payable	219,049	0	0	0
Accrued Interest Payable	0	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>100,995</u>	<u>0</u>
<i>Total Liabilities</i>	<u>219,049</u>	<u>85,426</u>	<u>100,995</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	17,889	166,455	6,081	10,125
Unreserved, Undesignated (Deficit)	<u>(17,889)</u>	<u>1,815,723</u>	<u>616,610</u>	<u>63,406</u>
<i>Total Fund Balances</i>	<u>0</u>	<u>1,982,178</u>	<u>622,691</u>	<u>73,531</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$219,049</u></u>	<u><u>\$2,067,604</u></u>	<u><u>\$723,686</u></u>	<u><u>\$73,531</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>
\$577,050	\$55,246	\$238,556	\$1,429,888	\$60,354	\$5,214,164
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,808</u>	<u>0</u>	<u>232,608</u>
<u>\$577,050</u>	<u>\$55,246</u>	<u>\$238,556</u>	<u>\$1,431,696</u>	<u>\$60,354</u>	<u>\$5,446,772</u>
\$0	\$21,966	\$0	\$0	\$113	\$107,505
0	0	0	575,000	0	575,000
0	0	55,492	0	0	274,541
0	0	0	5,750	0	5,750
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,995</u>
<u>0</u>	<u>21,966</u>	<u>55,492</u>	<u>580,750</u>	<u>113</u>	<u>1,063,791</u>
38,282	30,459	7,498	433,696	2,887	713,372
<u>538,768</u>	<u>2,821</u>	<u>175,566</u>	<u>417,250</u>	<u>57,354</u>	<u>3,669,609</u>
<u>577,050</u>	<u>33,280</u>	<u>183,064</u>	<u>850,946</u>	<u>60,241</u>	<u>4,382,981</u>
<u>\$577,050</u>	<u>\$55,246</u>	<u>\$238,556</u>	<u>\$1,431,696</u>	<u>\$60,354</u>	<u>\$5,446,772</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, 2005*

	Community Development Block Grant	Fire Station Improvement	Capital Projects	Traffic Control Equipment
<b>Revenues</b>				
Licenses, Permits and Fees	\$0	\$0	\$0	\$0
Intergovernmental	221,000	0	243,152	0
Interest	0	17,454	0	0
Contributions and Donations	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>221,000</u>	<u>17,454</u>	<u>243,152</u>	<u>0</u>
<b>Expenditures</b>				
Capital Outlay	224,040	276,821	243,919	5,349
Debt Service:				
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>224,040</u>	<u>276,821</u>	<u>243,919</u>	<u>5,349</u>
<i>Excess of Revenues</i> <i>(Under) Expenditures</i>	<u>(3,040)</u>	<u>(259,367)</u>	<u>(767)</u>	<u>(5,349)</u>
<b>Other Financing Sources</b>				
Proceeds of OPWC Loan	0	0	0	0
Transfers In	0	0	0	0
<b>Total Other Financing Sources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Special Item</b>				
Proceeds from the Sale of Waterlines	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>(3,040)</u>	<u>(259,367)</u>	<u>(767)</u>	<u>(5,349)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>3,040</u>	<u>2,241,545</u>	<u>623,458</u>	<u>78,880</u>
<i>Fund Balances End of Year</i>	<u><u>\$0</u></u>	<u><u>\$1,982,178</u></u>	<u><u>\$622,691</u></u>	<u><u>\$73,531</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>
\$57,961	\$0	\$0	\$0	\$0	\$57,961
0	0	14,335	38,350	0	516,837
0	0	0	0	0	17,454
5,000	0	0	0	0	5,000
0	0	0	17,410	0	17,410
<u>62,961</u>	<u>0</u>	<u>14,335</u>	<u>55,760</u>	<u>0</u>	<u>614,662</u>
239,468	532,499	39,792	53,582	116,502	1,731,972
0	0	0	19,940	39,190	59,130
<u>239,468</u>	<u>532,499</u>	<u>39,792</u>	<u>73,522</u>	<u>155,692</u>	<u>1,791,102</u>
<u>(176,507)</u>	<u>(532,499)</u>	<u>(25,457)</u>	<u>(17,762)</u>	<u>(155,692)</u>	<u>(1,176,440)</u>
0	0	54,627	0	0	54,627
0	25,000	0	175,000	0	200,000
<u>0</u>	<u>25,000</u>	<u>54,627</u>	<u>175,000</u>	<u>0</u>	<u>254,627</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,500,000</u>	<u>1,500,000</u>
(176,507)	(507,499)	29,170	157,238	1,344,308	578,187
<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>\$577,050</u>	<u>\$33,280</u>	<u>\$183,064</u>	<u>\$850,946</u>	<u>\$60,241</u>	<u>\$4,382,981</u>

## Fund Descriptions - Fiduciary Funds

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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

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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, 2005*

	Performance Bond	Family Violence	Recreational Programs
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$359,666	\$3,307	\$1,030
Cash and Cash Equivalents in Segregated Accounts	29,035	0	0
<i>Total Assets</i>	<u>\$388,701</u>	<u>\$3,307</u>	<u>\$1,030</u>
<b>Liabilities</b>			
Undistributed Assets	<u>\$388,701</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, 2005*

	<u>Flex Spending</u>	<u>Total</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$3,362	\$367,365
Cash and Cash Equivalents in Segregated Accounts	<u>0</u>	<u>29,035</u>
<i>Total Assets</i>	<u><u>\$3,362</u></u>	<u><u>\$396,400</u></u>
<b>Liabilities</b>		
Undistributed Assets	<u><u>\$3,362</u></u>	<u><u>\$396,400</u></u>

**City of Brunswick, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2005*

	Beginning Balance 12/31/04	Additions	Deductions	Ending Balance 12/31/05
<b><i>Performance Bond</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$578,647	\$177,510	\$396,491	\$359,666
Cash and Cash Equivalents in Segregated Accounts	27,109	29,035	27,109	29,035
<i>Total Assets</i>	<u>\$605,756</u>	<u>\$206,545</u>	<u>\$423,600</u>	<u>\$388,701</u>
<b>Liabilities</b>				
Undistributed Assets	<u>\$605,756</u>	<u>\$206,545</u>	<u>\$423,600</u>	<u>\$388,701</u>
 <b><i>Family Violence</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$3,307</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,307</u>
<b>Liabilities</b>				
Undistributed Assets	<u>\$3,307</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,307</u>
 <b><i>Recreational Programs</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$1,030</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,030</u>
<b>Liabilities</b>				
Undistributed Assets	<u>\$1,030</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,030</u>
 <b><i>Flex Spending</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$3,334</u>	<u>\$16,774</u>	<u>\$16,746</u>	<u>\$3,362</u>
<b>Liabilities</b>				
Undistributed Assets	<u>\$3,334</u>	<u>\$16,774</u>	<u>\$16,746</u>	<u>\$3,362</u>

(continued)

**City of Brunswick, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds (continued)*  
*For the Year Ended December 31, 2005*

	Beginning Balance 12/31/04	Additions	Deductions	Ending Balance 12/31/05
<b><i>Total - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$586,318	\$194,284	\$413,237	\$367,365
Cash and Cash Equivalents in Segregated Accounts	27,109	29,035	27,109	29,035
<b><i>Total Assets</i></b>	<u>\$613,427</u>	<u>\$223,319</u>	<u>\$440,346</u>	<u>\$396,400</u>
<b>Liabilities</b>				
Undistributed Assets	<u>\$613,427</u>	<u>\$223,319</u>	<u>\$440,346</u>	<u>\$396,400</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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property and Other Taxes	\$1,289,255	\$1,594,555	\$1,595,976	\$1,421
Municipal Income Tax	3,367,522	3,382,022	3,455,347	73,325
Charges for Services	275,750	187,022	176,549	(10,473)
Licenses, Permits and Fees	635,897	436,235	423,410	(12,825)
Fines and Forfeitures	527,000	458,750	431,281	(27,469)
Intergovernmental	1,282,703	1,625,737	1,602,346	(23,391)
Interest	73,042	538,102	538,176	74
Contributions and Donations	0	5,015	5,071	56
Other	108,640	70,735	51,790	(18,945)
<i>Total Revenues</i>	<u>7,559,809</u>	<u>8,298,173</u>	<u>8,279,946</u>	<u>(18,227)</u>
<b>Expenditures</b>				
Current:				
General Government:				
City Manager:				
Salaries and Wages	133,740	148,839	147,330	1,509
Fringe Benefits	37,934	42,217	42,213	4
Purchased Services	6,810	7,579	7,317	262
Materials and Supplies	1,710	1,903	1,899	4
Capital Outlay	4,771	5,310	5,285	25
Total City Manager	<u>184,965</u>	<u>205,848</u>	<u>204,044</u>	<u>1,804</u>
City Council:				
Salaries and Wages	125,526	139,698	139,298	400
Fringe Benefits	24,744	27,538	27,529	9
Purchased Services	24,896	27,755	18,669	9,086
Materials and Supplies	4,569	5,036	5,036	0
Capital Outlay	9,212	10,252	9,277	975
Total City Council	<u>188,947</u>	<u>210,279</u>	<u>199,809</u>	<u>10,470</u>
Mayor's Court:				
Salaries and Wages	37,177	41,374	41,366	8
Fringe Benefits	8,611	9,583	9,579	4
Purchased Services	20,097	22,366	22,366	0
Materials and Supplies	2,643	2,941	2,536	405
Total Mayor's Court	<u>68,528</u>	<u>76,264</u>	<u>75,847</u>	<u>417</u>
Commemorative Affairs:				
Materials and Supplies	<u>\$51,765</u>	<u>\$57,609</u>	<u>\$42,853</u>	<u>\$14,756</u>

(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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Finance Office:				
Salaries and Wages	\$226,172	\$251,706	\$251,438	\$268
Fringe Benefits	57,246	63,709	63,706	3
Purchased Services	10,558	11,750	11,651	99
Materials and Supplies	4,585	5,103	5,013	90
Capital Outlay	2,516	2,800	1,791	1,009
<b>Total Finance Office</b>	<b>301,077</b>	<b>335,068</b>	<b>333,599</b>	<b>1,469</b>
Service Director:				
Salaries and Wages	113,189	125,968	125,442	526
Fringe Benefits	29,163	32,455	32,029	426
Purchased Services	3,344	3,721	3,661	60
Materials and Supplies	427	475	475	0
Capital Outlay	254	283	283	0
<b>Total Service Director</b>	<b>146,377</b>	<b>162,902</b>	<b>161,890</b>	<b>1,012</b>
Income Tax:				
Salaries and Wages	157,715	175,521	171,970	3,551
Fringe Benefits	94,711	105,404	98,284	7,120
Purchased Services	26,613	29,617	25,185	4,432
Materials and Supplies	25,795	28,707	20,514	8,193
Capital Outlay	3,190	3,550	2,055	1,495
<b>Total Income Tax</b>	<b>308,024</b>	<b>342,799</b>	<b>318,008</b>	<b>24,791</b>
Law Director:				
Salaries and Wages	123,745	137,715	137,363	352
Fringe Benefits	41,295	45,957	44,706	1,251
Purchased Services	190,180	211,651	165,284	46,367
Materials and Supplies	1,218	1,356	1,171	185
Capital Outlay	3,394	3,777	3,373	404
<b>Total Law Director</b>	<b>359,832</b>	<b>400,456</b>	<b>351,897</b>	<b>48,559</b>
Engineer:				
Purchased Services	298,925	332,673	330,445	2,228
Materials and Supplies	3,145	3,500	1,142	2,358
Capital Outlay	8,644	9,620	7,727	1,893
<b>Total Engineer</b>	<b>\$310,714</b>	<b>\$345,793</b>	<b>\$339,314</b>	<b>\$6,479</b>

(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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Purchasing and Human Relations:</b>				
Salaries and Wages	\$63,006	\$70,119	\$70,046	\$73
Fringe Benefits	15,892	17,686	17,650	36
Purchased Services	2,202	2,451	2,415	36
Materials and Supplies	1,085	1,207	981	226
Capital Outlay	1,626	1,810	1,721	89
<b>Total Purchasing and Human Relations</b>	<b>83,811</b>	<b>93,273</b>	<b>92,813</b>	<b>460</b>
<b>Information Systems:</b>				
Salaries and Wages	67,560	75,187	75,100	87
Fringe Benefits	14,808	16,480	16,479	1
Purchased Services	8,455	9,409	7,709	1,700
Materials and Supplies	890	990	771	219
Capital Outlay	15,806	17,591	12,917	4,674
<b>Total Information Systems</b>	<b>107,519</b>	<b>119,657</b>	<b>112,976</b>	<b>6,681</b>
<b>Land and Buildings:</b>				
Purchased Services	37,708	41,965	40,819	1,146
Materials and Supplies	10,109	11,250	10,619	631
Capital Outlay	11,906	13,250	7,887	5,363
<b>Total Land and Buildings</b>	<b>59,723</b>	<b>66,465</b>	<b>59,325</b>	<b>7,140</b>
<b>Board and Commissions:</b>				
Salaries and Wages	10,040	11,174	10,940	234
Fringe Benefits	1,497	1,666	1,609	57
Purchased Services	16,524	18,390	9,055	9,335
Materials and Supplies	9,771	10,874	10,858	16
Capital Outlay	72	80	76	4
<b>Total Board and Commissions</b>	<b>37,904</b>	<b>42,184</b>	<b>32,538</b>	<b>9,646</b>
<b>Safety Director:</b>				
Salaries and Wages	77,971	86,774	86,768	6
Fringe Benefits	21,602	24,041	24,039	2
Purchased Services	12,935	14,395	14,167	228
Materials and Supplies	281	313	213	100
<b>Total Safety Director</b>	<b>\$112,789</b>	<b>\$125,523</b>	<b>\$125,187</b>	<b>\$336</b>

(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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Administrative Support:				
Fringe Benefits	\$851,090	\$947,175	\$923,962	\$23,213
Purchased Services	760,437	824,030	696,919	127,111
Materials and Supplies	41,223	45,877	43,546	2,331
Capital Outlay	89,821	99,961	73,078	26,883
Total Administrative Support	1,742,571	1,917,043	1,737,505	179,538
Total General Government	4,064,546	4,501,163	4,187,605	313,558
Security of Persons and Property:				
Police:				
Salaries and Wages	1,843,404	2,051,519	1,968,525	82,994
Fringe Benefits	917,855	1,021,478	1,010,692	10,786
Purchased Services	365,427	406,683	343,082	63,601
Materials and Supplies	32,493	36,161	30,200	5,961
Capital Outlay	153,924	171,301	168,283	3,018
Total Police	3,313,103	3,687,142	3,520,782	166,360
Animal Control:				
Salaries and Wages	39,842	44,340	43,033	1,307
Fringe Benefits	8,876	9,878	9,452	426
Purchased Services	4,612	5,133	5,119	14
Materials and Supplies	2,377	2,645	2,217	428
Capital Outlay	89,856	100,000	0	100,000
Total Animal Control	145,563	161,996	59,821	102,175
Total Security of Persons and Property	3,458,666	3,849,138	3,580,603	268,535
Community Environment:				
Planning and Zoning:				
Salaries and Wages	78,473	87,332	85,674	1,658
Fringe Benefits	17,926	19,950	19,891	59
Purchased Services	34,043	37,886	34,590	3,296
Materials and Supplies	1,848	2,057	1,032	1,025
Capital Outlay	207	230	225	5
Total Planning and Zoning	\$132,497	\$147,455	\$141,412	\$6,043

(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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Building:				
Salaries and Wages	\$313,487	\$348,879	\$345,910	\$2,969
Fringe Benefits	68,119	75,809	75,808	1
Purchased Services	72,770	80,986	58,246	22,740
Materials and Supplies	1,981	2,205	1,411	794
Capital Outlay	14,017	15,600	15,137	463
<b>Total Building</b>	<b>470,374</b>	<b>523,479</b>	<b>496,512</b>	<b>26,967</b>
Economic Development:				
Salaries and Wages	47,987	53,405	53,405	0
Fringe Benefits	14,575	16,220	16,217	3
Purchased Services	3,689	4,106	4,057	49
Materials and Supplies	1,732	1,927	1,927	0
Capital Outlay	387	430	430	0
<b>Total Economic Development</b>	<b>68,370</b>	<b>76,088</b>	<b>76,036</b>	<b>52</b>
<b>Total Community Environment</b>	<b>671,241</b>	<b>747,022</b>	<b>713,960</b>	<b>33,062</b>
Public Health Services:				
Cemetery:				
Purchased Services	10,962	12,200	9,450	2,750
Materials and Supplies	180	200	0	200
<b>Total Public Health Services</b>	<b>11,142</b>	<b>12,400</b>	<b>9,450</b>	<b>2,950</b>
Leisure Time Activities:				
Recreation Center:				
Salaries and Wages	61,767	68,740	68,731	9
Fringe Benefits	13,667	15,210	15,154	56
Purchased Services	6,284	6,993	4,596	2,397
Materials and Supplies	718	800	153	647
Capital Outlay	1,797	2,000	1,852	148
<b>Total Recreation Center</b>	<b>\$84,233</b>	<b>\$93,743</b>	<b>\$90,486</b>	<b>\$3,257</b>

(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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Senior Citizens:				
Salaries and Wages	\$26,939	\$29,980	\$29,711	\$269
Fringe Benefits	3,912	4,354	4,028	326
Purchased Services	106,702	118,748	117,152	1,596
Materials and Supplies	4,696	5,226	4,635	591
<b>Total Senior Citizens</b>	<b>142,249</b>	<b>158,308</b>	<b>155,526</b>	<b>2,782</b>
<b>Total Leisure Time Activities</b>	<b>226,482</b>	<b>252,051</b>	<b>246,012</b>	<b>6,039</b>
<i>Total Expenditures</i>	<i>8,432,077</i>	<i>9,361,774</i>	<i>8,737,630</i>	<i>624,144</i>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	<i>(872,268)</i>	<i>(1,063,601)</i>	<i>(457,684)</i>	<i>605,917</i>
<b>Other Financing Sources (Uses)</b>				
Advances In	258,537	379,350	378,650	(700)
Advances Out	(255,321)	(255,321)	(145,321)	110,000
Transfers In	2,013,658	2,316,873	2,236,441	(80,432)
Transfers Out	(1,477,517)	(1,477,517)	(1,036,706)	440,811
<i>Total Other Financing Sources (Uses)</i>	<i>539,357</i>	<i>963,385</i>	<i>1,433,064</i>	<i>469,679</i>
<i>Net Change in Fund Balance</i>	<i>(332,911)</i>	<i>(100,216)</i>	<i>975,380</i>	<i>1,075,596</i>
<i>Fund Balance Beginning of Year</i>	<i>3,355,434</i>	<i>3,355,434</i>	<i>3,355,434</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>358,170</i>	<i>358,170</i>	<i>358,170</i>	<i>0</i>
<i>Fund Balance End of Year</i>	<i>\$3,380,693</i>	<i>\$3,613,388</i>	<i>\$4,688,984</i>	<i>\$1,075,596</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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Tax	\$2,388,000	\$2,388,000	\$2,418,957	\$30,957
Charges for Services	360,000	450,405	465,433	15,028
Intergovernmental	10,000	2,000	2,000	0
Contributions and Donations	12,500	4,595	4,524	(71)
Other	500	6,000	6,210	210
<i>Total Revenues</i>	<u>2,771,000</u>	<u>2,851,000</u>	<u>2,897,124</u>	<u>46,124</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Department:				
Salaries and Wages	1,664,912	1,698,076	1,652,577	45,499
Fringe Benefits	970,171	989,496	985,959	3,537
Purchased Services	206,327	210,437	194,272	16,165
Materials and Supplies	34,950	35,646	31,407	4,239
Capital Outlay	206,885	211,006	211,006	0
<i>Total Expenditures</i>	<u>3,083,245</u>	<u>3,144,661</u>	<u>3,075,221</u>	<u>69,440</u>
<i>Net Change in Fund Balance</i>	(312,245)	(293,661)	(178,097)	115,564
<i>Fund Balance Beginning of Year</i>	834,222	834,222	834,222	0
Prior Year Encumbrances Appropriated	35,109	35,109	35,109	0
<i>Fund Balance End of Year</i>	<u>\$557,086</u>	<u>\$575,670</u>	<u>\$691,234</u>	<u>\$115,564</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, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Tax	\$842,825	\$842,825	\$853,749	\$10,924
Charges for Services	14,000	17,065	17,259	194
Intergovernmental	1,288,764	1,332,000	1,346,529	14,529
Other	5,000	4,130	4,277	147
<i>Total Revenues</i>	<u>2,150,589</u>	<u>2,196,020</u>	<u>2,221,814</u>	<u>25,794</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Department:				
Salaries and Wages	891,494	1,007,863	981,099	26,764
Fringe Benefits	401,141	453,503	441,805	11,698
Purchased Services	445,021	503,111	423,561	79,550
Materials and Supplies	448,579	507,133	459,902	47,231
Capital Outlay	233,648	264,148	227,321	36,827
<i>Total Transportation</i>	<u>2,419,883</u>	<u>2,735,758</u>	<u>2,533,688</u>	<u>202,070</u>
Debt Service:				
Principal Retirement	10,000	10,000	10,000	0
<i>Total Expenditures</i>	<u>2,429,883</u>	<u>2,745,758</u>	<u>2,543,688</u>	<u>202,070</u>
<i>Net Change in Fund Balance</i>	<u>(279,294)</u>	<u>(549,738)</u>	<u>(321,874)</u>	<u>227,864</u>
<i>Fund Balance Beginning of Year</i>	886,030	886,030	886,030	0
Prior Year Encumbrances Appropriated	202,018	202,018	202,018	0
<i>Fund Balance End of Year</i>	<u>\$808,754</u>	<u>\$538,310</u>	<u>\$766,174</u>	<u>\$227,864</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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Special Assessments	\$130,546	\$130,466	(\$80)
Interest	78,144	78,411	267
<i>Total Revenues</i>	<u>208,690</u>	<u>208,877</u>	<u>187</u>
<b>Expenditures</b>			
Current:			
General Government			
Purchased Services	5,924	4,601	1,323
Debt Service:			
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>109,899</u>	<u>109,899</u>	<u>0</u>
Interest and Fiscal Charges - Center	1,657	1,657	0
Interest and Fiscal Charges - Crosscreek	17,813	17,812	1
Interest and Fiscal Charges - Carpenter	2,118	2,118	0
Interest and Fiscal Charges - Lwest Waterline	13,230	13,230	0
Interest and Fiscal Charges - Grafton III	2,023	2,023	0
Interest and Fiscal Charges - South Industrial Park	56,472	56,471	1
Total Interest and Fiscal Charges	<u>93,313</u>	<u>93,311</u>	<u>2</u>
Total Debt Service	<u>203,212</u>	<u>203,210</u>	<u>2</u>
<i>Total Expenditures</i>	<u>209,136</u>	<u>207,811</u>	<u>1,325</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	(446)	1,066	1,512
<b>Other Financing Uses</b>			
Transfers Out	(98,561)	(98,365)	196
<i>Net Change in Fund Balance</i>	(99,007)	(97,299)	1,708
<i>Fund Balance Beginning of Year</i>	<u>320,433</u>	<u>320,433</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$221,426</u>	<u>\$223,134</u>	<u>\$1,708</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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$7,900	\$7,920	\$20
Other	7,845	5,507	(2,338)
<i>Total Revenues</i>	<u>15,745</u>	<u>13,427</u>	<u>(2,318)</u>
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	1,356,902	636,400	720,502
Debt Service:			
Principal Retirement	2,030,000	2,030,000	0
Interest and Fiscal Charges	25,375	25,375	0
Total Debt Service	<u>2,055,375</u>	<u>2,055,375</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,412,277</u>	<u>2,691,775</u>	<u>720,502</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(3,396,532)</u>	<u>(2,678,348)</u>	<u>718,184</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Assets Held for Resale	2,325,641	0	(2,325,641)
Advances Out	(2,031,000)	0	2,031,000
Note Proceeds	2,030,000	2,030,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,324,641</u>	<u>2,030,000</u>	<u>(294,641)</u>
<i>Net Change in Fund Balance</i>	(1,071,891)	(648,348)	423,543
<i>Fund Balance Beginning of Year</i>	994,525	994,525	0
Prior Year Encumbrances Appropriated	<u>515,387</u>	<u>515,387</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$438,021</u></u>	<u><u>\$861,564</u></u>	<u><u>\$423,543</u></u>

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$730,795	\$34,964	(\$695,831)
Other	20,379	20,379	0
<i>Total Revenues</i>	<u>751,174</u>	<u>55,343</u>	<u>(695,831)</u>
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	4,747,738	1,594,458	3,153,280
Debt Service:			
Principal Retirement	2,600,000	2,600,000	0
Interest and Fiscal Charges	250,575	71,069	179,506
Total Debt Service	<u>2,850,575</u>	<u>2,671,069</u>	<u>179,506</u>
<i>Total Expenditures</i>	<u>7,598,313</u>	<u>4,265,527</u>	<u>3,332,786</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(6,847,139)</u>	<u>(4,210,184)</u>	<u>2,636,955</u>
<b>Other Financing Sources</b>			
Notes Issued	3,990,000	3,990,000	0
Sale of Capital Assets	20,000	20,000	0
Transfers In	389,889	389,889	0
<i>Total Other Financing Sources</i>	<u>4,399,889</u>	<u>4,399,889</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,447,250)	189,705	2,636,955
<i>Fund Balance Beginning of Year</i>	1,269,794	1,269,794	0
Prior Year Encumbrances Appropriated	<u>1,196,495</u>	<u>1,196,495</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$19,039</u>	<u>\$2,655,994</u>	<u>\$2,636,955</u>

**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Refuse Fund*  
*For the Year Ended December 31, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$1,657,148	\$1,552,708	(\$104,440)
Other	100	80	(20)
<i>Total Revenues</i>	<u>1,657,248</u>	<u>1,552,788</u>	<u>(104,460)</u>
<b>Expenses</b>			
Salaries and Wages	78,728	75,830	2,898
Fringe Benefits	37,410	37,361	49
Purchased Services	1,673,393	1,650,340	23,053
Materials and Supplies	2,390	1,095	1,295
Capital Outlay	25,700	25,420	280
<i>Total Expenses</i>	<u>1,817,621</u>	<u>1,790,046</u>	<u>27,575</u>
<i>Excess of Revenues</i>			
<i>Under Expenses</i>	(160,373)	(237,258)	(76,885)
Transfers In	11,897	0	(11,897)
Transfers Out	(11,897)	0	11,897
<i>Net Change in Fund Equity</i>	(160,373)	(237,258)	(76,885)
<i>Fund Equity Beginning of Year</i>	130,021	130,021	0
Prior Year Encumbrances Appropriated	123,093	123,093	0
<i>Fund Equity End of Year</i>	<u>\$92,741</u>	<u>\$15,856</u>	<u>(\$76,885)</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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$31,000	\$32,153	\$1,153
<b>Expenditures</b>			
Current:			
General Government:			
Court Computerization:			
Salaries and Wages	44,049	43,604	445
Fringe Benefits	18,027	16,330	1,697
Purchased Services	1,120	332	788
Materials and Supplies	625	568	57
Capital Outlay	600	501	99
<i>Total Expenditures</i>	64,421	61,335	3,086
<i>Net Change in Fund Balance</i>	(33,421)	(29,182)	4,239
<i>Fund Balance Beginning of Year</i>	36,579	36,579	0
Prior Year Encumbrances Appropriated	67	67	0
<i>Fund Balance End of Year</i>	\$3,225	\$7,464	\$4,239

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$187,280	\$174,240	(\$13,040)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Federal Emergency Management:			
Salaries and Wages	6,030	6,030	0
Fringe Benefits	1,939	1,939	0
Purchased Services	6,211	6,069	142
Materials and Supplies	23,933	23,423	510
Capital Outlay	250,603	226,573	24,030
<i>Total Expenditures</i>	288,716	264,034	24,682
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(101,436)	(89,794)	11,642
<b>Other Financing Sources (Uses)</b>			
Advances In	148,680	144,621	(4,059)
Advances Out	(195,430)	(46,750)	148,680
Transfers In	65,039	0	(65,039)
<i>Total Other Financing Sources (Uses)</i>	18,289	97,871	79,582
<i>Net Change in Fund Balance</i>	(83,147)	8,077	91,224
<i>Fund Balance Beginning of Year</i>	23,024	23,024	0
Prior Year Encumbrances Appropriated	60,123	60,123	0
<i>Fund Balance End of Year</i>	\$0	\$91,224	\$91,224

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$44,807	\$29,553	(\$15,254)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Violence Against Women:			
Salaries and Wages	14,167	14,167	0
Purchased Services	21,700	21,045	655
Materials and Supplies	1,500	1,500	0
<i>Total Expenditures</i>	37,367	36,712	655
<i>Excess of Revenues Over (Under) Expenditures</i>	7,440	(7,159)	(14,599)
<b>Other Financing Sources (Uses)</b>			
Advances In	700	700	0
Advances Out	(28,450)	0	28,450
Transfers In	9,167	9,167	0
<i>Total Other Financing Sources (Uses)</i>	(18,583)	9,867	28,450
<i>Net Change in Fund Balance</i>	(11,143)	2,708	13,851
<i>Fund Balance Beginning of Year</i>	11,143	11,143	0
<i>Fund Balance End of Year</i>	\$0	\$13,851	\$13,851

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Municipal Income Tax	\$1,250,000	\$1,089,547	(\$160,453)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Police:			
Salaries and Wages	1,250,000	1,089,547	160,453
<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*  
*Drug Enforcement Fund*  
*For the Year Ended December 31, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$92,000	\$90,625	(\$1,375)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Drug Enforcement:			
Purchased Services	92,000	55,200	36,800
<i>Net Change in Fund Balance</i>	0	35,425	35,425
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$35,425	\$35,425

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$6,000	\$9,261	\$3,261
Intergovernmental	108,000	109,178	1,178
<i>Total Revenues</i>	<u>114,000</u>	<u>118,439</u>	<u>4,439</u>
<b>Expenditures</b>			
Current:			
Transportation:			
State Highway:			
Salaries and Wages	29,160	29,160	0
Purchased Services	58,187	47,015	11,172
Materials and Supplies	33,000	33,000	0
<i>Total Expenditures</i>	<u>120,347</u>	<u>109,175</u>	<u>11,172</u>
<i>Net Change in Fund Balance</i>	(6,347)	9,264	15,611
<i>Fund Balance Beginning of Year</i>	32,057	32,057	0
Prior Year Encumbrances Appropriated	<u>16,687</u>	<u>16,687</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$42,397</u></u>	<u><u>\$58,008</u></u>	<u><u>\$15,611</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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$1,000	\$150	(\$850)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Law Enforcement:			
Capital Outlay	21,000	19,604	1,396
<i>Net Change in Fund Balance</i>	(20,000)	(19,454)	546
<i>Fund Balance Beginning of Year</i>	26,209	26,209	0
<i>Fund Balance End of Year</i>	\$6,209	\$6,755	\$546

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Municipal Income Tax	\$100,337	\$101,637	\$1,300
Charges for Services	8,050	8,415	365
Intergovernmental	499,876	435,411	(64,465)
<i>Total Revenues</i>	<u>608,263</u>	<u>545,463</u>	<u>(62,800)</u>
<b>Expenditures</b>			
Current:			
Transportation:			
Brunswick Transit Alternative:			
Salaries and Wages	21,120	21,096	24
Fringe Benefits	9,167	9,114	53
Purchased Services	426,980	375,025	51,955
Capital Outlay	215,432	209,766	5,666
<i>Total Expenditures</i>	<u>672,699</u>	<u>615,001</u>	<u>57,698</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(64,436)	(69,538)	(5,102)
<b>Other Financing Sources</b>			
Sale of Capital Assets	<u>0</u>	<u>258</u>	<u>258</u>
<i>Net Change in Fund Balance</i>	(64,436)	(69,280)	(4,844)
<i>Fund Balance Beginning of Year</i>	109,837	109,837	0
Prior Year Encumbrances Appropriated	<u>39,077</u>	<u>39,077</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$84,478</u></u>	<u><u>\$79,634</u></u>	<u><u>(\$4,844)</u></u>



**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Revolving Loan Fund*  
*For the Year Ended December 31, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$2,425	\$2,596	\$171
<b>Expenditures</b>			
Current:			
Community Environment:			
Revolving Loan:			
Capital Outlay	127,965	116,237	11,728
<i>Net Change in Fund Balance</i>	(125,540)	(113,641)	11,899
<i>Fund Balance Beginning of Year</i>	291,231	291,231	0
Prior Year Encumbrances Appropriated	116,238	116,238	0
<i>Fund Balance End of Year</i>	<u>\$281,929</u>	<u>\$293,828</u>	<u>\$11,899</u>

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$80,000	\$74,806	(\$5,194)
<b>Expenditures</b>			
Current:			
Public Health Services:			
Waterworks Improvement:			
Fringe Benefits	286	286	0
<i>Excess of Revenues Over Expenditures</i>	79,714	74,520	(5,194)
<b>Other Financing Uses</b>			
Transfers Out	(2,241,635)	(2,236,441)	5,194
<b>Special Item</b>			
Proceeds from the Sale of Waterlines	1,750,000	1,750,000	0
<i>Net Change in Fund Balance</i>	(411,921)	(411,921)	0
<i>Fund Balance Beginning of Year</i>	411,635	411,635	0
Prior Year Encumbrances Appropriated	286	286	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Licenses, Permits and Fees	\$320,200	\$420,265	\$100,065
<b>Expenditures</b>			
Current:			
Community Environment:			
Cable TV:			
Salaries and Wages	140,260	138,587	1,673
Fringe Benefits	57,512	57,045	467
Purchased Services	28,220	24,033	4,187
Materials and Supplies	5,500	3,973	1,527
Capital Outlay	144,748	22,801	121,947
<i>Total Expenditures</i>	376,240	246,439	129,801
<i>Net Change in Fund Balance</i>	(56,040)	173,826	229,866
<i>Fund Balance Beginning of Year</i>	788,022	788,022	0
Prior Year Encumbrances Appropriated	2,050	2,050	0
<i>Fund Balance End of Year</i>	\$734,032	\$963,898	\$229,866

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Municipal Income Tax	\$481,615	\$487,857	\$6,242
Charges for Services	2,900	2,899	(1)
Other	3,000	3,004	4
<i>Total Revenues</i>	<u>487,515</u>	<u>493,760</u>	<u>6,245</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities:			
Parks:			
Salaries and Wages	356,531	350,292	6,239
Fringe Benefits	175,028	169,035	5,993
Purchased Services	95,187	83,169	12,018
Materials and Supplies	46,394	32,796	13,598
Capital Outlay	34,937	34,737	200
<i>Total Expenditures</i>	<u>708,077</u>	<u>670,029</u>	<u>38,048</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(220,562)	(176,269)	44,293
<b>Other Financing Sources</b>			
Transfers In	157,650	157,650	0
<i>Net Change in Fund Balance</i>	(62,912)	(18,619)	44,293
<i>Fund Balance Beginning of Year</i>	71,571	71,571	0
Prior Year Encumbrances Appropriated	36,157	36,157	0
<i>Fund Balance End of Year</i>	<u>\$44,816</u>	<u>\$89,109</u>	<u>\$44,293</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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$5,000	\$5,432	\$432
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Enforcement and Education:			
Capital Outlay	5,000	1,137	3,863
<i>Net Change in Fund Balance</i>	0	4,295	4,295
<i>Fund Balance Beginning of Year</i>	29,782	29,782	0
<i>Fund Balance End of Year</i>	\$29,782	\$34,077	\$4,295

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$904,832	\$904,927	\$95
Sales	12,720	12,710	(10)
Other	6,589	6,622	33
<i>Total Revenues</i>	<u>924,141</u>	<u>924,259</u>	<u>118</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities:			
Community Recreation:			
Salaries and Wages	541,887	523,628	18,259
Fringe Benefits	181,142	180,261	881
Purchased Services	553,195	472,029	81,166
Materials and Supplies	75,847	65,925	9,922
Capital Outlay	18,278	16,478	1,800
<i>Total Expenditures</i>	<u>1,370,349</u>	<u>1,258,321</u>	<u>112,028</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(446,208)	(334,062)	112,146
<b>Other Financing Sources</b>			
Transfers In	282,288	280,000	(2,288)
<i>Net Change in Fund Balance</i>	(163,920)	(54,062)	109,858
<i>Fund Balance Beginning of Year</i>	97,151	97,151	0
Prior Year Encumbrances Appropriated	73,992	73,992	0
<i>Fund Balance End of Year</i>	<u>\$7,223</u>	<u>\$117,081</u>	<u>\$109,858</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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$460,787	\$460,378	(\$409)
Municipal Income Tax	32,108	32,523	415
Intergovernmental	64,071	62,889	(1,182)
Interest	6,200	6,525	325
<i>Total Revenues</i>	<u>563,166</u>	<u>562,315</u>	<u>(851)</u>
<b>Expenditures</b>			
Current:			
General Government			
Purchased Services	24,400	11,188	13,212
Debt Service:			
Principal Retirement - Community Recreation Center	335,000	335,000	0
Principal Retirement - Center Road Improvement	6,818	6,818	0
Principal Retirement - City Hall	82,000	82,000	0
Total Principal Retirement	<u>423,818</u>	<u>423,818</u>	<u>0</u>
Interest and Fiscal Charges - Community Recreation Center	121,350	121,350	0
Interest and Fiscal Charges - Center Road Improvement	1,381	1,381	0
Interest and Fiscal Charges - City Hall	39,070	39,070	0
Total Interest and Fiscal Charges	<u>161,801</u>	<u>161,801</u>	<u>0</u>
Total Debt Service	<u>585,619</u>	<u>585,619</u>	<u>0</u>
<i>Total Expenditures</i>	<u>610,019</u>	<u>596,807</u>	<u>13,212</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(46,853)</u>	<u>(34,492)</u>	<u>12,361</u>
<b>Other Financing Sources</b>			
Notes Premium	34,000	37,136	3,136
Transfers In	98,561	98,365	(196)
<i>Total Other Financing Sources</i>	<u>132,561</u>	<u>135,501</u>	<u>2,940</u>
<i>Net Change in Fund Balance</i>	85,708	101,009	15,301
<i>Fund Balance Beginning of Year</i>	<u>477,081</u>	<u>477,081</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$562,789</u>	<u>\$578,090</u>	<u>\$15,301</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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$325,000	\$111,000	(\$214,000)
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	328,041	241,929	86,112
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(3,041)	(130,929)	(127,888)
<b>Other Financing Uses</b>			
Advances Out	(219,049)	0	219,049
<i>Net Change in Fund Balance</i>	(222,090)	(130,929)	91,161
<i>Fund Balance Beginning of Year</i>	213,190	213,190	0
Prior Year Encumbrances Appropriated	8,900	8,900	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$91,161</u>	<u>\$91,161</u>



**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$16,300	\$17,454	\$1,154
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	475,121	445,148	29,973
<i>Net Change in Fund Balance</i>	(458,821)	(427,694)	31,127
<i>Fund Balance Beginning of Year</i>	2,243,417	2,243,417	0
<i>Fund Balance End of Year</i>	\$1,784,596	\$1,815,723	\$31,127

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$241,000	\$241,600	\$600
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	453,062	250,000	203,062
<i>Net Change in Fund Balance</i>	(212,062)	(8,400)	203,662
<i>Fund Balance Beginning of Year</i>	601,933	601,933	0
Prior Year Encumbrances Appropriated	3,272	3,272	0
<i>Fund Balance End of Year</i>	\$393,143	\$596,805	\$203,662

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	47,053	23,303	23,750
<i>Net Change in Fund Balance</i>	(47,053)	(23,303)	23,750
<i>Fund Balance Beginning of Year</i>	65,409	65,409	0
Prior Year Encumbrances Appropriated	21,300	21,300	0
<i>Fund Balance End of Year</i>	\$39,656	\$63,406	\$23,750

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Licenses, Permits and Fees	\$57,000	\$57,961	\$961
Contributions and Donations	5,000	5,000	0
<i>Total Revenues</i>	62,000	62,961	961
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	732,052	277,750	454,302
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(670,052)	(214,789)	455,263
<b>Other Financing Uses</b>			
Transfers Out	0	0	0
<i>Net Change in Fund Balance</i>	(670,052)	(214,789)	455,263
<i>Fund Balance Beginning of Year</i>	711,887	711,887	0
Prior Year Encumbrances Appropriated	41,670	41,670	0
<i>Fund Balance End of Year</i>	\$83,505	\$538,768	\$455,263

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	690,608	583,566	107,042
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(690,608)	(583,566)	107,042
<b>Other Financing Sources</b>			
Transfers In	129,221	25,000	(104,221)
<i>Net Change in Fund Balance</i>	(561,387)	(558,566)	2,821
<i>Fund Balance Beginning of Year</i>	542,530	542,530	0
Prior Year Encumbrances Appropriated	18,857	18,857	0
<i>Fund Balance End of Year</i>	\$0	\$2,821	\$2,821

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$80,120	\$52,229	(\$27,891)
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	296,024	84,170	211,854
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(215,904)	(31,941)	183,963
<b>Other Financing Sources (Uses)</b>			
Proceeds of OPWC Loan	63,025	54,627	(8,398)
Advances Out	(212,392)	(156,900)	55,492
<i>Total Other Financing Sources (Uses)</i>	(149,367)	(102,273)	47,094
<i>Net Change in Fund Balance</i>	(365,271)	(134,214)	231,057
<i>Fund Balance Beginning of Year</i>	298,940	298,940	0
Prior Year Encumbrances Appropriated	66,332	66,332	0
<i>Fund Balance End of Year</i>	\$1	\$231,058	\$231,057

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$265,920	\$94,061	(\$171,859)
Other	17,410	17,410	0
<i>Total Revenues</i>	<u>283,330</u>	<u>111,471</u>	<u>(171,859)</u>
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	1,163,218	554,249	608,969
Debt Service:			
Principal Retirement	575,000	575,000	0
Interest and Fiscal Charges	41,248	17,310	23,938
Total Debt Service	<u>616,248</u>	<u>592,310</u>	<u>23,938</u>
<i>Total Expenditures</i>	<u>1,779,466</u>	<u>1,146,559</u>	<u>632,907</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(1,496,136)</u>	<u>(1,035,088)</u>	<u>461,048</u>
<b>Other Financing Sources (Uses)</b>			
Notes Issued	575,000	575,000	0
Advances Out	(175,000)	(175,000)	0
Transfers In	175,000	175,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>575,000</u>	<u>575,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(921,136)	(460,088)	461,048
<i>Fund Balance Beginning of Year</i>	910,363	910,363	0
Prior Year Encumbrances Appropriated	<u>545,917</u>	<u>545,917</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$535,144</u>	<u>\$996,192</u>	<u>\$461,048</u>

**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, 2005*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	<u>175,085</u>	<u>119,959</u>	<u>55,126</u>
Debt Service:			
Principal Retirement	3,000,000	3,000,000	0
Interest and Fiscal Charges	<u>72,774</u>	<u>70,546</u>	<u>2,228</u>
Total Debt Service	<u>3,072,774</u>	<u>3,070,546</u>	<u>2,228</u>
<i>Total Expenditures</i>	<u>3,247,859</u>	<u>3,190,505</u>	<u>57,354</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(3,247,859)	(3,190,505)	57,354
<b>Other Financing Sources</b>			
Note Proceeds	1,500,000	1,500,000	0
<b>Special Item</b>			
Proceeds from the Sale of Waterlines	<u>1,500,000</u>	<u>1,500,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(247,859)	(190,505)	57,354
<i>Fund Balance Beginning of Year</i>	159,384	159,384	0
Prior Year Encumbrances Appropriated	<u>88,475</u>	<u>88,475</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$57,354</u>	<u>\$57,354</u>



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**City of Brunswick, Ohio**  
*Governmental Activities Revenues by Source  
and Expenses by Function (1) (2)*  
*Last Four Years*

	2005	2004	2003	2002
<b>Program Revenues</b>				
Charges for Services and Sales	\$3,073,483	\$3,441,399	\$2,844,016	\$2,850,287
Operating Grants and Contributions	2,136,676	1,945,181	1,550,608	1,638,566
Capital Grants and Contributions	792,664	1,137,855	1,051,604	755,058
<b>General Revenues</b>				
Property and Other Taxes	2,072,102	1,897,175	1,895,291	1,838,865
Municipal Income Taxes	8,543,260	8,637,284	8,065,065	7,891,165
Intergovernmental	1,545,535	1,586,733	1,861,276	1,677,622
Gain on Sale of Capital Assets	0	690,499	2,286,150	0
Interest	643,300	355,588	294,165	647,790
Other	129,228	65,147	117,014	129,896
<b>Total</b>	<b>\$18,936,248</b>	<b>\$19,756,861</b>	<b>\$19,965,189</b>	<b>\$17,429,249</b>
<b>Expenses</b>				
General Government	\$4,930,502	\$3,957,619	\$3,604,869	\$3,546,194
Security of Persons and Property	8,458,878	7,649,594	6,940,757	6,907,858
Transportation	3,546,954	3,390,709	3,298,189	3,805,430
Community Environment	861,386	1,986,991	1,248,223	1,247,678
Public Health Services	249,267	349,448	382,577	379,241
Leisure Time Activities	2,207,800	2,298,656	2,033,068	2,033,892
Interest and Fiscal Charges	468,839	358,729	409,492	430,787
<b>Total</b>	<b>\$20,723,626</b>	<b>\$19,991,746</b>	<b>\$17,917,175</b>	<b>\$18,351,080</b>

Source: City Financial Records

(1) Full Accrual Basis

(2) The City first began reporting on a full accrual basis in 2002.

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

	2005	2004	2003	2002
<b>Revenues</b>				
Taxes	\$10,587,882	\$10,189,384	\$9,804,477	\$9,853,217
Charges for Services	1,663,950	1,977,325	1,609,278	1,659,321
Special Assessments	130,466	134,899	135,899	125,898
Licenses, Permits and Fees	898,640	1,174,158	734,104	661,994
Fines and Forfeitures	480,171	432,882	545,944	529,516
Intergovernmental	4,355,023	4,467,468	4,147,681	3,795,297
Sales	12,710	14,744	17,445	22,263
Interest	662,849	344,554	336,368	529,556
Contributions and Donations	42,653	29,192	0	0
Other	129,228	65,147	117,014	129,896
<b>Total</b>	<b>\$18,963,572</b>	<b>\$18,829,753</b>	<b>\$17,448,210</b>	<b>\$17,306,958</b>
<b>Expenditures</b>				
Current:				
General Government	\$4,171,548	\$3,891,681	\$3,525,380	\$2,957,192
Security of Persons and Property	8,123,740	7,639,752	7,412,518	6,877,234
Transportation	3,081,998	2,812,561	3,044,175	2,266,534
Community Environment	1,045,355	1,218,980	900,780	844,769
Public Health Services	8,836	110,770	142,773	117,673
Leisure Time Activities	2,206,201	2,116,225	2,019,593	1,873,197
Capital Outlay	3,169,334	5,214,484	779,386	3,011,639
Debt Service	1,086,667	888,647	5,714,151	1,292,382
<b>Total</b>	<b>\$22,893,679</b>	<b>\$23,893,100</b>	<b>\$23,538,756</b>	<b>\$19,240,620</b>

Source: City Financial Records

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

2001	2000	1999	1998	1997	1996
\$9,437,572	\$9,143,684	\$8,570,404	\$8,036,966	\$7,639,588	\$6,626,551
1,558,635	1,506,997	1,429,831	1,202,170	1,248,655	1,146,885
286,691	428,196	268,354	212,728	343,674	279,683
2,006,113	900,832	865,456	935,516	748,956	686,454
518,478	620,207	498,272	481,459	485,742	481,458
3,665,703	3,553,568	3,559,850	4,068,102	4,164,522	3,327,785
27,071	27,852	34,610	50,887	38,470	48,582
798,594	1,127,177	703,104	714,832	549,585	407,076
500	0	0	0	0	0
60,462	228,408	141,515	406,541	109,434	196,040
<u>\$18,359,819</u>	<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>

\$4,171,678	\$2,735,766	\$2,195,371	\$2,279,025	\$1,963,227	\$2,085,024
6,137,473	5,116,511	4,556,861	4,333,618	3,764,522	3,594,321
2,056,940	2,028,411	2,047,688	1,762,026	1,886,056	1,854,871
868,139	773,283	790,137	869,300	573,017	612,803
112,813	107,726	105,083	85,615	79,420	79,232
1,705,517	1,493,797	1,410,081	1,349,203	1,293,582	1,269,554
1,894,324	1,171,758	1,383,501	5,647,025	1,767,664	1,472,259
1,391,589	1,217,302	1,120,798	1,213,679	971,665	1,021,341
<u>\$18,338,473</u>	<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>

**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)
2005	\$660,584,830	\$1,887,385,229	\$9,531,030	\$10,830,716
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

Source: Medina County, Ohio; County Auditor

- (1) The year represents collection year.
- (2) For 2003 through 2005, 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
\$42,352,922	\$169,411,688	\$712,468,782	\$2,067,627,632	34.46 %
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

**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>
2005	\$2,256,815	\$2,157,390	95.59 %	\$49,401
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

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>
\$2,206,791	97.78 %	\$84,889	3.76 %
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



**City of Brunswick, Ohio**  
*Computation of Legal Debt Margin*  
*December 31, 2005*

Total Assessed Property Value	<u><u>\$712,468,782</u></u>
Overall Debt Limitation (10 1/2% of Assessed Valuation)	<u>\$74,809,222</u>
Gross Indebtedness:	
General Obligation Bonds	2,517,631
Special Assessment Bonds	1,577,766
OPWC Loans	195,803
Notes	<u>6,595,000</u>
Total Gross Indebtedness	<u>10,886,200</u>
Less: Special Assessments Bonds	(1,577,766)
OPWC Loans	(195,803)
Debt Service Fund Balance	<u>(580,798)</u>
Net Debt Within 10 1/2% Limitations	<u>8,531,833</u>
Legal Debt Margin Within 10 1/2% Limitations	<u><u>\$66,277,389</u></u>
Unvoted Debt Limitation (5 1/2% of Assessed Valuation)	<u>\$39,185,783</u>
Gross Indebtedness	10,886,200
Less: Special Assessments Bonds	(1,577,766)
OPWC Loans	(195,803)
Community Center Refunding Bonds	(1,825,000)
Debt Service Fund Balance	<u>(580,798)</u>
Net Debt Within 5 1/2% Limitation	<u>6,706,833</u>
Legal Debt Margin Within 5 1/2% Limitation	<u><u>\$32,478,950</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
2005	\$3.35	\$8.22	\$67.17	\$3.05	\$2.25	\$0.50	\$84.54
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

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
2005 (3)	\$112,182	\$23,480	\$135,662	\$109,899	\$20,567
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

Source: Medina County, Ohio; County Auditor and City Financial Records

- (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	\$130,466	96 %	\$1,601,246
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

**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
2005	\$712,468,782	71	\$11,811,130	2	\$375,000
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

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	
2	\$625,000	\$270,184
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

**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>
2005	36,596	\$1,998,453	\$712,468,782	0.28 %	\$54.61
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

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
2005	\$423,818	\$161,801	\$585,619	\$22,893,679	2.56 %
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

Source: City financial records



**City of Brunswick, Ohio**  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*December 31, 2005*

	<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>\$2,579,251</u>	100.00 %	<u>\$2,579,251</u>
<i>Overlapping:</i>			
Medina County	9,680,000	17.10	1,655,280
Brunswick City Schools	<u>19,666,091</u>	77.38	<u>15,217,621</u>
Total Overlapping Debt	<u>29,346,091</u>		<u>16,872,901</u>
Total Direct and Overlapping	<u><u>\$31,925,342</u></u>		<u><u>\$19,452,152</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, 2005*

Taxpayer	Real and Public Utility Property Tax Assessed Value	Percent of Total Assessed Value
City of Brunswick	\$8,613,490	1.29 %
HK New Plan Exchange Property	6,262,780	0.93
Village in the Park	4,507,190	0.67
Mark Spagnuolo LLC	4,325,880	0.65
Verizon North Incorporated	3,531,650	0.53
Clearbrooke Limited Partnership	3,177,270	0.47
Interstate Properties Limited Partnership	3,050,930	0.46
Hickory Hill Apartments LP	2,747,510	0.41
HD Development of Maryland, Inc.	2,695,000	0.40
Kimco Brunswick Associates	2,566,040	0.38
Totals	<u>\$41,477,740</u>	<u>6.19 %</u>
Total Real and Public Utility Property Tax Assessed Value	<u>\$670,115,860</u>	

Source: Medina County, Ohio; County Auditor

**City of Brunswick, Ohio**  
*Principal Taxpayers - Tangible Personal Property Tax*  
*December 31, 2005*

Taxpayer	Tangible Personal Property Assessed Value	Percent of Total Assessed Value
Brunswick Auto Mart, Inc.	\$3,811,630	9.00 %
Legacy Ford, Inc.	2,026,300	4.78
General Parts, Inc.	1,826,760	4.31
Mullinax Lincoln-Mercury, Inc.	1,766,880	4.17
SCP Distributors LLC	1,712,730	4.04
Bohler Uddeholm Corporation	1,552,830	3.67
Southeastern Equipment Company, Inc.	1,325,370	3.13
Tinnerman Palnut Engineered Products	1,286,570	3.04
Litehouse Products Inc.	1,266,200	2.99
Automation Tool and Die Inc.	969,020	2.29
Totals	<u>\$17,544,290</u>	<u>41.42 %</u>
Total Tangible Personal Property Assessed Valuation	<u>\$42,352,922</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, 2005*

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	27
Police Protection:	
Number of Stations	1
Number of Police Officers	
Part-Time	2
Full-Time	40
Building Permits Issued:	
(Including Additions to Previously Constructed Buildings)	126
Recreation and Culture:	
Number of Parks	16
Area (acres)	273.4
Community Rec-Center	1
(complete with indoor pool, whirlpool, sauna, indoor track, weight room, fitness center, gym, craft center and floating dance floor.)	
Number of Libraries	1
Volumes	50,000
Employees:	
Full-Time	156
Part-Time	90

Source: City Records