

# CITY OF BRUNSWICK, OHIO

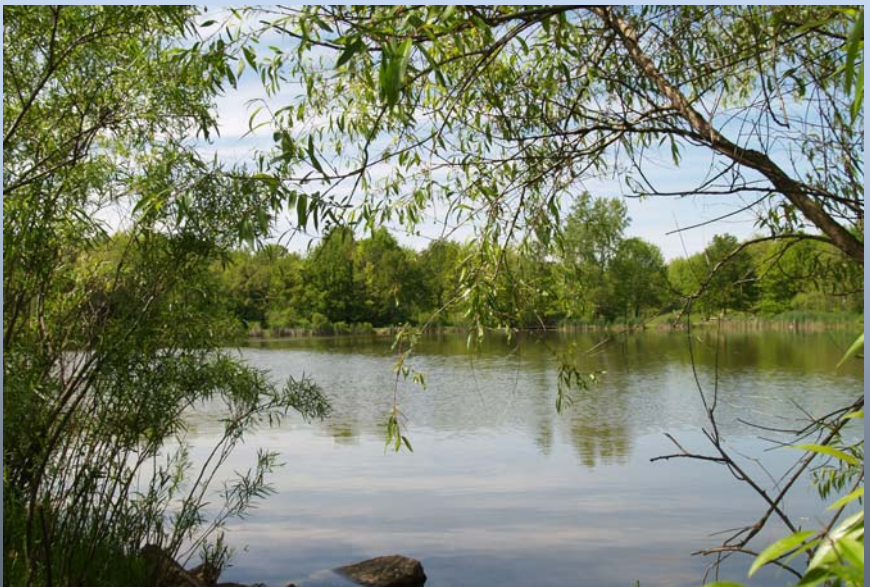
## Comprehensive Annual Financial Report For the Year Ended December 31, 2007



*Working Together to Create a  
Community of Excellence*



City of Brunswick, Ohio  
4095 Center Road  
Brunswick, Ohio 44212  
**Phone:** 330-225-9144  
**E-mail:** [www.brunswick.oh.us](http://www.brunswick.oh.us)





# **City of Brunswick, Ohio**

## **Comprehensive Annual Financial Report**

*For the Year Ended December 31, 2007*

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, 2007*  
*Table of Contents*

	<u>Page</u>
<b>I. Introductory Section</b>	
Table of Contents .....	i
Letter of Transmittal .....	iv
GFOA Certificate of Achievement .....	xi
List of City Officials .....	xii
Organizational Chart .....	xiii
 <b>II. Financial Section</b>	
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets .....	15
Statement of Activities .....	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	20
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual:	
General Fund .....	22
Fire Department Fund .....	23
Street Repair and Maintenance Fund .....	24
Statement of Fund Net Assets - Proprietary Fund.....	25
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Fund.....	26
Statement of Cash Flows - Proprietary Fund.....	27
Statement of Fiduciary Assets and Liabilities – Agency Funds .....	28
Notes to the Basic Financial Statements .....	29

Combining Statements and Individual Fund Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions.....	58
Combining Balance Sheet – Nonmajor Governmental Funds.....	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	61
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	64
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	68

Combining Statements - Agency Funds:

Fund Descriptions.....	70
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	71

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

Major Funds:

General Fund.....	74
Fire Department Fund.....	80
Street Repair and Maintenance Fund.....	81
Special Assessment Bond Retirement Fund.....	82
Brunswick Lake Construction Fund.....	83
Sanitary Storm Sewer Fund.....	84
Refuse Fund.....	85

Nonmajor Funds:

Court Computerization Fund.....	86
VAWA Grant Fund.....	87
Police Fund.....	88
Drug Enforcement Fund.....	89
State Highway Fund.....	90
Law Enforcement Fund.....	91
Brunswick Transit Alternative Fund.....	92
Revolving Loan Fund.....	93
Cable TV Fund.....	94
Parks Fund.....	95
Enforcement and Education Fund.....	96
Community Recreation Center Fund.....	97
General Obligation Bond Retirement Fund.....	98
Community Development Block Grant Fund.....	99
Fire Station Improvement Fund.....	100
Permanent Improvement.....	101
Traffic Control Equipment Fund.....	102

Park Development Fund .....	103
City Hall Expansion Fund.....	104
Road Improvement Fund .....	105
 III. Statistical Section	
Statistical Section Description.....	S1
 Net Assets by Component – Last Seven Years.....	S2
 Change in Net Assets - Last Six Years .....	S3
 Fund Balances, Governmental Funds Last Ten Years .....	S4
 Changes in Fund Balances, Governmental Funds Last Ten Years .....	S6
 Assessed Valuation and Estimated Actual Values of Taxable Property Last Ten Years .....	S8
 Property Tax Rates – Direct and Overlapping Governments – Last Nine Years .....	S10
 Principal Real Property Taxpayers – 2007 and 1998 .....	S12
 Property Tax Levies and Collections – Last Ten Years .....	S13
 Income Tax Revenue Base and Collections – Last Ten Years.....	S14
 Ten Largest Municipal Income Tax Withholding Accounts – 2007 and 1998 .....	S15
 Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years .....	S16
 Ratio of General Obligation Bonded Debt to Estimated True Value of Taxable Property and Bonded Debt per Capita – Last Ten Years .....	S17
 Legal Debt Margin Information – Last Ten Years .....	S18
 Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S20
 Demographic and Economic Statistics – Last Ten Years.....	S21
 Principal Employers – 2006 and Nine Years Ago.....	S22
 Full-Time Equivalent City Government Employees by Function/Program – Last Ten Years.....	S23
 Capital Assets Statistics by Function/Program – Last Seven Years.....	S24
 Operating Indicators by Function/Program – Last Seven Years .....	S25

**MAYOR**  
DALE STRASSER

**CITY MANAGER/  
SAFETY DIRECTOR**  
ROBERT A. ZIENKOWSKI

# CITY OF BRUNSWICK

**COUNCIL**  
ANTHONY P. CAPRETTA  
VINCENT CARL  
JOSEPH P. DELSANTER  
RONALD E. FALCONI  
SUSAN L. HAMBLEY  
PATRICK MCNAMARA  
CHARLES J. RICCO

May 29, 2008

Members of City Council and  
Citizens of Brunswick:

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

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

State statutes require the City of Brunswick (the City) to be subjected to an annual examination by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. Brunswick City Council selected James G. Zupka, CPA to perform these services for the year ended December 31, 2007. The Independent Accountants' Report on the basic financial statements is included in the financial section of this report.

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

The City of Brunswick is located in north-central Ohio, within the boundaries of Medina County, and is 12.7 square miles in area. The City is fortunate to have I-71 as a major artery running north and south through its eastern half with an intersection at State Route 303. 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: Law, Finance, Public Safety, Public Service, Parks & Recreation and Community Development. The City Manager also is responsible for hiring other department / division heads such as: Clerk of Courts, Cable Facilitator, Information Technology Coordinator, Economic Development Manager and an Administrative Services Coordinator.



4095 CENTER ROAD - BRUNSWICK, OHIO 44212

CITY HALL PHONE: (330) 225-9144 - FAX: (330) 273-8023 - POLICE & FIRE PHONE: (330) 225-9111 - FAX: (330) 225-6002

<http://www.brunswick.oh.us>



The City provides full-time police and fire protection, emergency medical services, full-time street maintenance, full-time park improvement and maintenance, a fixed route transit service, and refuse billing as well as general administration services for all of its stakeholders. 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 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 our 19 parks / open, natural spaces. Included in this land are four community parks, eight neighborhood parks, one dog park, a skate park and additional open spaces. The City's four 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. Since the acquisition, the City raised funds through an "Adopt a Tire" program in an effort to offset the cost associated with the junk yard clean-up and site preparation expenses for the Hopkins Park expansion. In 2006, the City opened its first Skate Park (now located in adjacent to the Community Recreation and Fitness Center). Further, the City currently has five "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 and Fitness Center serving residents as a fitness center, community event center, recreational program center, senior citizen center, and social center for public use. In 2007, the City invested approximately \$10,000 in upgrading the gymnasium floor. The Community Recreation Center offers a full range of recreational and social activities for people of all ages and abilities. The current membership is 6,882. Members have 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 and Fitness Center offers a Community Concert Series hosting concerts and plays for people of all ages as well as a variety of community wide programs at no additional charge to the residents. These events include a Senior Fair, Community Health Fair and Family Fun Day as well as many various speakers of interest throughout the year.

### **Local Economy**

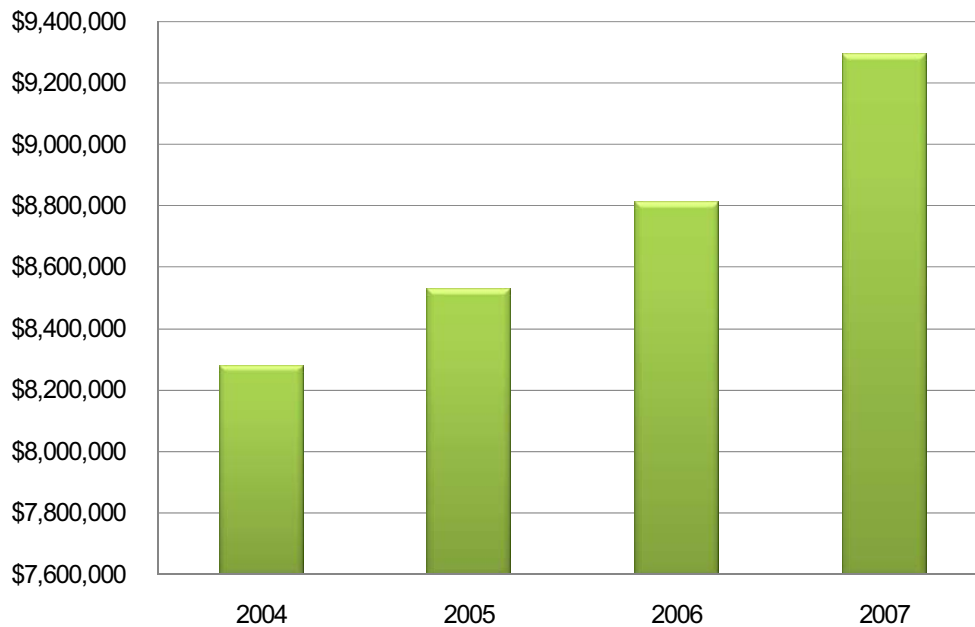
Brunswick's local economy continues to remain resilient in spite of the rising fuel, utility and food prices. According to the Ohio Department of Employment, the City's unemployment rate continues to move similarly to that of the Cleveland area and State rates. The City of Brunswick's unemployment rate increased to 5.3 percent over the 2006 rate of 4.8 percent. This increase was similar to the entire Cleveland area which saw their rate increase to 5.9 percent in 2007 from 5.4 percent in 2006. Brunswick's unemployment rate continues to stay below both the Cleveland area and State of Ohio rate. Even with the increase in unemployment in 2007, the City's income tax collections from individuals increased by a healthy 5.1 percent which equated to \$206,493 in additional revenue. This income tax revenue increase is attributed to increasing population, increasing wages earned by those working and higher penalty and interest rates imposed by the City on delinquent accounts. Additionally, according to the Medina County Auditor, the collection rate for property taxes remains above 90 percent for current tax collections and above 92 percent for total tax collections. In analyzing property tax collections, the accumulated outstanding delinquencies in terms of dollars and percentages decreased in 2007 by \$30,779

and 34 percent, respectively. Still, the 2007 delinquency amounts and rates are higher than the amounts reported by the Auditor going back to 2004 and prior (please see the statistical section of this report for further detailed information). The City will continue to monitor these amounts to try and determine the impact, if any, of the mortgage / foreclosure economic issues.

The business side of the local economy continues to grow as well. Income tax revenue from local businesses grew by 5.6 percent, 10.5 percent and 5.8 percent in 2005, 2006 and 2007, respectively. That average growth of 7.3 percent per year continues to provide the City with increased revenues to help offset the rising cost of providing services. Further, the top ten businesses in terms of income tax collections grew by 4.6 percent in 2007 and have grown by 16 percent since 2003. Brunswick's top ten income tax businesses have added two new companies in the last three years as well (Turf Care Supply Company and ET Healthcare Providers). Brunswick continues to be fortunate to have a diverse business tax base that is not reliant on one business or one business sector. Instead, the Brunswick business tax base is made up of many small to medium size companies that have a wide range of products and services. The continued healthy growth in income tax revenue over the past four years is attributed to this diversified and growing tax base.

The following graph illustrates a positive trend in the City's tax receipts from 2004 through 2007. Since 2004, the revenue amounts have increased 12 percent. This increase is attributed to positive economic conditions, expanded business taxes, and creative collection efforts conducted by the City over the past two years.

**Income Tax Revenue Graph**



The City's income tax base is made up of an even mix between business taxes and residential taxes. The biggest contributing group for income tax collections was business withholdings at 48.40 percent. This is important since it marks the second year where the withholding percentage was greater than the residential percentage. This is attributed to the emphasis on economic development growth and the City's expanding tax base. The remaining portions of the City income tax revenue is made up of residential taxes at 45.89 percent and business net-profit taxes at 5.71 percent.

## **Long-Term Financial Planning**

The City of Brunswick has incorporated a five-year forecast with our annual budgeting procedures. 2007 marked the second year of this practice. The intention of the five-year forecast is to recognize financial trends in time to make informed financial decisions moving forward. The City has recognized a need to re-evaluate our revenue structure as a result of anticipated, continued fund balance depletion. The City proposed to the voters an income tax increase that would have raised the rate to 2.15 percent in the November 2007 election. However, that initiative was defeated and City Council continues to work on another long-term funding plan.

The City has issued debt in order to address storm water management issues throughout the City highlighted as follows:

- **Brunswick Lake Improvements:** In an effort to increase the capacity of storm water that the Brunswick Lake can hold, the City issued debt to dredge the lake. This debt is made up of general obligation and special assessment portions.
- **Brunswick Lake Dam Improvements:** In conjunction with the lake dredging, the City also issued debt to reconstruct the dam at Brunswick Lake. The new dam allows the City to control the amount of storm water flow out of Brunswick Lake which helps alleviate storm water issues south of the lake. This debt is made up of general obligation and special assessment portions.
- **Storm Sewer Improvements:** In response to flooding, the City issued general obligation debt that has helped fund all (or a portion) of thirteen storm sewer projects around the City.
- **Storm Water Detention Improvements:** Similar to the storm sewer debt, the City also issued general obligation debt to improve two detention basins in the City to address storm water ponding in two areas of the City.
- **Culvert Replacements:** The City has issued general obligation debt to replace two culverts that have deteriorated and are impacting the flow of storm water.

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.

## **Relevant Financial Policies**

Based on Council priorities and legal requirements, the City of Brunswick has an ordinance in place that determines the allocation of net municipal income tax revenues. The current allocation is: 36.70 percent to the General Fund, 29.75 percent to the Fire Levy Special Revenue Fund, 13.40 percent to the Police Levy Special Revenue Fund, 12.50 percent to the Street Repair and Maintenance Special Revenue Fund, 6.00 percent to the Parks Special Revenue Fund, 1.25 percent to the Brunswick Transit Alternative Special Revenue Fund and 0.40 percent to the General Obligation Bond Retirement Fund. The amount distributed to each of these funds is net of the collection expenses incurred by the City's in-house income tax office on a monthly basis.

The City has a policy, based on previous voted property tax levies, that requires the County Auditor to allocate 0.3 mills to help fund the City's police pension expenses and 2.3 mills to the General Fund to fund general operations of the City. In addition, the City also receives 0.65 mills in voted Recreation Center Bond proceeds for the repayment of the outstanding principal and interest on the City's Recreation and Fitness Center building.

The City has an ordinance that sets a park land dedication and/or tax on all developments in the City. The ordinance defines the amount of tax owed by the developer and also stipulates how those funds are to be used. The City has a Park Improvement Fund to account for this activity.

### **Major Initiatives**

The City of Brunswick's Office of Economic Development experienced some major changes at the end of 2007 and into 2008. 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 and expanding tax base. Council authorized a \$46,000 increase to the Office of Economic Development's 2007 budget to allow for the coordinator to contract for the update/creation of the City's Economic Development Plan. 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. In keeping with the high priority placed upon economic development, Council appropriated another \$25,000 in the 2008 budget for plan updates, marketing and other City exposure events.

Also, in January 2008, 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.

### **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 has contracted with the Cuyahoga County Engineer's Office to finalize the project engineering. 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 2010 or 2011. In order to address traffic needs more immediately, City Council has decided to proceed with the intersection improvements at Center Road in 2008. Additionally, due to the condition of the Plum Creek culvert that runs under North Carpenter Road, the City is also proceeding with this part of the project in 2008. The remainder of the North Carpenter Road Improvement project will expand the two remaining major intersections along North Carpenter Road, at Grafton Road and at Boston Road, to three lanes. In addition, the construction will include an upgrade to a full concrete roadway, curbs and gutters, storm sewers and sidewalks. The project is currently being funded by the City, Medina County and the Northeast Ohio Area Coordinating Agency.

The City is in the process of updating our I-71 / Rt. 303 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 NOACA requesting federal funds for this project.

The City also budgets and expends funds for its annual road repair and maintenance program. In 2007, the Service Department spent in excess of \$87,000 addressing some of the City's concrete roads in addition to spending \$141,000 on asphalt road improvements and \$63,000 in crack sealing improvements.

The City is also in the fourth year of installing handicap accessible ramps throughout the City. This project is being funded by CDBG funds. In 2007, the City installed 30 ramps totaling \$22,000.

The City continued through the engineering phase of the City-Wide Traffic Signalization Improvement project. In December of 2007, City Council authorized the issuance of \$680,000 in engineering notes to proceed with the final engineering portion of this project. The 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 requirements. The City has made application to the NOACA Board for 80 percent funding late in 2005.

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

In 2007, the City received a state grant in the amount of \$250,000 for the construction of a new Nature Center. The Nature Center will be located on the peninsula portion of the Town Center project, tucked in with the natural habitat that fills this undeveloped area. Plans show that the Center will be constructed and opened in 2008 and will host multiple nature programs aimed at educating area Residents on Brunswick's natural side and the importance of having natural areas.

Mooney Park's new concession building, shade stands and ADA compliant walkways were substantially completed in 2007. This project began in 2005 and has cost approximately \$318,000 to date. Also, North Park is budgeted to receive a new expanded driveway and parking lot in 2008. 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 2007, 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.

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.

**Awards and Acknowledgments**

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, 2006. A copy of this certificate is contained within this report. This is the 24<sup>th</sup> award the City has received.

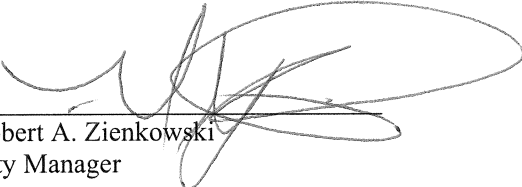
A Certificate of Achievement is valid for a period of one year. The City of Brunswick believes the 2007 Comprehensive Annual Financial Report conforms to the Certificate of Achievement Program requirements and standards, and has submitted it to the GFOA for consideration.

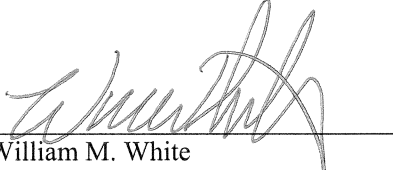
The employees of the City of Brunswick are dedicated to serve its citizens. The preparation of a report of this scope depends upon the dedication of many employees, but especially the employees in the Department of Finance who have worked on various parts of this project. The City also appreciates the dedication of 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, 2006

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



*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director

**City of Brunswick, Ohio**

*City Officials*  
*December 31, 2007*

*Mayor*

Dale Strasser

*Council Members*

Susan L. Hambley .....	Anthony Capretta
Tim Smith .....	Joseph P. Delsanter
Vincent Carl .....	Gary Werner
Patrick McNamara	

*City Manager/Safety Director*

Robert A. Zienkowski

*Finance Director and Tax Administrator*

William M. White

*Parks and Recreation Director*

Bob Martin

*Law Director*

Kenneth J. Fisher

*Development Director/Chief Building Official*

Roger Westfall

*Service Director*

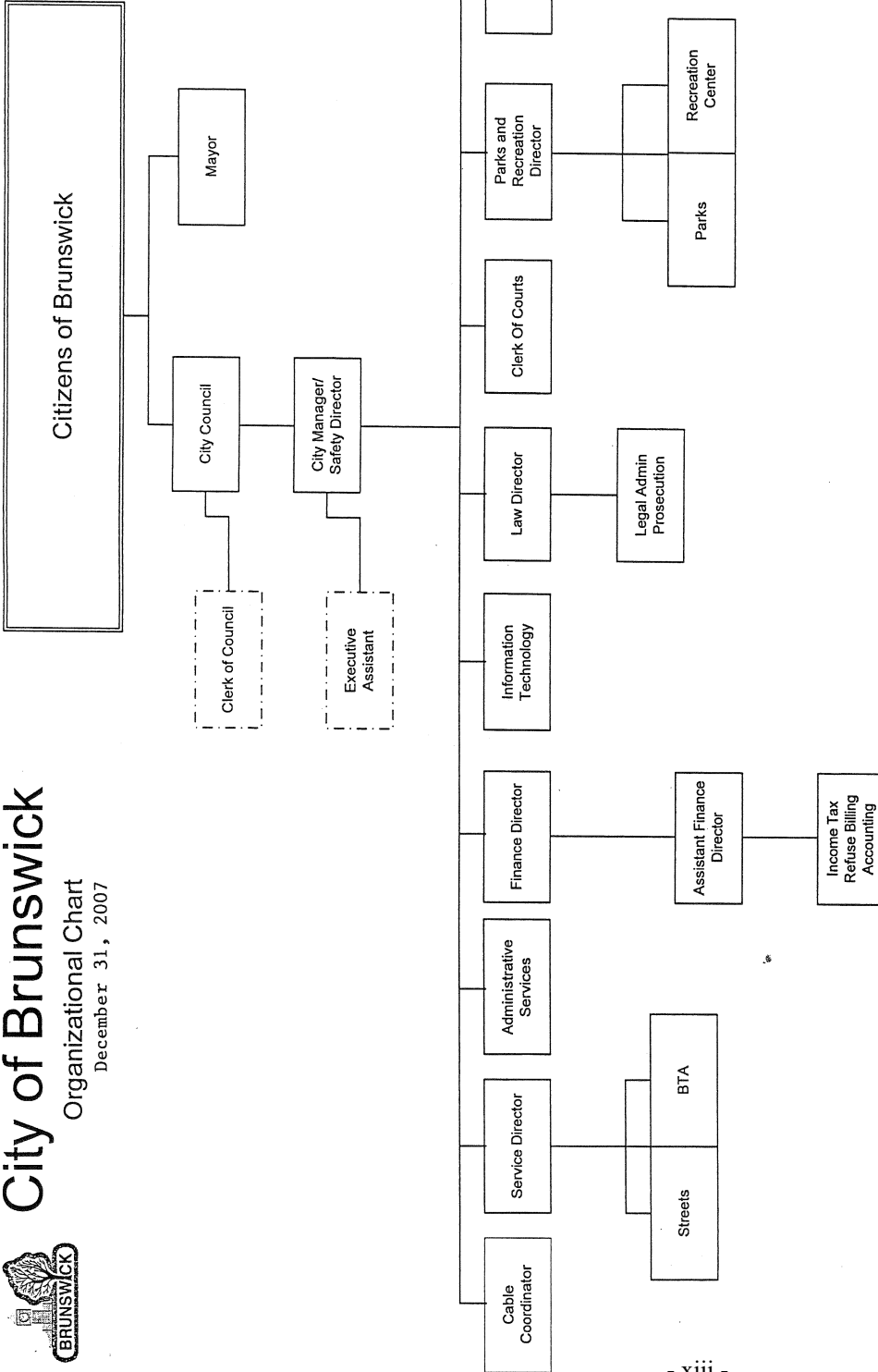
Sam Scaffide





# City of Brunswick

Organizational Chart  
December 31, 2007





**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

The Members of City Council  
City of Brunswick, Ohio

The Honorable Mary Taylor  
Auditor of State  
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Brunswick, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Ohio, as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, the Fire Department Fund, and the Street Repair and Maintenance Fund 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 29, 2008, on our consideration of the City of Brunswick, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 13 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Brunswick, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



James G. Zupka, CPA, Inc.  
Certified Public Accountants

May 29, 2008

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

---

The management's discussion and analysis of the City of Brunswick's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2007. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key financial highlights for 2007 are:

- Total assets decreased by \$91,830, a 0.13 percent decrease from 2006.
- Total liabilities increased \$1,044,832, or 6.33 percent from 2006.
- Total net assets decreased by \$1,136,662 or 2.09 percent from 2006.

### **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 2007?" The *Statement of Net Assets* and the *Statement of Activities* answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. 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 such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated.

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

---

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 stakeholders. 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.

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

**The City as a Whole**

The Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2007 compared to 2006.

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

	Governmental Activities		Business-Type Activity		Total	
	2007	2006	2007	2006	2007	2006
<b>Assets</b>						
Current and Other Assets	\$28,331,769	\$29,369,387	\$408,091	\$339,392	\$28,739,860	\$29,708,779
Capital Assets, Net	41,691,067	40,785,857	269,141	297,262	41,960,208	41,083,119
<i>Total Assets</i>	<u>70,022,836</u>	<u>70,155,244</u>	<u>677,232</u>	<u>636,654</u>	<u>70,700,068</u>	<u>70,791,898</u>
<b>Liabilities</b>						
Current and Other Liabilities	7,292,303	9,310,592	135,032	137,095	7,427,335	9,447,687
Long-Term Liabilities:						
Due Within One Year	724,913	711,251	4,460	4,260	729,373	715,511
Due in More than One Year	9,383,191	6,327,473	7,274	11,670	9,390,465	6,339,143
<i>Total Liabilities</i>	<u>17,400,407</u>	<u>16,349,316</u>	<u>146,766</u>	<u>153,025</u>	<u>17,547,173</u>	<u>16,502,341</u>
<b>Net Assets</b>						
Invested in Capital Assets,						
Net of Related Debt	33,004,241	32,353,223	257,697	281,594	33,261,938	32,634,817
Restricted:						
Capital Projects	4,049,522	4,236,756	0	0	4,049,522	4,236,756
Debt Service	2,651,362	3,046,631	0	0	2,651,362	3,046,631
Other Purposes	6,753,355	6,777,346	0	0	6,753,355	6,777,346
Unrestricted	6,163,949	7,391,972	272,769	202,035	6,436,718	7,594,007
<i>Total Net Assets</i>	<u>\$52,622,429</u>	<u>\$53,805,928</u>	<u>\$530,466</u>	<u>\$483,629</u>	<u>\$53,152,895</u>	<u>\$54,289,557</u>

Total assets decreased by \$91,830 from 2006 to 2007. The decrease was mainly due to the spending of some cash reserves to maintain various City services with an offsetting increase in various receivables and non-depreciable capital assets. The significant receivable increases from 2006 to 2007 were income taxes, property taxes and intergovernmental. The significant increase in non-depreciable assets was mainly related to the following projects accounted for in construction-in-progress: city-wide signalization; electrical replacement of city hall; Canterbury and East/West Hadcock storm sewers; and information technology infrastructure and licensing projects.

Total liabilities increased by \$1,044,832. The increase was mainly due to the City borrowing additional monies for a newly added Plum Creek Culvert project and cost increases on existing projects during 2007. The 2006 storm sewer notes of \$4,530,000 were reported as notes payable in 2006 and the \$5,350,000 storm sewer notes in 2007 are reported as \$1,800,000 short-term notes payable and \$3,550,000 are reported as long-term notes payable. The difference in recognition of short-term and long-term notes between 2006 and 2007 is the primary reason for the difference in liability categories noted above.

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

Total net assets decreased \$1,136,662 with a decrease in governmental net assets of \$1,183,499 and an increase in the business-type activity of \$46,837. Net assets decreased in the governmental activities mainly due to the spending of some cash reserves to maintain various City services. Net assets increased in the business-type activity due to the City raising the refuse rates for non-homestead exemptions from \$36.60 a quarter to \$40.50 a quarter effective January 1, 2007. This increase resulted in a larger accounts receivable as of December 31, 2007.

Table 2 shows the changes in net assets for the year ended December 31, 2007. Total revenues increased \$978,684 or 4.50 percent. Total expenses increased \$1,238,458 or 5.47 percent.

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

	2007	2006	2007	2006	2007	2006
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services and Sales	\$3,430,801	\$3,710,431	\$1,749,919	\$1,582,434	\$5,180,720	\$5,292,865
Operating Grants and Contributions	1,911,469	2,112,116	0	0	1,911,469	2,112,116
Capital Grants and Contributions	993,535	650,137	0	0	993,535	650,137
<i>Total Program Revenues</i>	<u>6,335,805</u>	<u>6,472,684</u>	<u>1,749,919</u>	<u>1,582,434</u>	<u>8,085,724</u>	<u>8,055,118</u>
<i>General Revenues:</i>						
Property Taxes	2,123,847	2,156,302	0	0	2,123,847	2,156,302
Income Tax	9,658,612	9,014,545	0	0	9,658,612	9,014,545
Grants and Entitlements	1,439,760	1,411,996	0	0	1,439,760	1,411,996
Interest	961,482	1,002,320	0	0	961,482	1,002,320
Other	467,650	118,069	97	138	467,747	118,207
<i>Total General Revenues</i>	<u>14,651,351</u>	<u>13,703,232</u>	<u>97</u>	<u>138</u>	<u>14,651,448</u>	<u>13,703,370</u>
<i>Total Revenues</i>	<u>20,987,156</u>	<u>20,175,916</u>	<u>1,750,016</u>	<u>1,582,572</u>	<u>22,737,172</u>	<u>21,758,488</u>
<i>Program Expenses:</i>						
General Government	3,653,469	2,816,111	0	0	3,653,469	2,816,111
Security of Persons and Property	9,571,740	9,415,542	0	0	9,571,740	9,415,542
Transportation	4,249,283	3,924,014	0	0	4,249,283	3,924,014
Community Environment	1,818,776	1,900,429	0	0	1,818,776	1,900,429
Public Health Services	29,884	46,475	0	0	29,884	46,475
Leisure Time Activities	2,272,972	2,294,555	0	0	2,272,972	2,294,555
Refuse	0	0	1,702,503	1,705,770	1,702,503	1,705,770
Interest and Fiscal Charges	574,531	531,615	676	865	575,207	532,480
<i>Total Program Expenses</i>	<u>22,170,655</u>	<u>20,928,741</u>	<u>1,703,179</u>	<u>1,706,635</u>	<u>23,873,834</u>	<u>22,635,376</u>
<i>Increase (Decrease) before Transfer</i>	(1,183,499)	(752,825)	46,837	(124,063)	(1,136,662)	(876,888)
Transfer	0	(93,172)	0	93,172	0	0
<i>Increase (Decrease) in Net Assets</i>	(1,183,499)	(845,997)	46,837	(30,891)	(1,136,662)	(876,888)
Net Assets Beginning of Year	53,805,928	54,651,925	483,629	514,520	54,289,557	55,166,445
Net Assets End of Year	<u>\$52,622,429</u>	<u>\$53,805,928</u>	<u>\$530,466</u>	<u>\$483,629</u>	<u>\$53,152,895</u>	<u>\$54,289,557</u>



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

---

The overall financial strength of the City declined slightly with a decrease in net assets for 2007. The net asset decrease in the governmental activities was mainly due to the spending of some cash reserves to maintain various City services. For governmental activities, the City experienced the biggest revenue growth in capital grants and contributions, income tax and other. The growth in capital grants and contributions was mainly due to the City receiving a \$250,000 state grant entitlement for the construction of a new nature center that was in the planning stages as of December 31, 2007. An increase in withholdings from local businesses and land proceeds received were the main reasons for the increases in the income tax and other revenue categories, respectively. The largest decrease in revenue for the governmental activities was in the charges for services and sales category. This decrease was due to the recognition of \$546,000 special assessment revenues during 2006 and not in 2007. For governmental activities, the City experienced an increase in program expenses of 5.93 percent. The most significant portion of this increase was relating to the restatement of net capital assets. Outside of the restatement of capital assets the City's program expenses remained relatively constant between 2006 and 2007. Although the restatement incorporates several years of depreciation expenses, the restatement is reflected in the 2006 expense categories in the above table. The majority of the restatement decreased the general government expense category for 2006 resulting in a presentation difference of \$837,358 between 2006 and 2007. The remaining expense categories remained relatively constant between fiscal years. For the business-type activity the City had an increase in net assets. On December 18, 2006, Council increased the monthly refuse rates for non-homestead exemptions from \$36.60 to \$40.50 a quarter to cover the costs of the services to its residents. The increase in rates was effective January 1, 2007.

**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 2007 was \$9,658,612. 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 has enjoyed a steady increase in income tax collections over the past ten years with the exception of a two year period in 2002 and 2003 where income tax revenues remained stable. This increase has allowed the City to continue to provide municipal services to its expanding resident and workforce base. The City continues to be very aggressive in collecting delinquent income taxes and is continuously exploring creative methods of collecting these delinquencies. During 2007, the City contracted with a firm to collect delinquent tax accounts in which the City has exhausted all of their collection efforts.

The City is committed to a strong economic development program which correlates into income tax revenues. The number of businesses, being industrial or commercial, large or small, provides 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 2007 the City income tax revenues of \$9,658,612 were distributed to the following funds by City Council approved Ordinance: General Fund (36.70 percent), Fire Department (29.75 percent), Brunswick Transit Authority (1.25 percent), Parks Department (6.00 percent), Street Repair and Maintenance Fund (12.50 percent), the General Obligation Debt Retirement Fund (.40 percent) and the Police Fund (13.4 percent).

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

---

Total governmental activities revenues for 2007 were \$20,987,156. Income tax made up \$9,658,612 or 46.02 percent of total revenues for governmental activities for the City. Charges for services accounted for \$3,430,801 or 16.35 percent, property taxes accounted for \$2,123,847 or 10.12 percent, operating grants and contributions accounted for \$1,911,469 or 9.11 percent, grants and entitlements accounted for \$1,439,760 or 6.86 percent, capital grants and contributions accounted for \$993,535 or 4.73 percent, interest accounted for \$961,482 or 4.58 percent and the remaining \$467,650 or 2.23 percent is accounted for in 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, transit fees, special assessments, and rental fees.

Total governmental program expenses for 2007 were \$22,170,655. Security of persons and property represents the highest program expense at \$9,571,740 or 43.17 percent, followed by transportation expenses at \$4,249,283 or 19.17 percent and general government expenses at \$3,653,469 or 16.48 percent. These three, being the major City expense categories, cover the City's police department, fire department, street repair and maintenance including transit operations and the City administration departments. The next two categories are leisure time activities and community environment that represent \$2,272,972 or 10.25 percent and \$1,818,776 or 8.20 percent, respectively, of the 2007 City governmental program expenses. Interest and fiscal charges and public health services make up the remaining \$604,415 or 2.73 percent of the governmental program expenses.

The Police Department is efficient and continues to operate within its operating budget. The department consists of a full-time police chief who oversees full-time and part-time police officers and communication specialists. 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 ordered or purchased vehicle and equipment replacements to continue to provide the best possible services to our community.

In 2007, 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 employs full-time and 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 \$4,249,283 or 19.17 percent of the 2007 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 2007 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 searching 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

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

---

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. The City is reimbursed for 65 percent of the net transit operation expenses, 90 percent of NOACA contractual service expenses and 100 percent of any 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 \$20,302,673 and expenditures of \$23,606,708.

The most significant funds are the general, fire department and street repair and maintenance funds. The general fund had a year-end balance of \$4,418,052, which included an unreserved fund balance of \$2,645,280, compared to annual expenditures of \$9,515,959. Expenditures exceeded revenues by \$651,330 and a portion of the prior year fund balance totaling \$685,921 was transferred to other funds. These transferred funds enabled the City to fund a portion of the recreation and parks operations, pay for various capital projects and cover the local match of a federal grant. The fire department fund had a year-end balance of \$872,703, which included an unreserved fund balance of \$713,495, compared to annual expenditures of \$3,102,092. Revenues exceeded expenditures by \$12,848. The fire fund supports the operations of full-time and part-time firefighters and emergency response personnel. The street repair and maintenance fund had a year-end balance of \$928,605, which included an unreserved fund balance of \$641,224, compared to annual expenditures of \$3,025,797. Expenditures exceeded revenues by \$432,632. The street repair and maintenance fund supports the operations of street repair and maintenance, branch chipping, leaf collection, storm sewer cleaning, and the new street sign program. The City's other three major funds are special assessment bond retirement, Brunswick Lake construction, and sanitary storm sewer. All three of these funds had expenditures exceeding revenues in 2007. The special assessment bond retirement fund had expenditures exceeding revenues by \$23,645. The Brunswick Lake construction fund had expenditures exceeding revenues by \$152,408. The sanitary storm sewer fund had expenditures exceeding revenues by \$772,794.

***Business-Type Fund***

As mentioned earlier, the City's lone business-type activity is the refuse fund. Total assets increased by \$40,578 from 2006 to 2007. Ending net assets increased by \$46,837 or 9.68 percent. Charges for services revenue increased \$167,485 or 10.58 percent. These increases are directly related to the increase in monthly refuse rates for non-homestead exemptions as noted above.

**General Fund Budgeting Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of 2007, the City amended its general fund budget thirteen times for a total decrease in estimated revenues of \$286,000 and a total increase in budgeted expenditures of \$47,210. As required by the City Charter, expenditures in excess of \$7,500 must be reviewed and approved individually by Council.

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

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. Effective January 1, 2007 City Council changed the legal level of control to each office, department, and division, and, within each, the amount appropriated for personal services and other. Interdepartmental budget changes that modify line items within the established legal level of control are allowed without requiring Council's authorization.

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 \$8,887,835 and the final budgeted amount was \$8,601,835. The \$286,000 or 3.32 percent decrease was related mainly to conservative estimated revenue changes to the income and property taxes. Although the City may have had some larger appropriation increase and decreases throughout the year, the total appropriations remained relatively consistent from the beginning of the year to the end of the year. The City continued to maintain a respectable level of liquidity in the general fund by maintaining unrestricted cash at year end of 31.04 percent of those revenues.

**Capital Assets and Debt Administration**

*Capital Assets*

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

	Governmental Activities		Business-Type Activity		Total	
	2007	2006	2007	2006	2007	2006
Land	\$5,423,973	\$5,233,818	\$0	\$0	\$5,423,973	\$5,233,818
Land Improvements	46,698	49,420	0	0	46,698	49,420
Buildings and Improvements	7,378,539	7,704,007	0	0	7,378,539	7,704,007
Machinery, Equipment and Vehicles	3,122,988	2,897,204	269,141	297,262	3,392,129	3,194,466
Furniture and Fixtures	59,980	76,222	0	0	59,980	76,222
Infrastructure						
Roads	6,812,225	7,226,405	0	0	6,812,225	7,226,405
Sidewalks	863,920	751,050	0	0	863,920	751,050
Storm Sewers	11,827,902	11,451,303	0	0	11,827,902	11,451,303
Bridges	189,198	195,794	0	0	189,198	195,794
Dam	1,519,738	1,552,073	0	0	1,519,738	1,552,073
Culverts	1,644,425	1,698,274	0	0	1,644,425	1,698,274
Construction in Progress	2,801,481	1,950,287	0	0	2,801,481	1,950,287
<b>Totals</b>	<b>\$41,691,067</b>	<b>\$40,785,857</b>	<b>\$269,141</b>	<b>\$297,262</b>	<b>\$41,960,208</b>	<b>\$41,083,119</b>

Total capital assets for the City of Brunswick as of December 31, 2007 were \$41,960,208. The most significant additions in capital assets came in the areas of construction in progress; machinery, equipment and vehicles; storm sewer infrastructure; and land of \$1,603,229, \$986,551, \$687,325 and \$315,155 respectively. The construction in progress additions consisted mainly of the city-wide signalization project; electrical replacement of city hall; Canterbury and East/West Hadcock storm sewers; and information technology infrastructure and licensing projects that were not completed as of December 31, 2007. A significant portion

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

of the additions in the machinery, equipment and vehicle category was related to the purchase and capital lease of a fire pumper and gradall, respectively. The storm sewer infrastructure additions were related to the completion of the Canterbury, Joseph Parkway, Carlisle and Fernwood storm sewer and/or drainage projects. The additions to land were related to the purchase of several parcels of property for the possible site of the construction of a new fire station. The most significant deletion was related to construction in progress and machinery, equipment and vehicles. The deletions in construction in progress consist of projects that were completed during 2007 and were previously listed as construction in progress as of December 31, 2006. For additional information see Note 11 to the basic financial statements. The most significant deletion to the machinery, equipment and vehicle category was the trade-in of the old fire pumper when a new fire pumper was purchased.

The City has purchased approximately 144 acres of land for the Brunswick Lake project and had previously designated approximately 77 acres of the 144 acres to be resold and developed in accordance with an approved master plan. As of December 31, 2007 the City has sold or retained approximately 50 acres of the 77 acres available for resale and construction began for several new businesses in the area. The remaining 27 acres are subject to the sale and are available for resale. 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, state and/or federal grant entitlements and various other small grants serving a variety of purposes. In 2007, the City received federal grants for these purposes as awarded by the United States Department of Housing and Urban Development, United States Department of Justice and the United States Department of Transportation. The City received Issue II State grant monies for our Applewood, Fernwood, Hadcock, Maplewood and Oakleigh/Ashleigh/Briarleigh storm sewer improvements and also received a state grant entitlement to construct and open a nature center for the use of the public. It is through these grants and entitlements along with our capital replacement programs, notes and transfers that we are able to improve upon our capital assets.

***Debt***

On December 31, 2007, the City of Brunswick had \$12,160,728 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	
	2007	2006	2007	2006	2007	2006
General Obligation Bonds	\$1,709,812	\$2,155,529	\$0	\$0	\$1,709,812	\$2,155,529
Special Assessment Bonds	1,881,397	2,037,985	0	0	1,881,397	2,037,985
Notes	8,060,000	7,120,000	0	0	8,060,000	7,120,000
Capital Leases	335,352	202,348	11,444	15,668	346,796	218,016
OPWC Loans	162,723	181,283	0	0	162,723	181,283
<b>Totals</b>	<b>\$12,149,284</b>	<b>\$11,697,145</b>	<b>\$11,444</b>	<b>\$15,668</b>	<b>\$12,160,728</b>	<b>\$11,712,813</b>

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

---

The general obligation bonds outstanding are composed of a voter-approved Recreation Center Refunding Bonds of \$1,160,000 and a City Hall Expansion Bond of \$549,812. The voter-approved Recreation Center Refunding Bonds are paid from property tax and homestead and rollback monies. The City Hall Expansion Bonds are paid from tax revenue, interest revenue, and if necessary, monies transferred from the general fund. The special assessment bonds consist of Cross Creek, Carpenter Road, Laurel Road West Waterline, Grafton Road, and Laurel Road and South Industrial improvements. Principal and interest for these bonds are paid from the collection of special assessments from the benefited property owners.

The notes payable represent bond anticipation notes for the following improvement projects: (1) Storm Sewer Replacement Notes \$5,350,000 - \$1,800,000 was repaid in May of 2008 with unspent debt proceeds of the suspended Oakleigh, Ashleigh, Briarleigh storm sewer project (see Note 22). The remaining \$3,550,000 of the \$5,350,000 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 benefited 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) Traffic Signalization Improvement Notes \$680,000 - 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 intergovernmental revenues earned in the State Highway Fund.

The outstanding Ohio Public Works Commission loan represents an interest free loan obtained to finance the Fireside Twin Storm Sewer/Culvert Project. 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, 2007 was \$73,283,052. The aggregate outstanding debt after issuance of bonds subject to the ten and one-half percent limitation is \$9,006,052. The difference of \$64,277,000 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 on the City's debt see Notes 13 and 14 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 infrastructure. Growth in industrial, commercial and residential development is essential to maintaining these high standards of service and excellence. The economic development of the City has lead to a strong healthy community that has a bond rating of Aa3 by Moody's. The City is extremely proud of its rating and should ultimately result in the City receiving low 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, 2007*  
*Unaudited*

---

As previously stated, approximately 27 of the original 144 acres the City purchased are remaining 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.

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). Our commitment to our residents has always been one of full disclosure of the financial position of the City.

In the last three years, the City of Brunswick has also received two State Auditor Awards for our outstanding commitment to the highest standards of financial reporting. This recognition award is given to the top 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.

These awards would not have been possible without the hard work of the Finance Committee, Finance Department staff, City Administration, and the Local Government Services Section of the Auditor of State's office. It is a great honor for the City of Brunswick to be able to place itself in the top 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, 2007

	Governmental Activities	Business-Type Activity	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$15,156,478	\$189,741	\$15,346,219
Cash and Cash Equivalents:			
In Segregated Accounts	51,303	0	51,303
With Fiscal Agents	647	0	647
Investments	28,965	0	28,965
Accounts Receivable	183,067	248,350	431,417
Accrued Interest Receivable	45,853	0	45,853
Intergovernmental Receivable	2,181,008	0	2,181,008
Internal Balances	30,000	(30,000)	0
Materials and Supplies Inventory	222,016	0	222,016
Income Taxes Receivable	4,824,450	0	4,824,450
Property Taxes Receivable	2,371,812	0	2,371,812
Special Assessments Receivable	1,872,455	0	1,872,455
Deferred Charges	28,891	0	28,891
Assets Held for Resale	1,334,824	0	1,334,824
Nondepreciable Capital Assets	8,225,454	0	8,225,454
Depreciable Capital Assets	33,465,613	269,141	33,734,754
<i>Total Assets</i>	<u>70,022,836</u>	<u>677,232</u>	<u>70,700,068</u>
<b>Liabilities</b>			
Accounts Payable	987,117	130,778	1,117,895
Contracts Payable	251,296	0	251,296
Accrued Wages and Benefits	577,483	2,964	580,447
Notes Payable	2,480,000	0	2,480,000
Deferred Revenue	2,241,896	0	2,241,896
Pension Obligation Payable	325,651	1,193	326,844
Vacation Benefits Payable	193,603	97	193,700
Matured Compensated Absences Payable	1,959	0	1,959
Matured Interest Payable	647	0	647
Accrued Interest Payable	232,651	0	232,651
Long-Term Liabilities:			
Due Within One Year	724,913	4,460	729,373
Due in More Than One Year	9,383,191	7,274	9,390,465
<i>Total Liabilities</i>	<u>17,400,407</u>	<u>146,766</u>	<u>17,547,173</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	33,004,241	257,697	33,261,938
Restricted for:			
Capital Projects	4,049,522	0	4,049,522
Debt Service	2,651,362	0	2,651,362
Police	674,589	0	674,589
Fire	1,952,798	0	1,952,798
Transportation	1,982,049	0	1,982,049
Cable Television Local Programming	1,179,886	0	1,179,886
Parks and Recreation	410,542	0	410,542
Community Improvement	306,396	0	306,396
Other Purposes	247,095	0	247,095
Unrestricted	6,163,949	272,769	6,436,718
<i>Total Net Assets</i>	<u>\$52,622,429</u>	<u>\$530,466</u>	<u>\$53,152,895</u>

See accompanying notes to the basic financial statements

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

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$3,653,469	\$661,875	\$36,638	\$0
Security of Persons and Property	9,571,740	577,272	159,757	0
Transportation	4,249,283	26,209	1,693,060	432,450
Community Environment	1,818,776	971,563	22,014	93,989
Public Health Services	29,884	3,005	0	217,096
Leisure Time Activities	2,272,972	1,190,877	0	250,000
Interest and Fiscal Charges	574,531	0	0	0
<i>Total Governmental Activities</i>	22,170,655	3,430,801	1,911,469	993,535
<b>Business-Type Activity</b>				
Refuse	1,703,179	1,749,919	0	0
<i>Totals</i>	<u>\$23,873,834</u>	<u>\$5,180,720</u>	<u>\$1,911,469</u>	<u>\$993,535</u>

**General Revenues**

Property Taxes Levied for:

- General Purposes
- Police Pension
- 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*

Change in Net Assets

*Net Assets Beginning of Year - Restated (See Note 4)*

*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
(\$2,954,956)	\$0	(2,954,956)
(8,834,711)	0	(8,834,711)
(2,097,564)	0	(2,097,564)
(731,210)	0	(731,210)
190,217	0	190,217
(832,095)	0	(832,095)
(574,531)	0	(574,531)
(15,834,850)	0	(15,834,850)
<u>0</u>	<u>46,740</u>	<u>46,740</u>
(15,834,850)	46,740	(15,788,110)
1,516,489	0	1,516,489
191,883	0	191,883
415,475	0	415,475
3,705,051	0	3,705,051
36,679	0	36,679
2,727,912	0	2,727,912
1,295,478	0	1,295,478
1,228,706	0	1,228,706
114,619	0	114,619
550,167	0	550,167
1,439,760	0	1,439,760
961,482	0	961,482
467,650	97	467,747
<u>14,651,351</u>	<u>97</u>	<u>14,651,448</u>
(1,183,499)	46,837	(1,136,662)
<u>53,805,928</u>	<u>483,629</u>	<u>54,289,557</u>
<u>\$52,622,429</u>	<u>\$530,466</u>	<u>\$53,152,895</u>

**City of Brunswick, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2007*

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement	Brunswick Lake Construction
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$3,057,779	\$964,043	\$793,460	\$220,383	\$135,198
Cash and Cash Equivalents:					
in Segregated Accounts	3,674	0	0	0	0
With Fiscal Agents	0	0	0	0	0
Investments	0	0	0	0	0
Receivables:					
Income Taxes	1,770,573	1,435,274	603,056	0	0
Property Taxes	1,910,579	0	0	0	0
Accounts	44,640	61,993	0	0	0
Interfund	376,490	0	0	0	0
Loans to Other Funds	1,531,000	0	0	0	0
Intergovernmental	791,067	0	737,371	0	0
Accrued Interest	45,853	0	0	0	0
Special Assessments	0	0	0	1,872,455	0
Materials and Supplies Inventory	4,224	467	184,706	0	0
Assets Held for Resale	0	0	0	0	1,334,824
<i>Total Assets</i>	<u>\$9,535,879</u>	<u>\$2,461,777</u>	<u>\$2,318,593</u>	<u>\$2,092,838</u>	<u>\$1,470,022</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$477,888	\$164,867	\$198,519	\$700	\$0
Contracts Payable	0	0	0	0	11,821
Accrued Wages and Benefits	351,519	114,418	60,166	0	0
Compensated Absences Payable	1,959	0	0	0	0
Pension Obligation Payable	164,982	123,204	24,642	0	0
Notes Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Loans from Other Funds	0	0	0	0	1,531,000
Accrued Interest Payable	0	0	0	0	0
Deferred Revenue	4,121,479	1,186,585	1,106,661	1,872,455	40,003
Matured Interest Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>5,117,827</u>	<u>1,589,074</u>	<u>1,389,988</u>	<u>1,873,155</u>	<u>1,582,824</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	227,292	159,208	287,381	0	8,702
Reserved for Unclaimed Money	14,480	0	0	0	0
Reserved for Interfund Loans	1,531,000	0	0	0	0
Reserved for Assets Held for Resale	0	0	0	0	1,334,824
Unreserved, Undesignated, Reported in:					
General Fund	2,645,280	0	0	0	0
Special Revenue Funds	0	713,495	641,224	0	0
Debt Service Funds	0	0	0	219,683	0
Capital Projects Funds (Deficit)	0	0	0	0	(1,456,328)
<i>Total Fund Balances (Deficit)</i>	<u>4,418,052</u>	<u>872,703</u>	<u>928,605</u>	<u>219,683</u>	<u>(112,802)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$9,535,879</u>	<u>\$2,461,777</u>	<u>\$2,318,593</u>	<u>\$2,092,838</u>	<u>\$1,470,022</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, 2007*

Sanitary Storm Sewer	Other Governmental Funds	Total Governmental Funds
\$3,037,379	\$6,948,236	\$15,156,478
0	47,629	51,303
0	647	647
0	28,965	28,965
0	1,015,547	4,824,450
0	461,233	2,371,812
0	76,434	183,067
0	0	376,490
0	0	1,531,000
217,096	435,474	2,181,008
0	0	45,853
0	0	1,872,455
0	32,619	222,016
0	0	1,334,824
<u>\$3,254,475</u>	<u>\$9,046,784</u>	<u>\$30,180,368</u>
\$0	\$145,143	\$987,117
17,418	222,057	251,296
0	51,380	577,483
0	0	1,959
0	12,823	325,651
1,800,000	680,000	2,480,000
0	346,490	346,490
0	0	1,531,000
0	1,861	1,861
217,096	1,568,787	10,113,066
0	647	647
<u>2,034,514</u>	<u>3,029,188</u>	<u>16,616,570</u>
138,512	611,389	1,432,484
0	0	14,480
0	0	1,531,000
0	0	1,334,824
0	0	2,645,280
0	1,536,714	2,891,433
0	719,949	939,632
1,081,449	3,149,544	2,774,665
<u>1,219,961</u>	<u>6,017,596</u>	<u>13,563,798</u>
<u>\$3,254,475</u>	<u>\$9,046,784</u>	<u>\$30,180,368</u>

<b>Total Governmental Fund Balances</b>	<b>\$13,563,798</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.	41,691,067
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Delinquent Property Taxes	169,919
Income Tax	3,919,080
Special Assessments	1,872,455
Grants	1,804,305
Interest	40,112
Charges for Services	<u>65,299</u>
Total	7,871,170
In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(230,790)
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.	(193,603)
Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds.	28,891
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	(1,709,812)
Special Assessment Bonds	(1,881,397)
Capital Leases	(335,352)
OPWC Loan	(162,723)
Notes	(5,580,000)
Compensated Absences	<u>(438,820)</u>
Total	<u>(10,108,104)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>\$52,622,429</u></u>

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

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement	Brunswick Lake Construction
<b>Revenues</b>					
Property Tax	\$1,662,983	\$0	\$0	\$0	\$0
Municipal Income Tax	3,571,510	2,619,660	1,249,994	0	0
Charges for Services	216,502	481,843	9,503	0	0
Special Assessments	0	0	0	240,165	0
Licenses, Permits and Fees	533,179	0	1,900	0	0
Fines and Forfeitures	502,297	0	0	0	0
Intergovernmental	1,455,188	2,500	1,326,984	0	0
Sales	0	0	0	0	0
Interest	881,190	0	0	0	0
Other	41,780	10,937	4,784	0	0
<i>Total Revenues</i>	<u>8,864,629</u>	<u>3,114,940</u>	<u>2,593,165</u>	<u>240,165</u>	<u>0</u>
<b>Expenditures</b>					
Current:					
General Government	3,475,459	0	0	4,290	0
Security of Persons and Property	4,777,952	3,074,724	0	0	0
Transportation	0	0	2,973,029	0	0
Community Environment	952,723	0	0	0	0
Public Health Services	6,725	0	0	0	0
Leisure Time Activities	303,100	0	0	0	0
Capital Outlay	0	0	0	0	74,470
Debt Service:					
Principal Retirement	0	20,087	49,744	151,901	0
Interest and Fiscal Charges	0	7,281	3,024	107,619	77,938
<i>Total Expenditures</i>	<u>9,515,959</u>	<u>3,102,092</u>	<u>3,025,797</u>	<u>263,810</u>	<u>152,408</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(651,330)</u>	<u>12,848</u>	<u>(432,632)</u>	<u>(23,645)</u>	<u>(152,408)</u>
<b>Other Financing Sources (Uses)</b>					
Inception of Capital Lease	0	0	197,835	0	0
General Obligation Notes Issued	0	0	0	0	2,030,000
Current Refunding	0	0	0	0	(2,030,000)
Transfers In	0	0	0	0	0
Transfers Out	(685,921)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(685,921)</u>	<u>0</u>	<u>197,835</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(1,337,251)</u>	<u>12,848</u>	<u>(234,797)</u>	<u>(23,645)</u>	<u>(152,408)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>5,755,303</u>	<u>859,855</u>	<u>1,163,402</u>	<u>243,328</u>	<u>39,606</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$4,418,052</u>	<u>\$872,703</u>	<u>\$928,605</u>	<u>\$219,683</u>	<u>(\$112,802)</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, 2007*

Sanitary Storm Sewer	Other Governmental Funds	Total Governmental Funds
\$0	\$404,702	\$2,067,685
0	1,853,575	9,294,739
0	1,012,733	1,720,581
0	0	240,165
0	470,768	1,005,847
0	45,965	548,262
0	1,242,574	4,027,246
0	9,128	9,128
14,643	25,537	921,370
0	410,149	467,650
<u>14,643</u>	<u>5,475,131</u>	<u>20,302,673</u>
0	30,990	3,510,739
0	1,320,934	9,173,610
0	691,361	3,664,390
0	352,508	1,305,231
0	0	6,725
0	1,772,112	2,075,212
703,732	1,991,613	2,769,815
0	450,373	672,105
83,705	149,314	428,881
<u>787,437</u>	<u>6,759,205</u>	<u>23,606,708</u>
<u>(772,794)</u>	<u>(1,284,074)</u>	<u>(3,304,035)</u>
0	0	197,835
3,550,000	0	5,580,000
0	0	(2,030,000)
0	685,921	685,921
0	0	(685,921)
<u>3,550,000</u>	<u>685,921</u>	<u>3,747,835</u>
2,777,206	(598,153)	443,800
<u>(1,557,245)</u>	<u>6,615,749</u>	<u>13,119,998</u>
<u>\$1,219,961</u>	<u>\$6,017,596</u>	<u>\$13,563,798</u>

**Net Change in Fund Balances -Total Governmental Funds** \$443,800

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

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

Capital Asset Additions	2,998,420	
Current Year Depreciation	(1,960,268)	
<b>Total</b>		1,038,152

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. (132,942)

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

Delinquent Property Taxes	56,162	
Income Tax	363,873	
Special Assessment	(148,345)	
Grants	317,518	
Charges for Services	55,163	
Interest	40,112	
<b>Total</b>		684,483

Repayment of debt principal is an expenditure in the  
governmental funds, but the repayment reduces  
long-term liabilities in the statement of net assets. 2,702,105

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.

Accrued Interest on Bonds	(153,820)	
Amortization of Issuance Costs	(5,421)	
Amortization of Bond Premium	13,591	
<b>Total</b>		(145,650)

Other financing sources in the governmental funds increase long-term  
liabilities in the statement of net assets.

Inception of Capital Lease	(197,835)	
General Obligation Note Issued	(5,580,000)	
<b>Total</b>		(5,777,835)

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

Compensated Absences	(7,241)	
Vacation Benefits Payable	11,629	
<b>Total</b>		4,388

*Change in Net Assets of Governmental Activities* (\$1,183,499)

**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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Tax	\$1,806,476	\$1,616,574	\$1,662,983	\$46,409
Municipal Income Tax	3,527,750	3,393,979	3,578,118	184,139
Charges for Services	208,894	212,303	216,502	4,199
Licenses, Permits and Fees	535,193	543,928	533,179	(10,749)
Fines and Forfeitures	491,605	499,629	499,792	163
Intergovernmental	1,371,141	1,393,520	1,394,879	1,359
Interest	867,698	881,860	908,640	26,780
Other	79,078	60,042	41,779	(18,263)
<i>Total Revenues</i>	<u>8,887,835</u>	<u>8,601,835</u>	<u>8,835,872</u>	<u>234,037</u>
<b>Expenditures</b>				
Current:				
General Government	3,859,699	4,078,343	3,792,746	285,597
Security of Persons and Property	5,302,455	5,247,542	4,810,049	437,493
Community Environment	1,105,521	984,948	966,487	18,461
Public Health Services	13,350	13,350	6,725	6,625
Leisure Time Activities	308,405	312,457	304,161	8,296
<i>Total Expenditures</i>	<u>10,589,430</u>	<u>10,636,640</u>	<u>9,880,168</u>	<u>756,472</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	<u>(1,701,595)</u>	<u>(2,034,805)</u>	<u>(1,044,296)</u>	<u>990,509</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	131,788	131,788	131,788	0
Advances Out	(252,490)	(252,490)	(252,490)	0
Transfers Out	0	(693,701)	(685,921)	7,780
<i>Total Other Financing Sources (Uses)</i>	<u>(120,702)</u>	<u>(814,403)</u>	<u>(806,623)</u>	<u>7,780</u>
<i>Net Change in Fund Balance</i>	(1,822,297)	(2,849,208)	(1,850,919)	998,289
<i>Fund Balance Beginning of Year</i>	3,968,295	3,968,295	3,968,295	0
Prior Year Encumbrances Appropriated	606,938	606,938	606,938	0
<i>Fund Balance End of Year</i>	<u>\$2,752,936</u>	<u>\$1,726,025</u>	<u>\$2,724,314</u>	<u>\$998,289</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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Tax	\$2,501,607	\$2,501,607	\$2,625,016	\$123,409
Charges for Services	499,036	490,560	493,299	2,739
Intergovernmental	2,543	2,500	2,500	0
Other	11,119	10,930	10,937	7
<i>Total Revenues</i>	<u>3,014,305</u>	<u>3,005,597</u>	<u>3,131,752</u>	<u>126,155</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	3,600,502	3,393,641	3,047,965	345,676
Debt Service:				
Principal Retirement	0	164,207	164,207	0
<i>Total Expenditures</i>	<u>3,600,502</u>	<u>3,557,848</u>	<u>3,212,172</u>	<u>345,676</u>
<i>Net Change in Fund Balance</i>	(586,197)	(552,251)	(80,420)	471,831
<i>Fund Balance Beginning of Year</i>	650,441	650,441	650,441	0
Prior Year Encumbrances Appropriated	223,260	223,260	223,260	0
<i>Fund Balance End of Year</i>	<u>\$287,504</u>	<u>\$321,450</u>	<u>\$793,281</u>	<u>\$471,831</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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Municipal Income Tax	\$1,187,323	\$1,197,794	\$1,252,245	\$54,451
Charges for Services	8,825	9,503	9,503	0
Licenses, Permits and Fees	1,964	2,115	1,900	(215)
Intergovernmental	1,196,786	1,288,780	1,325,444	36,664
Other	4,443	4,784	4,784	0
<i>Total Revenues</i>	<u>2,399,341</u>	<u>2,502,976</u>	<u>2,593,876</u>	<u>90,900</u>
<b>Expenditures</b>				
Current:				
Transportation	2,783,959	3,128,514	3,040,729	87,785
Debt Service:				
Principal Retirement	<u>0</u>	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>
<i>Total Expenditures</i>	<u>2,783,959</u>	<u>3,138,514</u>	<u>3,045,729</u>	<u>92,785</u>
<i>Net Change in Fund Balance</i>	(384,618)	(635,538)	(451,853)	183,685
<i>Fund Balance Beginning of Year</i>	756,486	756,486	756,486	0
Prior Year Encumbrances Appropriated	<u>174,607</u>	<u>174,607</u>	<u>174,607</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$546,475</u>	<u>\$295,555</u>	<u>\$479,240</u>	<u>\$183,685</u>

See accompanying notes to the basic financial statements

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

	Refuse
<b>Assets</b>	
<i>Current Assets</i>	
Equity in Pooled Cash and Cash Equivalents	\$189,741
Accounts Receivable	248,350
Total Current Assets	438,091
<i>Noncurrent Assets</i>	
Depreciable Capital Assets, Net	269,141
<i>Total Assets</i>	707,232
<b>Liabilities</b>	
<i>Current Liabilities</i>	
Accounts Payable	130,778
Accrued Wages and Benefits	2,964
Interfund Payable	30,000
Pension Obligation Payable	1,193
Vacation Benefits Payable	97
Capital Lease Payable	4,421
Compensated Absences Payable	39
<i>Total Current Liabilities</i>	169,492
<i>Long-Term Liabilities</i>	
Capital Lease Payable (net of current portion)	7,023
Compensated Absences Payable (net of current portion)	251
<i>Total Long-Term Liabilities</i>	7,274
<i>Total Liabilities</i>	176,766
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	257,697
Unrestricted	272,769
<i>Total Net Assets</i>	\$530,466

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, 2007*

	Refuse
<b>Operating Revenues</b>	
Charges for Services	\$1,749,919
Other	97
	97
<i>Total Operating Revenues</i>	1,750,016
<b>Operating Expenses</b>	
Salaries and Wages	70,129
Fringe Benefits	45,727
Purchased Services	1,551,295
Materials and Supplies	7,231
Depreciation	28,121
	28,121
<i>Total Operating Expenses</i>	1,702,503
<i>Operating Income</i>	47,513
<b>Non-Operating Expense</b>	
Interest and Fiscal Charges	(676)
	(676)
<i>Change in Net Assets</i>	46,837
<i>Net Assets Beginning of Year</i>	483,629
<i>Net Assets End of Year</i>	\$530,466

See accompanying notes to the basic financial statements

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

	Refuse
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>	
<b>Cash Flows from Operating Activities</b>	
Cash Received From Customers	\$1,698,299
Cash Payments to Suppliers for Goods and Services	(1,557,880)
Cash Payments for Employee Services	(70,688)
Cash Payments for Employee Benefits	(47,849)
Other Operating Revenues	97
<i>Net Cash Provided by Operating Activities</i>	21,979
<b>Cash Flows From Capital and Related Financing Activities</b>	
Principal Payment - Capital Lease	(4,224)
Interest Payment - Capital Lease	(676)
<i>Net Cash Used for Capital and Related Financing Activities</i>	(4,900)
<i>Net Increase in Cash and Cash Equivalents</i>	17,079
Cash and Cash Equivalents Beginning of Year	172,662
Cash and Cash Equivalents End of Year	\$189,741
 <b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
<i>Operating Income</i>	\$47,513
Adjustments:	
Depreciation	28,121
Increase in Accounts Receivable	(51,620)
<i>Increase/(Decrease) in Liabilities:</i>	
Accounts Payable	(1,434)
Accrued Wages and Benefits	(559)
Vacation Benefits Payable	44
Compensated Absences Payable	28
Pension Obligation Payable	(114)
<i>Total Adjustments</i>	(25,534)
<i>Net Cash Provided by Operating Activities</i>	\$21,979
See accompanying notes to the basic financial statements	

**City of Brunswick, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2007*

---

---

<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$543,492
Cash and Cash Equivalents in Segregated Accounts	<u>1,833</u>
<i>Total Assets</i>	<u><u>\$545,325</u></u>
<b>Liabilities</b>	
Undistributed Assets	<u><u>\$545,325</u></u>

See accompanying notes to the basic financial statements

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

---

**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 is elected to a four year term and performs ceremonial and judicial functions. Members of Council are elected to 4 year staggered terms.

***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 agencies and departments that provide the following services: police and fire protection, emergency medical, parks and recreation, planning, zoning, street maintenance and repair and general administrative services.

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, 2007*

---

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, 2007*

---

***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, 2007*

---

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

---

***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 function level of expenditures by personal services and all other expenditure categories within each department for all funds pursuant to Ohio Revised Code Section 5705.38(C). 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 within expenditure categories as appropriated by Council. 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 and final budgeted amounts on the budgetary statements reflect the amounts on the original and final amended official certificate of estimated resources when the original and final appropriations were enacted by Council.

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 2007, investments were limited to overnight repurchase agreements, Federal National Mortgage Association Callable Note, manuscript bond and State Treasury Asset Reserve of Ohio (STAROhio).

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

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

---

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2007.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to the general fund, certain special revenue funds, debt service funds and certain capital projects funds. Interest revenue credited to the general fund during 2007 amounted to \$881,190, which includes \$704,590 assigned from other City funds.

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

***G. Inventory***

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

***H. Assets Held for Resale***

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

***I. Capital Assets***

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

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

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

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

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, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***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. The City records a liability for accumulated unused sick leave for all employees after five years of service.

***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**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2007*

---

***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. Internal Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one function to another within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

***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 resources restricted for the computerization of the mayor's court and federal emergency management services. The government-wide statement of net assets reports \$13,454,239 of restricted net assets, none of which 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.

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

---

***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**

The Violence Against Women Act and State Highway special revenue funds and the Brunswick Lake Construction and the Community Development Block Grant capital projects funds had deficit fund balances of \$14,539, \$123,769, \$112,802 and \$86,516, respectively, as of December 31, 2007. The deficits are due to adjustments for accrued liabilities. The general fund is liable for any deficit in other funds and provides transfers when cash is required, rather than when accruals occur.

**Note 4 – Change in Accounting Principles and Restatement of Net Assets**

***A. Change in Accounting Principles***

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

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees’ years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. OPEB liability at transition was determined in accordance with this Statement for both the OPERS and the OP&F post-employment healthcare plans in the amount of \$41,462 and \$121,040, respectively, which are the same as the previously reported liabilities.

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

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

***B. Restatement of Net Assets***

The City’s net assets of governmental activities were understated at December 31, 2006. This was due to capital assets and accumulated depreciation that were incorrectly stated on the City’s capital asset listing. This change, in the amount of \$421,363, increased net assets at December 31, 2006 from \$53,384,565 to \$53,805,928.

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

**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).
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).
5. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

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

Net Change in Fund Balances

	General	Fire Department	Street Repair and Maintenance
GAAP Basis	(\$1,337,251)	\$12,848	(\$234,797)
Net Adjustment for Revenue Accruals	(31,355)	16,812	(197,124)
Advances In	131,788	0	0
Change in Fair Value of Investments	2,600	0	0
Net Adjustment for Expenditure Accruals	(33,346)	59,392	294,288
Advances Out	(252,490)	0	0
Adjustments for Encumbrances	(330,865)	(169,472)	(314,220)
Budget Basis	<u>(\$1,850,919)</u>	<u>(\$80,420)</u>	<u>(\$451,853)</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.



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

---

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

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

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

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

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

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.

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

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 carrying amount of the City's deposits was \$10,485,868 and the bank balance was \$11,163,120. Of the bank balance \$445,332 was covered by Federal depository insurance and \$10,717,788 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.

At December 31, 2007, the City had \$2,026 in petty cash which is included on the balance sheet of the City.

**Investments**

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

	<u>Fair Value</u>	<u>Maturity</u>
Repurchase Agreements		
Fannie Mae Loan Mortgage Bond	\$375,000	Daily
Federal National Mortgage Association Callable Note	998,900	March 10, 2008
Manuscript Bond	28,965	December 1, 2018
STAROhio	<u>4,081,700</u>	Average 41 days
Total Portfolio	<u><u>\$5,484,565</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.

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

**Credit Risk** The Fannie Mae Loan Mortgage Bond, the Federal National Mortgage Association Callable Note carry a rating of AAA by Standard and Poor's. STAROhio carries a rating of AAA, 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 addresses credit risk.

**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 Fannie Mae Loan Mortgage Bond and Federal National Mortgage Association Callable Note are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that requires securities purchased pursuant to this division shall be delivered into the custody of the Finance Director or an agent designated by the Finance Director.

**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, 2007:

Investment Issuer	Percentage of Investments
Repurchase Agreement	6.84%
Federal National Mortgage Association Callable Note	18.21
Manuscript Bond	0.53
STAROhio	74.42

**Note 7 - Receivables**

Receivables at December 31, 2007, consisted primarily of municipal income taxes, property taxes, special assessments, intergovernmental receivables arising from grants, entitlements and shared revenues, interest, and accounts (billings for user charged services).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant and collected within one year. All other receivables except special assessments and property taxes, are expected to be collected within one year.

Special assessments expected to be collected in more than one year amount to \$1,709,248 in the special assessment bond retirement fund. The amount of delinquent special assessments outstanding at year-end is \$15,490. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

**A. Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2007 for real and public utility property taxes represents collections of 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) are for 2007 taxes.

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

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

Real property taxes are payable annually or semi-annually. If paid annually, 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 payments dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2007 public utility property taxes became a lien December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

2007 tangible personal property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are being phased out—the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2007, was \$3.25 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

	Assessed Value
Real Estate	
Residential/Agricultural	\$548,225,880
Commercial Industrial/PU	121,015,700
Public Utility Property	7,996,890
Tangible Personal	20,695,362
Total Assessed Value	\$697,933,832

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, 2007 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 2007 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.

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

---

**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 2007, after income tax department expenditures, are credited to the following funds: 36.70 percent to the general fund, 29.75 percent to the fire special revenue fund, 12.50 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.

**C. Intergovernmental Receivables**

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

	Amounts
Gasoline Tax	\$590,424
Local Government	539,961
Grants	436,416
Permissive Motor Vehicle License Tax	202,145
Motor Vehicle License Registration	126,033
Homestead and Rollback	116,040
Estate Tax	71,136
Fines, Licenses and Fees	37,757
Dispatch	34,998
Deregulation Monies	25,745
Cigarette Tax	353
Total	\$2,181,008

**Note 8 - Contingencies**

**A. Grants**

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2007.

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

**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, 2007.

**Note 9 – Contractual Commitments**

As of December 31, 2007, the City had the following contractual commitments:

Project	Amount Remaining on Contract
Engineering - City-Wide Signalization	\$301,925
Refuse Services December 2007	128,690
Boston Howe Intersection	67,273
BTA Contracted Operations	62,205
IT Infrastructure and Licensing Server	61,484
Applewood Phase IV Storm Sewer	51,830
Maplewood Storm Sewer	47,161
Concrete Miscellaneous Road Repair	40,281
Engineering - City-Wide Road Assessment	36,650
Engineering - Stanford/Andrea Storm Sewer	28,466
NOACA BTA Consulting Services	24,256
North Carpenter Turning Lane	23,541
Engineering - General Consultant Services	22,250
Engineering - South Industrial Park Road Improvem	20,252
Tire Clean-Up Program	18,329
City/Township Review Agreement	16,434
JEDD Feasibility Study	15,000
Cantebury Storm Water Drainage	14,839
North Park Entrance & Parking	14,107
Gary Boulevard Storm Sewer	13,621
Storm Sewer Repairs	11,300
Fuel Streets Department	10,437
Recreation Center Equipment Purchases	10,409
Total	<u>\$1,040,740</u>

**Note 10 – 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 2007, the City did not sell any of the land. As of December 31, 2007 the City has 27 acres of land remaining which is being held for resale.

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

**Note 11 - Capital Assets**

Capital asset activity for the year ended December 31, 2007, was as follows:

	Balance 12/31/06	Additions	Deletions	Balance 12/31/07
<b>Governmental Activities</b>				
<b><i>Capital Assets, not being depreciated:</i></b>				
Land	\$5,233,818	\$315,155	(\$125,000)	\$5,423,973
Construction in Progress	1,950,287	1,603,229	(752,035)	2,801,481
<i>Total Capital Assets, not being depreciated</i>	<u>7,184,105</u>	<u>1,918,384</u>	<u>(877,035)</u>	<u>8,225,454</u>
<b><i>Capital Assets, being depreciated:</i></b>				
Land Improvements	54,920	0	0	54,920
Buildings and Improvements	12,811,160	0	0	12,811,160
Equipment, Machinery and Vehicles	10,934,269	986,551	(719,336)	11,201,484
Furniture and Fixtures	277,003	0	(773)	276,230
Infrastructure				
Roads	12,425,414	0	0	12,425,414
Sidewalks	1,201,545	158,195	0	1,359,740
Storm Sewers	14,848,955	687,325	0	15,536,280
Bridges	263,823	0	0	263,823
Dam	1,616,743	0	0	1,616,743
Culverts	2,153,947	0	0	2,153,947
<i>Total Capital Assets, being depreciated</i>	<u>56,587,779</u>	<u>1,832,071</u>	<u>(720,109)</u>	<u>57,699,741</u>
Less Accumulated Depreciation:				
Land Improvements	(5,500)	(2,722)	0	(8,222)
Buildings and Improvements	(5,107,153)	(325,468)	0	(5,432,621)
Equipment, Machinery and Vehicles	(8,037,065)	(752,857)	711,426	(8,078,496)
Furniture and Fixtures	(200,781)	(16,210)	741	(216,250)
Infrastructure				
Roads	(5,199,009)	(414,180)	0	(5,613,189)
Sidewalks	(450,495)	(45,325)	0	(495,820)
Storm Sewers	(3,397,652)	(310,726)	0	(3,708,378)
Bridges	(68,029)	(6,596)	0	(74,625)
Dam	(64,670)	(32,335)	0	(97,005)
Culverts	(455,673)	(53,849)	0	(509,522)
Total Accumulation Depreciation	<u>(22,986,027)</u>	<u>(1,960,268) *</u>	<u>712,167</u>	<u>(24,234,128)</u>
Total Capital Assets being depreciated, net	<u>33,601,752</u>	<u>(128,197)</u>	<u>(7,942)</u>	<u>33,465,613</u>
Governmental Activities Capital Assets, Net	<u>\$40,785,857</u>	<u>\$1,790,187</u>	<u>(\$884,977)</u>	<u>\$41,691,067</u>

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

	Balance 12/31/06	Additions	Deletions	Balance 12/31/07
<b>Business-Type Activities</b>				
<i>Capital Assets, being depreciated:</i>				
Machinery, Equipment, Vehicles, Furniture and Fixtures	\$413,809	\$0	\$0	\$413,809
Less Accumulated Depreciation	<u>(116,547)</u>	<u>(28,121)</u>	<u>0</u>	<u>(144,668)</u>
Business-Type Activities Capital Assets, Net	<u>\$297,262</u>	<u>(\$28,121)</u>	<u>\$0</u>	<u>\$269,141</u>

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

General Government	\$164,461
Security of Persons and Property	443,508
Transportation	618,098
Community Environment	509,606
Public Health Services	23,159
Leisure Time Activities	<u>201,436</u>
Total Depreciation Expense	<u>\$1,960,268</u>

**Note 12 – Capital Leases Payable**

During 2007, the City has entered into a lease for the acquisition of an ambulance. The City had also previously entered into leases for the acquisition of a street sweeper and a sewer camera during 2005. 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 and refuse funds on the basic financial statements. These expenditures are reflected as programs/function expenditures on a budgetary basis.

	Governmental Activities	Business-Type Activity
Asset:		
Machinery, Equipment and Vehicles	\$494,523	\$21,650
Less: Accumulated depreciation	<u>(63,843)</u>	<u>(8,779)</u>
Current Book Value	<u>\$430,680</u>	<u>\$12,871</u>



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

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

	Governmental Activities	Business-Type Activity
2008	\$75,136	\$4,900
2009	75,136	4,900
2010	72,686	2,450
2011	56,376	0
2012	56,375	0
2013	29,008	0
2014	29,008	0
Total Minimum Lease Payments	393,725	12,250
Less: Amount Representing Interest	(58,373)	(806)
Total	\$335,352	\$11,444

**Note 13 - Long-Term Obligations**

The original issue date, interest rate, original issuance and maturity date for each of the City's bonds, note and loans 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
Refunding 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
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
Laurel Road Improvement	2006	4.00 to 5.75	546,000	December 1, 2026
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
<i>Long Term Notes</i>				
Brunswick Lake Dam and Dredging	2007	3.85	2,030,000	April 2, 2008
Storm Sewer Replacement	2007	3.85	3,550,000	May 7, 2008
OPWC Loan	1998	0.00	100,000	July 1, 2007
OPWC Loan	2004	0.00	180,803	July 1, 2026

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

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

	Amounts Outstanding 12/31/06	Additions	Reductions	Amounts Outstanding 12/31/07	Amounts Due in One Year
<i>General Obligation Bonds:</i>					
<i>Voted:</i>					
Community Recreation Center					
Refunding Bonds	\$1,500,000	\$0	(\$340,000)	\$1,160,000	\$365,000
<i>Unvoted:</i>					
Refunding City Hall Expansion	596,000	0	(90,000)	506,000	90,000
Unamortized Premium	52,716	0	(8,904)	43,812	0
Net Refunding City Hall Expansion	648,716	0	(98,904)	549,812	90,000
Center Road Improvement	6,813	0	(6,813)	0	0
<i>Total Unvoted</i>	655,529	0	(105,717)	549,812	90,000
<i>Total General Obligation Bonds</i>	2,155,529	0	(445,717)	1,709,812	455,000
<i>Special Assessment Bonds with Governmental Commitment:</i>					
Center Road Improvement	8,184	0	(8,184)	0	0
Laurel Road West Waterline	180,000	0	(20,000)	160,000	20,000
Grafton Road Improvement	31,682	0	(2,717)	28,965	2,717
South Industrial Improvement	935,000	0	(50,000)	885,000	55,000
Laurel Road Improvement	546,000	0	(26,000)	520,000	25,000
Unamortized Premium	1,962	0	(100)	1,862	0
Net Laurel Road Improvement	547,962	0	(26,100)	521,862	25,000
Refunding Cross Creek Improvement	275,000	0	(40,000)	235,000	40,000
Unamortized Premium	24,288	0	(4,103)	20,185	0
Net Cross Creek Improvement	299,288	0	(44,103)	255,185	40,000
Refunding Carpenter Road Improvement	33,000	0	(5,000)	28,000	5,000
Unamortized Premium	2,869	0	(484)	2,385	0
Net Carpenter Road Improvement	35,869	0	(5,484)	30,385	5,000
<i>Total Special Assessment Bonds</i>	2,037,985	0	(156,588)	1,881,397	147,717
<i>Long Term Notes:</i>					
Brunswick Lake Dam and Dredging Notes					
\$2,030,000 2007 3.90%	0	2,030,000	0	2,030,000	0
\$2,030,000 2006 3.85%	2,030,000	0	(2,030,000)	0	0
Sanitary Storm Sewer Notes					
\$3,550,000 2007 4.50%	0	3,550,000	0	3,550,000	0
<i>Total Long Term Notes</i>	2,030,000	5,580,000	(2,030,000)	5,580,000	0
Capital Leases	202,348	197,835	(64,831)	335,352	58,348
Compensated Absences	431,579	257,136	(249,895)	438,820	59,328
<i>OPWC Loans:</i>					
1998 OPWC Loan 0%	5,000	0	(5,000)	0	0
2004 OPWC Loan 0%	176,283	0	(13,560)	162,723	4,520
<i>Total OPWC Loans</i>	181,283	0	(18,560)	162,723	4,520
<i>Total Governmental Long-Term Liabilities</i>	\$7,038,724	\$6,034,971	(\$2,965,591)	\$10,108,104	\$724,913

(continued)

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

	Amounts Outstanding 12/31/06	Additions	Reductions	Amounts Outstanding 12/31/07	Amounts Due in One Year
<i>Business-Type Activities:</i>					
Capital Lease	\$15,668	\$0	(\$4,224)	\$11,444	\$4,421
Compensated Absences	262	28	0	290	39
<i>Total Business-Type Activities</i>	<u>\$15,930</u>	<u>\$28</u>	<u>(\$4,224)</u>	<u>\$11,734</u>	<u>\$4,460</u>

On April 6, 2007, 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. On May 8, 2007, the City rolled over \$3,550,000 in Storm Sewer Replacement Notes to finance the improvements of the City's storm water drainage system by constructing and reconstructing storm sewers, a storm water detention basin and other storm water drainage improvements.

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. These notes are backed by the full faith of the City of Brunswick. (See Note 22).

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 tv, parks and recreational center special revenue funds and the refuse enterprise fund which are the funds from which the employees' salaries are paid. The OPWC loan will be paid with income tax proceeds in the street repair and maintenance special revenue fund.

The City's overall debt margin was \$64,277,000 and the unvoted legal debt margin was \$29,380,309 at December 31, 2007. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2007, are as follows:

	General Obligation Bonds		Special Assessment Bonds		OPWC Loans	Total	
	Principal	Interest	Principal	Interest		Principal	Interest
2008	\$455,000	\$98,470	\$147,717	\$100,286	\$9,040	\$611,757	\$198,756
2009	470,000	71,620	147,717	92,620	9,040	626,757	164,240
2010	515,000	43,645	168,717	84,840	9,040	692,757	128,485
2011	110,000	12,995	173,716	75,543	9,040	292,756	88,538
2012	116,000	6,670	173,716	65,938	9,040	298,756	72,608
2013-2017	0	0	588,882	216,909	45,201	634,083	216,909
2018-2022	0	0	341,500	70,125	45,201	386,701	70,125
2023-2026	0	0	115,000	14,700	27,121	142,121	14,700
Total	<u>\$1,666,000</u>	<u>\$233,400</u>	<u>\$1,856,965</u>	<u>\$720,961</u>	<u>\$162,723</u>	<u>\$3,685,688</u>	<u>\$954,361</u>

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

**Note 14 – Notes Payable**

A summary of the note transactions for the year ended December 31, 2007, follows:

	Outstanding 12/31/2006	Issued	Retired	Outstanding 12/31/2007
3.85% Traffic Signal Improvement Notes	\$560,000	\$0	\$560,000	\$0
3.70% Traffic Signal Improvement Notes	0	680,000	0	680,000
4.75% Storm Sewer Replacement Notes	4,530,000	0	4,530,000	0
4.50% Storm Sewer Replacement Notes	0	1,800,000	0	1,800,000
<b>Total</b>	<b>\$5,090,000</b>	<b>\$2,480,000</b>	<b>\$5,090,000</b>	<b>\$2,480,000</b>

In 2007, the City issued \$680,000 in Traffic Signal Improvement Notes to finance the improvement of the City's traffic control system by purchasing and installing signals and other equipment and devices to direct and control the flow of vehicular and pedestrian traffic in the City. These notes mature on December 4, 2008.

In 2007, the City issued \$1,800,000 in Storm Sewer Replacement Notes to finance the improvements of the City's storm water drainage system by constructing and reconstructing storm sewers, a storm water detention basin and other storm water drainage improvements. These notes mature on May 7, 2008.

All notes are backed by the full faith and credit of the City of Brunswick and mature within one year. The note liability is reflected in the fund which received the proceeds and will repay the debt. The notes are generally issued in anticipation of long-term bond financing and are refinanced until such bonds are issued.

**Note 15 - 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 Travelers 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 Mercury Insurance Company are \$1,000,000 per occurrence and \$2,000,000 aggregate per year. Vehicle coverage, with St. Paul Mercury 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.

Comprehensive crime is covered at \$100,000 with various individual bonds ranging from \$10,000 to \$1,000,000 in coverage.

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$21,265,817 with a \$2,500 per event deductible. Inland marine coverage for all City property that moves has a limit of \$1,208,398 with a \$1,000 deductible.

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

---

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 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 bonds fully matured in 2007.

**Note 17 – Defined Benefit Pension Plans**

***A. Ohio Public Employees Retirement System***

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

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

---

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

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

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$423,058, \$473,246 and \$476,886 respectively; 84.63 percent has been contributed for 2007 and 100 percent for 2006 and 2005. Contributions to the member-directed plan for 2007 were \$2,975 made by the City and \$2,041 made by the plan members.

***B. Ohio Police and Fire Pension Fund***

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The City's contribution was 19.5 percent for police officers and 24 percent for firefighters. Contribution rates are established by State statute. For 2007, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's pension contributions to the OP&F for police and firefighters were \$347,531 and \$292,336 for the year ended December 31, 2007, \$333,244 and \$287,625 for the year ended December 31, 2006, and \$312,396 and \$279,404 for the year ended December 31, 2005. The full amount has been contributed for 2006 and 2005. 66.01 percent has been contributed for police and 62.90 percent has been contributed for firefighters for 2007.

**Note 18 – Postemployment Benefits**

***A. Ohio Public Employees Retirement System***

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

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

---

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

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

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

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

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006 and 2005 were \$278,661, \$276,415 and \$199,743 respectively; 84.63 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

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

***B. Police and Firemen's Disability and Pension Fund***

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

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

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

---

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

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

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

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

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

The City’s contributions to OP&F which were allocated to fund post-employment healthcare benefits for police and firefighters were \$183,987 and \$114,392 for the year ended December 31, 2007, \$219,799 and \$137,175 for the year ended December 31, 2006, and \$206,048 and \$133,254 for the year ended December 31, 2005. The full amount has been contributed for 2006 and 2005. 66.01 percent has been contributed for police and 62.90 percent has been contributed for firefighters for 2007.

## **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 unless an extension is approved by the City Manager. All accumulated unused vacation time is paid upon termination of employment. Outstanding unused vacation is reflected as vacation benefits payable on the statement of net assets.

Employees earn sick leave at the rate of 1.25 days per month of service. Sick leave accumulation is unlimited, but upon retirement or death, an employee, other than full-time sergeants or patrolman, can be paid twenty-five percent of accumulated, unused sick leave to a maximum of thirty days. Sergeants or patrolmen can be paid thirty-three percent of accumulated unused sick leave to various maximums based on the number of years of continuous service.



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

**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**

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. Transfers were made from the General fund to various other governmental funds during 2007. The transfer of \$9,000 to the Violence Against Women Act Grant fund was to match a federal grant. Transfers of \$83,000 to the Parks fund and \$129,016 to the Community Recreation Center fund were to subsidize operations of those funds. A transfer of \$364,905 was made to the City Hall Expansion fund to cover various City Hall capital expenditures. A transfer in the amount of \$100,000 to the Road Improvement fund was to fund a portion of the North Carpenter Road turning lane project.

**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. As of December 31, 2007, the loan balance between the General fund and the Brunswick Lake construction fund was \$1,531,000. Interfund balances at December 31, 2007, consist of the following:

	Interfund Balances	
	December 31, 2006	
	Receivables	Payables
<b>Major Fund</b>		
General Fund	\$376,490	\$0
<b>Nonmajor Funds</b>		
<i>Special Revenue Fund:</i>		
Violence Against Women Act Grant	0	27,000
<i>Capital Projects Funds:</i>		
City Hall Expansion	0	134,490
Community Development Block Grant	0	185,000
<b>Total Nonmajor Funds</b>	<b>0</b>	<b>346,490</b>
<b>Enterprise Fund</b>		
Refuse	0	30,000
<b>Total All Funds</b>	<b>\$376,490</b>	<b>\$376,490</b>

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

---

**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 2007, the City contributed \$7,500 to the Southwest Council of Governments.

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 126 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. 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 2007. 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 \$94,821 to Medway during 2007. The County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for the Agency.

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

---

**Note 22 - Subsequent Events**

On April 2, 2008, the City issued \$2,030,000 in bond anticipation notes with a 2.45 percent interest rate. This note matures on April 2, 2009 and was issued to refinance previous notes in which the City issued \$1,230,000 for the reconstruction of the dam at Brunswick Lake and \$800,000 for the dredging and improving of Brunswick Lake.

On May 7, 2008, the City issued \$3,550,000 in bond anticipation notes with a 2.3 percent interest rate. This note matures May 6, 2009 and was issued to refinance a portion of the \$5,350,000 notes for the improvement of the storm water drainage system. The remaining \$1,800,000 was retired due to the suspension of the Oakleigh, Ashleigh and Briarliegh storm sewer project pending an agreement with a neighboring community.

## Combining Statements and Individual Fund Schedules

### *Fund Descriptions – Nonmajor Governmental Funds*

---

#### *Nonmajor Special Revenue Funds*

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

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

***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.

***Cable TV 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.

***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.

(continued)

***Fund Descriptions – Nonmajor Governmental Funds (continued)***

---

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

***Nonmajor Debt Service Fund***

---

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

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

***Nonmajor Capital Projects Funds***

---

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

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

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

***Permanent Improvement Fund*** To account for monies used for the purpose of improving, constructing, maintaining, and purchasing those items necessary to enhance the operation of the city.

***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.

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

**City of Brunswick, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2007*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,439,363	\$687,362	\$3,821,511	\$6,948,236
Cash and Cash Equivalents:				
In Segregated Accounts	47,629	0	0	47,629
With Fiscal Agents	0	647	0	647
Investments	0	28,965	0	28,965
Receivables:				
Income Taxes	996,249	19,298	0	1,015,547
Property Taxes	0	461,233	0	461,233
Accounts	76,434	0	0	76,434
Intergovernmental	128,060	23,208	284,206	435,474
Materials and Supplies Inventory	32,619		0	32,619
<i>Total Assets</i>	<u>\$3,720,354</u>	<u>\$1,220,713</u>	<u>\$4,105,717</u>	<u>\$9,046,784</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$145,143	\$0	\$0	\$145,143
Contracts Payable	0	0	222,057	222,057
Accrued Wages and Benefits	51,380	0	0	51,380
Pension Obligation Payable	12,823	0	0	12,823
Notes Payable	680,000	0	0	680,000
Interfund Payable	27,000	0	319,490	346,490
Accrued Interest Payable	1,861	0	0	1,861
Deferred Revenue	877,619	500,117	191,051	1,568,787
Matured Interest Payable	0	647	0	647
<i>Total Liabilities</i>	<u>1,795,826</u>	<u>500,764</u>	<u>732,598</u>	<u>3,029,188</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	387,814	0	223,575	611,389
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,536,714	0	0	1,536,714
Debt Service Fund	0	719,949	0	719,949
Capital Projects Funds	0	0	3,149,544	3,149,544
<i>Total Fund Balances</i>	<u>1,924,528</u>	<u>719,949</u>	<u>3,373,119</u>	<u>6,017,596</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,720,354</u>	<u>\$1,220,713</u>	<u>\$4,105,717</u>	<u>\$9,046,784</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Tax	\$0	\$404,702	\$0	\$404,702
Municipal Income Tax	1,818,351	35,224	0	1,853,575
Charges for Services	1,012,733	0	0	1,012,733
Licenses, Permits and Fees	441,589	0	29,179	470,768
Fines and Forfeitures	45,965	0	0	45,965
Intergovernmental	507,426	46,986	688,162	1,242,574
Sales	9,128	0	0	9,128
Interest	8,672	14,739	2,126	25,537
Other	19,647	0	390,502	410,149
<i>Total Revenues</i>	<u>3,863,511</u>	<u>501,651</u>	<u>1,109,969</u>	<u>5,475,131</u>
<b>Expenditures</b>				
Current:				
General Government	24,352	6,638	0	30,990
Security of Persons and Property	1,320,934	0	0	1,320,934
Transportation	691,361	0	0	691,361
Community Environment	352,508	0	0	352,508
Leisure Time Activities	1,772,112	0	0	1,772,112
Capital Outlay	0	0	1,991,613	1,991,613
Debt Service:				
Principal Retirement	0	450,373	0	450,373
Interest and Fiscal Charges	26,384	122,930	0	149,314
<i>Total Expenditures</i>	<u>4,187,651</u>	<u>579,941</u>	<u>1,991,613</u>	<u>6,759,205</u>
<i>Excess of Revenues Under Expenditures</i>	(324,140)	(78,290)	(881,644)	(1,284,074)
<b>Other Financing Sources</b>				
Transfers In	221,016	0	464,905	685,921
<i>Net Change in Fund Balances</i>	(103,124)	(78,290)	(416,739)	(598,153)
<i>Fund Balances Beginning of Year</i>	<u>2,027,652</u>	<u>798,239</u>	<u>3,789,858</u>	<u>6,615,749</u>
<i>Fund Balances End of Year</i>	<u>\$1,924,528</u>	<u>\$719,949</u>	<u>\$3,373,119</u>	<u>\$6,017,596</u>

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

	Court Computerization	VAWA Grant	Police	State Highway	Law Enforcement
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$39,940	\$12,461	\$0	\$574,108	\$1,374
Cash and Cash Equivalents in					
Segregated Accounts	0	0	0	0	0
Receivables:					
Income Taxes	0	0	646,476	0	0
Property Tax	0	0	0	0	0
Accounts	0	0	0	0	0
Intergovernmental	0	15,574	0	59,787	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$39,940</u>	<u>\$28,035</u>	<u>\$646,476</u>	<u>\$633,895</u>	<u>\$1,374</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$5,917	\$0	\$0	\$25,793	\$0
Accrued Wages and Benefits	606	0	0	0	0
Pension Obligation Payable	497	0	0	0	0
Notes Payable	0	0	0	680,000	0
Interfund Payable	0	27,000	0	0	0
Accrued Interest Payable	0	0	0	1,861	0
Deferred Revenue	0	15,574	525,157	50,010	0
<i>Total Liabilities</i>	<u>7,020</u>	<u>42,574</u>	<u>525,157</u>	<u>757,664</u>	<u>0</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	7,665	0	0	280,026	636
Unreserved, Undesignated (Deficit)	25,255	(14,539)	121,319	(403,795)	738
<i>Total Fund Balances</i>	<u>32,920</u>	<u>(14,539)</u>	<u>121,319</u>	<u>(123,769)</u>	<u>1,374</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$39,940</u>	<u>\$28,035</u>	<u>\$646,476</u>	<u>\$633,895</u>	<u>\$1,374</u>



Brunswick Transit Alternative	Revolving Loan	Cable TV	Parks	Enforcement and Education	Community Recreation Center	Total Nonmajor Special Revenue Funds
\$101,785	\$306,396	\$1,114,695	\$105,824	\$25,704	\$157,076	\$2,439,363
47,629	0	0	0	0	0	47,629
60,306	0	0	289,467	0	0	996,249
0	0	0	0	0	0	0
0	0	76,434	0	0	0	76,434
30,685	0	22,014	0	0	0	128,060
0	0	0	30,915	0	1,704	32,619
<u>\$240,405</u>	<u>\$306,396</u>	<u>\$1,213,143</u>	<u>\$426,206</u>	<u>\$25,704</u>	<u>\$158,780</u>	<u>\$3,720,354</u>
\$24,298	\$0	\$14,231	\$24,828	\$0	\$50,076	\$145,143
1,602	0	9,619	17,495	0	22,058	51,380
330	0	2,406	4,228	0	5,362	12,823
0	0	0	0	0	0	680,000
0	0	0	0	0	0	27,000
0	0	0	0	0	0	1,861
51,733	0	0	235,145	0	0	877,619
<u>77,963</u>	<u>0</u>	<u>26,256</u>	<u>281,696</u>	<u>0</u>	<u>77,496</u>	<u>1,795,826</u>
72,771	0	137	9,692	0	16,887	387,814
89,671	306,396	1,186,750	134,818	25,704	64,397	1,536,714
<u>162,442</u>	<u>306,396</u>	<u>1,186,887</u>	<u>144,510</u>	<u>25,704</u>	<u>81,284</u>	<u>1,924,528</u>
<u>\$240,405</u>	<u>\$306,396</u>	<u>\$1,213,143</u>	<u>\$426,206</u>	<u>\$25,704</u>	<u>\$158,780</u>	<u>\$3,720,354</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, 2007*

	Court Computerization	VAWA Grant	Police	Drug Enforcement	State Highway	Law Enforcement
<b>Revenues</b>						
Municipal Income Tax	\$0	\$0	\$1,179,947	\$0	\$0	\$0
Charges for Services	0	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0	0
Fines and Forfeitures	38,365	0	0	0	4,536	0
Intergovernmental	0	12,089	0	94,821	119,697	0
Sales	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Other	0	0	0	0	4	0
<i>Total Revenues</i>	<u>38,365</u>	<u>12,089</u>	<u>1,179,947</u>	<u>94,821</u>	<u>124,237</u>	<u>0</u>
<b>Expenditures</b>						
Current:						
General Government	24,352	0	0	0	0	0
Security of Persons and Property	0	36,524	1,182,360	94,821	0	1,641
Transportation	0	0	0	0	322,382	0
Community Environment	0	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0	0
Debt Service:						
Interest and Fiscal Charges	0	0	0	0	26,384	0
<i>Total Expenditures</i>	<u>24,352</u>	<u>36,524</u>	<u>1,182,360</u>	<u>94,821</u>	<u>348,766</u>	<u>1,641</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	14,013	(24,435)	(2,413)	0	(224,529)	(1,641)
<b>Other Financing Sources</b>						
Transfers In	0	9,000	0	0	0	0
<i>Net Change in Fund Balances</i>	14,013	(15,435)	(2,413)	0	(224,529)	(1,641)
<i>Fund Balances Beginning of Year</i>	<u>18,907</u>	<u>896</u>	<u>123,732</u>	<u>0</u>	<u>100,760</u>	<u>3,015</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$32,920</u>	<u>(\$14,539)</u>	<u>\$121,319</u>	<u>\$0</u>	<u>(\$123,769)</u>	<u>\$1,374</u>

Brunswick Transit Alternative	Revolving Loan	Cable TV	Parks	Enforcement and Education	Community Recreation Center	Total Nonmajor Special Revenue Funds
\$110,070	\$0	\$0	\$528,334	\$0	\$0	\$1,818,351
10,270	0	0	3,051	0	999,412	1,012,733
0	0	441,589	0	0	0	441,589
0	0	0	0	3,064	0	45,965
258,805	0	22,014	0	0	0	507,426
0	0	0	0	0	9,128	9,128
2,339	6,333	0	0	0	0	8,672
0	0	0	2,048	0	17,595	19,647
<u>381,484</u>	<u>6,333</u>	<u>463,603</u>	<u>533,433</u>	<u>3,064</u>	<u>1,026,135</u>	<u>3,863,511</u>
0	0	0	0	0	0	24,352
0	0	0	0	5,588	0	1,320,934
368,979	0	0	0	0	0	691,361
0	0	352,508	0	0	0	352,508
0	0	0	600,796	0	1,171,316	1,772,112
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,384</u>
<u>368,979</u>	<u>0</u>	<u>352,508</u>	<u>600,796</u>	<u>5,588</u>	<u>1,171,316</u>	<u>4,187,651</u>
12,505	6,333	111,095	(67,363)	(2,524)	(145,181)	(324,140)
<u>0</u>	<u>0</u>	<u>0</u>	<u>83,000</u>	<u>0</u>	<u>129,016</u>	<u>221,016</u>
12,505	6,333	111,095	15,637	(2,524)	(16,165)	(103,124)
<u>149,937</u>	<u>300,063</u>	<u>1,075,792</u>	<u>128,873</u>	<u>28,228</u>	<u>97,449</u>	<u>2,027,652</u>
<u>\$162,442</u>	<u>\$306,396</u>	<u>\$1,186,887</u>	<u>\$144,510</u>	<u>\$25,704</u>	<u>\$81,284</u>	<u>\$1,924,528</u>

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

	<u>Community Development Block Grant</u>	<u>Fire Station Improvement</u>	<u>Permanent Improvement</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$98,484	\$1,114,383	\$360,000
Receivables:			
Intergovernmental	<u>86,516</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$185,000</u></u>	<u><u>\$1,114,383</u></u>	<u><u>\$360,000</u></u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Contracts Payable	\$0	\$0	\$0
Interfund Payable	185,000	0	0
Deferred Revenue	<u>86,516</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>271,516</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	0	1,067	0
Unreserved, Undesignated (Deficit)	<u>(86,516)</u>	<u>1,113,316</u>	<u>360,000</u>
<i>Total Fund Balances</i>	<u>(86,516)</u>	<u>1,114,383</u>	<u>360,000</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$185,000</u></u>	<u><u>\$1,114,383</u></u>	<u><u>\$360,000</u></u>

<u>Traffic Control Equipment</u>	<u>Park Development</u>	<u>City Hall Expansion</u>	<u>Road Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$25,302	\$432,403	\$204,522	\$1,586,417	\$3,821,511
<u>0</u>	<u>0</u>	<u>0</u>	<u>197,690</u>	<u>284,206</u>
<u>\$25,302</u>	<u>\$432,403</u>	<u>\$204,522</u>	<u>\$1,784,107</u>	<u>\$4,105,717</u>
\$0	\$2,640	\$1,914	\$217,503	\$222,057
0	0	134,490	0	319,490
<u>0</u>	<u>0</u>	<u>0</u>	<u>104,535</u>	<u>191,051</u>
<u>0</u>	<u>2,640</u>	<u>136,404</u>	<u>322,038</u>	<u>732,598</u>
6,250	22,663	23,097	170,498	223,575
<u>19,052</u>	<u>407,100</u>	<u>45,021</u>	<u>1,291,571</u>	<u>3,149,544</u>
<u>25,302</u>	<u>429,763</u>	<u>68,118</u>	<u>1,462,069</u>	<u>3,373,119</u>
<u>\$25,302</u>	<u>\$432,403</u>	<u>\$204,522</u>	<u>\$1,784,107</u>	<u>\$4,105,717</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, 2007*

	<u>Community Development Block Grant</u>	<u>Fire Station Improvement</u>	<u>Permanent Improvement</u>	<u>Traffic Control Equipment</u>
<b>Revenues</b>				
Licenses, Permits and Fees	\$0	\$0	\$0	\$0
Intergovernmental	7,473	0	0	0
Interest	0	0	0	0
Other	0	30,502	360,000	0
<i>Total Revenues</i>	7,473	30,502	360,000	0
<b>Expenditures</b>				
Capital Outlay	93,989	727,333	0	0
<i>Excess of Revenues over (Under) Expenditures</i>	(86,516)	(696,831)	360,000	0
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	(86,516)	(696,831)	360,000	0
<i>Fund Balances Beginning of Year</i>	0	1,811,214	0	25,302
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$86,516)</u>	<u>\$1,114,383</u>	<u>\$360,000</u>	<u>\$25,302</u>

<u>Park Development</u>	<u>City Hall Expansion</u>	<u>Road Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$29,179	\$0	\$0	\$29,179
250,000	0	430,689	688,162
0	0	2,126	2,126
<u>0</u>	<u>0</u>	<u>0</u>	<u>390,502</u>
279,179	0	432,815	1,109,969
<u>130,512</u>	<u>304,734</u>	<u>735,045</u>	<u>1,991,613</u>
148,667	(304,734)	(302,230)	(881,644)
<u>0</u>	<u>364,905</u>	<u>100,000</u>	<u>464,905</u>
148,667	60,171	(202,230)	(416,739)
<u>281,096</u>	<u>7,947</u>	<u>1,664,299</u>	<u>3,789,858</u>
<u>\$429,763</u>	<u>\$68,118</u>	<u>\$1,462,069</u>	<u>\$3,373,119</u>

## Fund Descriptions - Fiduciary Funds

---

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

### Agency Funds

---

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

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

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

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

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

***Non-Residential Three Percent Fund*** To account for an assessment on fees for the inspection of nonresidential buildings which is collected on behalf of the Board of Building Standards.

***Residential One Percent Fund*** To account for an assessment on fees for the inspection of residential buildings which is collected on behalf of the Board of Building Standards.



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

	Beginning Balance 12/31/06	Additions	Deductions	Ending Balance 12/31/07
<b><i>Performance Bond</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$377,452	\$446,974	\$289,998	\$534,428
Cash and Cash Equivalents in Segregated Accounts	1,214	619	0	1,833
<i>Total Assets</i>	<u>\$378,666</u>	<u>\$447,593</u>	<u>\$289,998</u>	<u>\$536,261</u>
<b>Liabilities</b>				
Undistributed Assets	<u>\$378,666</u>	<u>\$447,593</u>	<u>\$289,998</u>	<u>\$536,261</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>\$3,278</u>	<u>\$50,435</u>	<u>\$49,045</u>	<u>\$4,668</u>
<b>Liabilities</b>				
Undistributed Assets	<u>\$3,278</u>	<u>\$50,435</u>	<u>\$49,045</u>	<u>\$4,668</u>

(continued)

**City of Brunswick, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds (continued)*  
*For the Year Ended December 31, 2007*

	Beginning Balance 12/31/06	Additions	Deductions	Ending Balance 12/31/07
<b><i>Non-Residential Three Percent</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$180	\$6,880	\$7,046	\$14
<b>Liabilities</b>				
Undistributed Assets	\$180	\$6,880	\$7,046	\$14
<b><i>Residential One Percent</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$1,456	\$1,411	\$45
<b>Liabilities</b>				
Undistributed Assets	\$0	\$1,456	\$1,411	\$45
<b><i>Total - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$385,247	\$505,745	\$347,500	\$543,492
Cash and Cash Equivalents in Segregated Accounts	1,214	619	0	1,833
<b><i>Total Assets</i></b>	<b>\$386,461</b>	<b>\$506,364</b>	<b>\$347,500</b>	<b>\$545,325</b>
<b>Liabilities</b>				
Undistributed Assets	\$386,461	\$506,364	\$347,500	\$545,325

**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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Tax	\$1,806,476	\$1,616,574	\$1,662,983	\$46,409
Municipal Income Tax	3,527,750	3,393,979	3,578,118	184,139
Charges for Services	208,894	212,303	216,502	4,199
Licenses, Permits and Fees	535,193	543,928	533,179	(10,749)
Fines and Forfeitures	491,605	499,629	499,792	163
Intergovernmental	1,371,141	1,393,520	1,394,879	1,359
Interest	867,698	881,860	908,640	26,780
Other	79,078	60,042	41,779	(18,263)
<i>Total Revenues</i>	8,887,835	8,601,835	8,835,872	234,037
<b>Expenditures</b>				
Current:				
General Government:				
City Manager:				
Salaries and Wages	143,630	149,140	146,190	2,950
Fringe Benefits	80,669	88,165	87,287	878
Purchased Services	7,107	7,730	7,361	369
Materials and Supplies	2,038	1,900	1,015	885
Capital Outlay	3,538	3,222	3,219	3
Other	5,969	6,524	6,226	298
<i>Total City Manager</i>	242,951	256,681	251,298	5,383
City Council:				
Salaries and Wages	146,964	145,882	145,708	174
Fringe Benefits	58,866	57,660	56,254	1,406
Purchased Services	16,635	15,889	11,635	4,254
Materials and Supplies	2,986	2,925	1,314	1,611
Capital Outlay	4,836	4,737	4,005	732
Other	21,465	21,025	8,062	12,963
<i>Total City Council</i>	251,752	248,118	226,978	21,140
Mayor's Court:				
Salaries and Wages	85,680	80,864	80,589	275
Fringe Benefits	41,063	42,309	41,941	368
Purchased Services	25,364	21,449	17,447	4,002
Materials and Supplies	2,424	2,498	1,926	572
Capital Outlay	131	135	135	0
Other	3,551	3,659	2,963	696
<i>Total Mayor's Court</i>	158,213	150,914	145,001	5,913
Commemorative Affairs:				
Materials and Supplies	\$38,160	\$38,160	\$34,451	\$3,709

(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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Finance Office:				
Salaries and Wages	\$248,122	\$249,395	\$249,279	\$116
Fringe Benefits	178,199	148,509	148,031	478
Purchased Services	17,915	14,846	14,836	10
Materials and Supplies	3,615	3,013	3,007	6
Capital Outlay	19,675	11,963	11,963	0
Other	6,522	5,435	5,435	0
<b>Total Finance Office</b>	<b>474,048</b>	<b>433,161</b>	<b>432,551</b>	<b>610</b>
Service Director:				
Salaries and Wages	85,141	85,736	84,021	1,715
Fringe Benefits	37,211	43,217	42,531	686
Purchased Services	47,529	50,926	38,093	12,833
Materials and Supplies	5,463	6,345	3,674	2,671
Capital Outlay	3,071	3,450	3,197	253
Other	1,044	1,213	567	646
<b>Total Service Director</b>	<b>179,459</b>	<b>190,887</b>	<b>172,083</b>	<b>18,804</b>
Income Tax:				
Salaries and Wages	172,577	172,293	171,967	326
Fringe Benefits	111,807	121,965	121,580	385
Purchased Services	31,608	33,799	28,940	4,859
Materials and Supplies	39,051	31,853	24,471	7,382
Capital Outlay	6,563	7,159	7,159	0
Other	367	400	111	289
<b>Total Income Tax</b>	<b>361,973</b>	<b>367,469</b>	<b>354,228</b>	<b>13,241</b>
Law Director:				
Salaries and Wages	145,316	145,775	145,621	154
Fringe Benefits	92,084	99,460	91,537	7,923
Purchased Services	281,783	263,844	220,611	43,233
Materials and Supplies	1,398	1,510	1,144	366
Capital Outlay	60	65	65	0
Other	1,273	1,375	725	650
<b>Total Law Director</b>	<b>521,914</b>	<b>512,029</b>	<b>459,703</b>	<b>52,326</b>
Engineer:				
Salaries and Wages	64,450	62,529	62,444	85
Fringe Benefits	6,639	14,240	13,701	539
Purchased Services	215,136	312,141	305,572	6,569
Materials and Supplies	1,526	3,274	1,843	1,431
Capital Outlay	1,607	2,665	2,347	318
<b>Total Engineer</b>	<b>\$289,358</b>	<b>\$394,849</b>	<b>\$385,907</b>	<b>\$8,942</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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Information Systems:				
Salaries and Wages	\$97,593	\$57,618	\$35,383	\$22,235
Fringe Benefits	109,896	29,452	26,619	2,833
Purchased Services	40,841	10,731	10,294	437
Materials and Supplies	1,060	284	59	225
Capital Outlay	9,777	2,584	2,576	8
Other	1,899	509	509	0
<b>Total Information Systems</b>	<b>261,066</b>	<b>101,178</b>	<b>75,440</b>	<b>25,738</b>
Land and Buildings:				
Purchased Services	62,966	63,677	63,670	7
Materials and Supplies	14,353	17,460	14,153	3,307
Capital Outlay	0	0	0	0
<b>Total Land and Buildings</b>	<b>77,319</b>	<b>81,137</b>	<b>77,823</b>	<b>3,314</b>
Board and Commissions:				
Salaries and Wages	5,760	4,357	3,488	869
Fringe Benefits	3,279	3,294	3,127	167
Purchased Services	159	160	23	137
Materials and Supplies	3,151	3,165	692	2,473
Capital Outlay	35	35	35	0
Other	996	1,000	0	1,000
<b>Total Board and Commissions</b>	<b>13,380</b>	<b>12,011</b>	<b>7,365</b>	<b>4,646</b>
Administrative Support:				
Fringe Benefits	302	167	167	0
Purchased Services	735,534	891,738	786,911	104,827
Materials and Supplies	24,779	33,080	28,729	4,351
Capital Outlay	6,345	10,141	671	9,470
Other	223,146	356,623	353,440	3,183
<b>Total Administrative Support</b>	<b>990,106</b>	<b>1,291,749</b>	<b>1,169,918</b>	<b>121,831</b>
<b>Total General Government</b>	<b>\$3,859,699</b>	<b>\$4,078,343</b>	<b>\$3,792,746</b>	<b>\$285,597</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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Security of Persons and Property:</b>				
<b>Police:</b>				
Salaries and Wages	\$2,123,663	\$2,039,809	\$1,895,661	\$144,148
Fringe Benefits	1,822,343	1,998,199	1,929,655	68,544
Purchased Services	562,142	551,774	476,216	75,558
Materials and Supplies	54,269	49,416	42,678	6,738
Capital Outlay	435,624	316,614	193,381	123,233
Other	43,545	47,857	41,612	6,245
<b>Total Police</b>	<b>5,041,586</b>	<b>5,003,669</b>	<b>4,579,203</b>	<b>424,466</b>
<b>Safety Director:</b>				
Salaries and Wages	85,651	75,731	75,731	0
Fringe Benefits	47,793	45,425	44,921	504
Purchased Services	15,328	14,563	13,080	1,483
Materials and Supplies	374	355	352	3
Capital Outlay	3,287	2,825	2,825	0
Other	1,049	997	997	0
<b>Total Safety Director</b>	<b>153,482</b>	<b>139,896</b>	<b>137,906</b>	<b>1,990</b>
<b>Animal Control:</b>				
Salaries and Wages	55,600	52,832	51,358	1,474
Fringe Benefits	29,675	30,767	30,143	624
Purchased Services	6,697	6,830	6,026	804
Materials and Supplies	8,168	7,721	3,096	4,625
Capital Outlay	5,318	3,827	1,826	2,001
Other	1,929	2,000	491	1,509
<b>Total Animal Control</b>	<b>107,387</b>	<b>103,977</b>	<b>92,940</b>	<b>11,037</b>
<b>Total Security of Persons and Property</b>	<b>5,302,455</b>	<b>5,247,542</b>	<b>4,810,049</b>	<b>437,493</b>
<b>Community Environment:</b>				
<b>Planning and Zoning:</b>				
Salaries and Wages	143,625	150,641	149,534	1,107
Fringe Benefits	81,832	61,882	61,454	428
Purchased Services	10,397	7,680	6,912	768
Materials and Supplies	10,956	8,285	6,499	1,786
Capital Outlay	9,501	7,185	6,982	203
Other	4,258	3,220	2,476	744
<b>Total Planning and Zoning</b>	<b>\$260,569</b>	<b>\$238,893</b>	<b>\$233,857</b>	<b>\$5,036</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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Building:</b>				
Salaries and Wages	\$377,592	\$311,492	\$311,037	\$455
Fringe Benefits	156,116	162,668	159,883	2,785
Purchased Services	52,278	49,234	45,171	4,063
Materials and Supplies	4,146	4,320	3,152	1,168
Capital Outlay	106,422	64,000	63,358	642
Other	8,688	9,053	9,015	38
<b>Total Building</b>	<b>705,242</b>	<b>600,767</b>	<b>591,616</b>	<b>9,151</b>
<b>Economic Development:</b>				
Salaries and Wages	60,000	51,428	51,427	1
Fringe Benefits	18,209	22,915	21,236	1,679
Purchased Services	57,069	65,367	63,399	1,968
Materials and Supplies	238	300	286	14
Capital Outlay	1,151	1,449	1,250	199
Other	3,043	3,829	3,416	413
<b>Total Economic Development</b>	<b>139,710</b>	<b>145,288</b>	<b>141,014</b>	<b>4,274</b>
<b>Total Community Environment</b>	<b>1,105,521</b>	<b>984,948</b>	<b>966,487</b>	<b>18,461</b>
<b>Public Health Services:</b>				
<b>Cemetery:</b>				
Purchased Services	13,350	13,350	6,725	6,625
<b>Leisure Time Activities:</b>				
<b>Recreation Center:</b>				
Salaries and Wages	73,528	73,528	73,527	1
Fringe Benefits	35,533	39,546	39,420	126
Purchased Services	6,935	7,025	5,631	1,394
Materials and Supplies	339	210	144	66
Capital Outlay	2,141	2,088	2,047	41
Other	1,235	1,375	1,372	3
<b>Total Recreation Center</b>	<b>\$119,711</b>	<b>\$123,772</b>	<b>\$122,141</b>	<b>\$1,631</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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Senior Citizens:				
Salaries and Wages	\$27,885	\$28,467	\$28,457	\$10
Fringe Benefits	5,711	5,691	5,672	19
Purchased Services	3,269	3,239	1,548	1,691
Materials and Supplies	931	928	443	485
Capital Outlay	261	260	105	155
Other	150,637	150,100	145,795	4,305
<b>Total Senior Citizens</b>	<b>188,694</b>	<b>188,685</b>	<b>182,020</b>	<b>6,665</b>
<b>Total Leisure Time Activities</b>	<b>308,405</b>	<b>312,457</b>	<b>304,161</b>	<b>8,296</b>
<b>Total Expenditures</b>	<b>10,589,430</b>	<b>10,636,640</b>	<b>9,880,168</b>	<b>756,472</b>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(1,701,595)	(2,034,805)	(1,044,296)	990,509
<b>Other Financing Sources (Uses)</b>				
Advances In	131,788	131,788	131,788	0
Advances Out	(252,490)	(252,490)	(252,490)	0
Transfers Out	0	(693,701)	(685,921)	7,780
<b>Total Other Financing Sources (Uses)</b>	<b>(120,702)</b>	<b>(814,403)</b>	<b>(806,623)</b>	<b>7,780</b>
<b>Net Change in Fund Balance</b>	<b>(1,822,297)</b>	<b>(2,849,208)</b>	<b>(1,850,919)</b>	<b>998,289</b>
<b>Fund Balance Beginning of Year</b>	<b>3,968,295</b>	<b>3,968,295</b>	<b>3,968,295</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>606,938</b>	<b>606,938</b>	<b>606,938</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$2,752,936</b>	<b>\$1,726,025</b>	<b>\$2,724,314</b>	<b>\$998,289</b>

**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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Tax	\$2,501,607	\$2,501,607	\$2,625,016	\$123,409
Charges for Services	499,036	490,560	493,299	2,739
Intergovernmental	2,543	2,500	2,500	0
Other	11,119	10,930	10,937	7
<i>Total Revenues</i>	<i>3,014,305</i>	<i>3,005,597</i>	<i>3,131,752</i>	<i>126,155</i>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Department:				
Salaries and Wages	1,676,883	1,665,447	1,607,416	58,031
Fringe Benefits	1,107,736	1,125,870	1,117,199	8,671
Purchased Services	260,120	262,194	236,153	26,041
Materials and Supplies	214,932	50,885	44,059	6,826
Capital Outlay	313,025	265,148	21,867	243,281
Other	27,806	24,097	21,271	2,826
Total Security of Persons and Property	3,600,502	3,393,641	3,047,965	345,676
Debt Service:				
Principal Retirement	0	164,207	164,207	0
<i>Total Expenditures</i>	<i>3,600,502</i>	<i>3,557,848</i>	<i>3,212,172</i>	<i>345,676</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(586,197)</i>	<i>(552,251)</i>	<i>(80,420)</i>	<i>471,831</i>
<i>Net Change in Fund Balance</i>	<i>(586,197)</i>	<i>(552,251)</i>	<i>(80,420)</i>	<i>471,831</i>
<i>Fund Balance Beginning of Year</i>	650,441	650,441	650,441	0
Prior Year Encumbrances Appropriated	223,260	223,260	223,260	0
<i>Fund Balance End of Year</i>	<i>\$287,504</i>	<i>\$321,450</i>	<i>\$793,281</i>	<i>\$471,831</i>

**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, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Tax	\$1,187,323	\$1,197,794	\$1,252,245	\$54,451
Charges for Services	8,825	9,503	9,503	0
Licenses, Permits and Fees	1,964	2,115	1,900	(215)
Intergovernmental	1,196,786	1,288,780	1,325,444	36,664
Other	4,443	4,784	4,784	0
<i>Total Revenues</i>	<u>2,399,341</u>	<u>2,502,976</u>	<u>2,593,876</u>	<u>90,900</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Department:				
Salaries and Wages	1,080,219	1,061,388	1,043,023	18,365
Fringe Benefits	421,264	569,477	581,227	(11,750)
Purchased Services	520,338	658,971	611,024	47,947
Materials and Supplies	424,006	499,667	471,629	28,038
Capital Outlay	331,104	329,511	329,162	349
Other	7,028	9,500	4,664	4,836
<i>Total Transportation</i>	<u>2,783,959</u>	<u>3,128,514</u>	<u>3,040,729</u>	<u>87,785</u>
Debt Service:				
Principal Retirement	0	10,000	5,000	5,000
<i>Total Expenditures</i>	<u>2,783,959</u>	<u>3,138,514</u>	<u>3,045,729</u>	<u>92,785</u>
<i>Net Change in Fund Balance</i>	<u>(384,618)</u>	<u>(635,538)</u>	<u>(451,853)</u>	<u>183,685</u>
<i>Fund Balance Beginning of Year</i>	756,486	756,486	756,486	0
Prior Year Encumbrances Appropriated	174,607	174,607	174,607	0
<i>Fund Balance End of Year</i>	<u>\$546,475</u>	<u>\$295,555</u>	<u>\$479,240</u>	<u>\$183,685</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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Special Assessments	\$241,752	\$240,165	(\$1,587)
<b>Expenditures</b>			
Current:			
General Government			
Purchased Services	7,648	4,989	2,659
Debt Service:			
Principal Retirement - Laurel	26,000	26,000	0
Principal Retirement - Center	8,184	8,184	0
Principal Retirement - Cross Creek	40,000	40,000	0
Principal Retirement - Carpenter	5,000	5,000	0
Principal Retirement - Lwest Waterline	20,000	20,000	0
Principal Retirement - Grafton III	2,717	2,717	0
Principal Retirement - South Industrial Park	50,000	50,000	0
Total Principal Retirement	151,901	151,901	0
Interest and Fiscal Charges - Laurel	25,527	25,527	0
Interest and Fiscal Charges - Center	553	553	0
Interest and Fiscal Charges - Crosscreek	15,013	15,013	0
Interest and Fiscal Charges - Carpenter	1,798	1,798	0
Interest and Fiscal Charges - Lwest Waterline	11,340	11,340	0
Interest and Fiscal Charges - Grafton III	1,714	1,714	0
Interest and Fiscal Charges - South Industrial Park	51,674	51,674	0
Total Interest and Fiscal Charges	107,619	107,619	0
Total Debt Service	259,520	259,520	0
Total Expenditures	267,168	264,509	2,659
Net Change in Fund Balance	(25,416)	(24,344)	1,072
Fund Balance Beginning of Year	243,328	243,328	0
Prior Year Encumbrances Appropriated	700	700	0
Fund Balance End of Year	\$218,612	\$219,684	\$1,072

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	382,481	80,768	301,713
Debt Service:			
Principal Retirement	2,030,000	2,030,000	0
Interest and Fiscal Charges	362,042	77,938	284,104
<i>Total Expenditures</i>	<u>2,774,523</u>	<u>2,188,706</u>	<u>585,817</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(2,774,523)</u>	<u>(2,188,706)</u>	<u>585,817</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Assets Held for Resale	2,061,760	0	(2,061,760)
Transfers Out	(1,531,000)	0	1,531,000
Note Proceeds	2,030,000	2,030,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,560,760</u>	<u>2,030,000</u>	<u>(530,760)</u>
<i>Net Change in Fund Balance</i>	(213,763)	(158,706)	55,057
<i>Fund Balance Beginning of Year</i>	241,302	241,302	0
Prior Year Encumbrances Appropriated	<u>38,112</u>	<u>38,112</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$65,651</u></u>	<u><u>\$120,708</u></u>	<u><u>\$55,057</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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$995,645	\$14,822	(\$980,823)
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	4,514,665	883,757	3,630,908
Debt Service:			
Principal Retirement	4,960,628	4,752,077	208,551
<i>Total Expenditures</i>	<u>9,475,293</u>	<u>5,635,834</u>	<u>3,839,459</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(8,479,648)</u>	<u>(5,621,012)</u>	<u>2,858,636</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	143,000	0	(143,000)
Note Proceeds	5,350,000	5,350,000	0
Transfers Out	(126,940)	0	126,940
<i>Total Other Financing Sources (Uses)</i>	<u>5,366,060</u>	<u>5,350,000</u>	<u>(16,060)</u>
<i>Net Change in Fund Balance</i>	(3,113,588)	(271,012)	2,842,576
<i>Fund Balance Beginning of Year</i>	2,782,799	2,782,799	0
Prior Year Encumbrances Appropriated	<u>330,789</u>	<u>330,789</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$2,842,576</u></u>	<u><u>\$2,842,576</u></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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$1,687,646	\$1,698,299	\$10,653
Other	95	97	2
<i>Total Revenues</i>	<u>1,687,741</u>	<u>1,698,396</u>	<u>10,655</u>
<b>Expenses</b>			
Salaries and Wages	70,790	70,688	102
Fringe Benefits	49,468	47,849	1,619
Purchased Services	1,685,009	1,684,257	752
Materials and Supplies	7,597	7,231	366
Capital Outlay	16,716	14,450	2,266
<i>Total Expenses</i>	<u>1,829,580</u>	<u>1,824,475</u>	<u>5,105</u>
<i>Excess of Revenues</i>			
<i>Under Expenses</i>	(141,839)	(126,079)	15,760
Transfers Out	<u>(30,000)</u>	<u>0</u>	<u>30,000</u>
<i>Net Change in Fund Equity</i>	(171,839)	(126,079)	45,760
<i>Fund Equity Beginning of Year</i>	27,455	27,455	0
Prior Year Encumbrances Appropriated	<u>145,207</u>	<u>145,207</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$823</u></u>	<u><u>\$46,583</u></u>	<u><u>\$45,760</u></u>

**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Computerization Fund*  
*For the Year Ended December 31, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$38,500	\$38,365	(\$135)
<b>Expenditures</b>			
Current:			
General Government:			
Court Computerization:			
Salaries and Wages	8,603	8,318	285
Fringe Benefits	3,990	3,884	106
Purchased Services	2,764	1,553	1,211
Materials and Supplies	633	614	19
Capital Outlay	28,887	16,213	12,674
Other	600	293	307
<i>Total Expenditures</i>	45,477	30,875	14,602
<i>Net Change in Fund Balance</i>	(6,977)	7,490	14,467
<i>Fund Balance Beginning of Year</i>	18,804	18,804	0
Prior Year Encumbrances Appropriated	1,101	1,101	0
<i>Fund Balance End of Year</i>	\$12,928	\$27,395	\$14,467



**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$40,908	\$25,335	(\$15,573)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Violence Against Women:			
Salaries and Wages	16,500	16,500	0
Purchased Services	20,284	19,249	1,035
Materials and Supplies	581	581	0
Capital Outlay	194	194	0
<i>Total Expenditures</i>	37,559	36,524	1,035
<i>Excess of Revenues Over (Under) Expenditures</i>	3,349	(11,189)	(14,538)
<b>Other Financing Sources (Uses)</b>			
Advances In	27,000	27,000	0
Advances Out	(54,788)	(27,788)	27,000
Transfers In	9,000	9,000	0
<i>Total Other Financing Sources (Uses)</i>	(18,788)	8,212	27,000
<i>Net Change in Fund Balance</i>	(15,439)	(2,977)	12,462
<i>Fund Balance Beginning of Year</i>	15,330	15,330	0
Prior Year Encumbrances Appropriated	109	109	0
<i>Fund Balance End of Year</i>	\$0	\$12,462	\$12,462

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Municipal Income Tax	\$1,250,000	\$1,182,360	(\$67,640)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Police:			
Salaries and Wages	1,250,000	1,182,360	67,640
<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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$125,000	\$94,821	(\$30,179)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Drug Enforcement:			
Purchased Services	125,000	94,821	30,179
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$4,258	\$4,536	\$278
Intergovernmental	116,938	119,573	2,635
Other	5	4	(1)
<i>Total Revenues</i>	<u>121,201</u>	<u>124,113</u>	<u>2,912</u>
<b>Expenditures</b>			
Current:			
Transportation:			
State Highway:			
Salaries and Wages	30,153	30,153	0
Purchased Services	66,644	33,436	33,208
Materials and Supplies	30,000	0	30,000
Capital Outlay	535,214	535,214	0
Total Transportation	662,011	598,803	63,208
Debt Service:			
Principal Retirement	593,500	586,000	7,500
<i>Total Expenditures</i>	<u>1,255,511</u>	<u>1,184,803</u>	<u>70,708</u>
<i>Excess of Revenues</i>			
<i>  Under Expenditures</i>	(1,134,310)	(1,060,690)	73,620
<b>Other Financing Sources</b>			
Note Proceeds	680,000	680,000	0
<i>Net Change in Fund Balance</i>	(454,310)	(380,690)	73,620
<i>Fund Balance Beginning of Year</i>	116,015	116,015	0
Prior Year Encumbrances Appropriated	536,858	536,858	0
<i>Fund Balance End of Year</i>	<u>\$198,563</u>	<u>\$272,183</u>	<u>\$73,620</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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$375	\$0	(\$375)
Intergovernmental	625	624	(1)
<i>Total Revenues</i>	1,000	624	(376)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Law Enforcement:			
Capital Outlay	2,336	2,277	59
<i>Net Change in Fund Balance</i>	(1,336)	(1,653)	(317)
<i>Fund Balance Beginning of Year</i>	1,755	1,755	0
Prior Year Encumbrances Appropriated	636	636	0
<i>Fund Balance End of Year</i>	\$1,055	\$738	(\$317)

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Municipal Income Tax	\$105,110	\$110,295	\$5,185
Charges for Services	10,216	10,270	54
Intergovernmental	263,274	247,669	(15,605)
Interest	2,300	2,339	39
<i>Total Revenues</i>	<u>380,900</u>	<u>370,573</u>	<u>(10,327)</u>
<b>Expenditures</b>			
Current:			
Transportation:			
Brunswick Transit Alternative:			
Salaries and Wages	20,991	20,990	1
Fringe Benefits	12,336	12,153	183
Purchased Services	455,994	429,117	26,877
Materials and Supplies	992	27	965
Capital Outlay	1,200	0	1,200
<i>Total Expenditures</i>	<u>491,513</u>	<u>462,287</u>	<u>29,226</u>
<i>Net Change in Fund Balance</i>	(110,613)	(91,714)	18,899
<i>Fund Balance Beginning of Year</i>	45,166	45,166	0
Prior Year Encumbrances Appropriated	<u>100,209</u>	<u>100,209</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$34,762</u></u>	<u><u>\$53,661</u></u>	<u><u>\$18,899</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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$6,000	\$6,333	\$333
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	6,000	6,333	333
<i>Fund Balance Beginning of Year</i>	<u>300,063</u>	<u>300,063</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$306,063</u></u>	<u><u>\$306,396</u></u>	<u><u>\$333</u></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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Licenses, Permits and Fees	\$387,362	\$365,155	(\$22,207)
<b>Expenditures</b>			
Current:			
Community Environment:			
Cable TV:			
Salaries and Wages	166,696	146,512	20,184
Fringe Benefits	87,055	83,134	3,921
Purchased Services	23,634	20,802	2,832
Materials and Supplies	14,500	14,342	158
Capital Outlay	153,000	82,197	70,803
Other	3,300	2,840	460
<i>Total Expenditures</i>	448,185	349,827	98,358
<i>Net Change in Fund Balance</i>	(60,823)	15,328	76,151
<i>Fund Balance Beginning of Year</i>	1,095,393	1,095,393	0
Prior Year Encumbrances Appropriated	534	534	0
<i>Fund Balance End of Year</i>	\$1,035,104	\$1,111,255	\$76,151



**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Municipal Income Tax	\$504,526	\$529,415	\$24,889
Charges for Services	3,013	3,051	38
Other	2,047	2,048	1
<i>Total Revenues</i>	<u>509,586</u>	<u>534,514</u>	<u>24,928</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities:			
Parks:			
Salaries and Wages	306,635	294,288	12,347
Fringe Benefits	176,668	170,288	6,380
Purchased Services	123,110	109,377	13,733
Materials and Supplies	52,562	29,999	22,563
Capital Outlay	9,000	5,205	3,795
Other	4,000	3,887	113
<i>Total Expenditures</i>	<u>671,975</u>	<u>613,044</u>	<u>58,931</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	(162,389)	(78,530)	83,859
<b>Other Financing Sources</b>			
Transfers In	83,000	83,000	0
<i>Net Change in Fund Balance</i>	(79,389)	4,470	83,859
<i>Fund Balance Beginning of Year</i>	86,762	86,762	0
Prior Year Encumbrances Appropriated	3,394	3,394	0
<i>Fund Balance End of Year</i>	<u><u>\$10,767</u></u>	<u><u>\$94,626</u></u>	<u><u>\$83,859</u></u>

**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Enforcement and Education Fund  
For the Year Ended December 31, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$5,000	\$3,064	(\$1,936)
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Enforcement and Education:			
Capital Outlay	9,258	5,588	3,670
<i>Net Change in Fund Balance</i>	(4,258)	(2,524)	1,734
<i>Fund Balance Beginning of Year</i>	23,970	23,970	0
Prior Year Encumbrances Appropriated	4,258	4,258	0
<i>Fund Balance End of Year</i>	<u>\$23,970</u>	<u>\$25,704</u>	<u>\$1,734</u>

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$938,063	\$999,412	\$61,349
Sales	9,163	9,128	(35)
Other	17,538	17,595	57
<i>Total Revenues</i>	<u>964,764</u>	<u>1,026,135</u>	<u>61,371</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities:			
Community Recreation:			
Salaries and Wages	497,285	494,916	2,369
Fringe Benefits	177,450	177,049	401
Purchased Services	458,195	416,593	41,602
Materials and Supplies	59,681	57,600	2,081
Capital Outlay	24,641	24,309	332
Other	18,742	17,646	1,096
<i>Total Expenditures</i>	<u>1,235,994</u>	<u>1,188,113</u>	<u>47,881</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(271,230)	(161,978)	109,252
<b>Other Financing Sources</b>			
Transfers In	129,016	129,016	0
<i>Net Change in Fund Balance</i>	(142,214)	(32,962)	109,252
<i>Fund Balance Beginning of Year</i>	150,540	150,540	0
Prior Year Encumbrances Appropriated	17,565	17,565	0
<i>Fund Balance End of Year</i>	<u><u>\$25,891</u></u>	<u><u>\$135,143</u></u>	<u><u>\$109,252</u></u>

**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Obligation Bond Retirement Fund*  
*For the Year Ended December 31, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Tax	\$391,636	\$404,702	\$13,066
Municipal Income Tax	33,635	35,295	1,660
Intergovernmental	48,264	46,986	(1,278)
Interest	14,577	14,739	162
<i>Total Revenues</i>	<u>488,112</u>	<u>501,722</u>	<u>13,610</u>
<b>Expenditures</b>			
Current:			
General Government			
Purchased Services	9,000	6,638	2,362
Debt Service:			
Principal Retirement - Community Recreation Center	340,000	340,000	0
Principal Retirement - Bond	6,813	6,813	0
Principal Retirement - OPWC Loan	13,560	13,560	0
Principal Retirement - City Hall	90,000	32,470	57,530
Total Principal Retirement	<u>450,373</u>	<u>392,843</u>	<u>57,530</u>
Interest and Fiscal Charges - Community Recreation Center	90,000	90,000	0
Interest and Fiscal Charges - Center Road Improvement	460	460	0
Interest and Fiscal Charges - City Hall	32,470	32,470	0
Total Interest and Fiscal Charges	<u>122,930</u>	<u>122,930</u>	<u>0</u>
Total Debt Service	<u>573,303</u>	<u>515,773</u>	<u>57,530</u>
<i>Total Expenditures</i>	<u>582,303</u>	<u>522,411</u>	<u>59,892</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(94,191)</u>	<u>(20,689)</u>	<u>73,502</u>
<i>Net Change in Fund Balance</i>	(94,191)	(20,689)	73,502
<i>Fund Balance Beginning of Year</i>	<u>795,193</u>	<u>795,193</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$701,002</u>	<u>\$774,504</u>	<u>\$73,502</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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$270,240	\$92,713	(\$177,527)
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	185,000	93,989	91,011
<i>Excess of Revenues Over (Under) Expenditures</i>	85,240	(1,276)	(86,516)
<b>Other Financing Sources (Uses)</b>			
Advances In	91,000	91,000	0
Advances Out	(289,000)	(104,000)	185,000
<i>Total Other Financing Sources (Uses)</i>	(198,000)	(13,000)	185,000
<i>Net Change in Fund Balance</i>	(112,760)	(14,276)	98,484
<i>Fund Balance Beginning of Year</i>	112,760	112,760	0
<i>Fund Balance End of Year</i>	\$0	\$98,484	\$98,484

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Other	\$30,502	\$30,502	\$0
 <b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	755,804	736,284	19,520
<i>Net Change in Fund Balance</i>	(725,302)	(705,782)	19,520
<i>Fund Balance Beginning of Year</i>	1,784,862	1,784,862	0
Prior Year Encumbrances Appropriated	34,236	34,236	0
<i>Fund Balance End of Year</i>	<u>\$1,093,796</u>	<u>\$1,113,316</u>	<u>\$19,520</u>

**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund*  
*For the Year Ended December 31, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Other	\$0	\$360,000	\$360,000
<b>Expenditures</b>	\$0	\$0	\$0
<i>Net Change in Fund Balance</i>	0	360,000	360,000
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$360,000	\$360,000

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	<u>13,894</u>	<u>6,250</u>	<u>7,644</u>
<i>Net Change in Fund Balance</i>	(13,894)	(6,250)	7,644
<i>Fund Balance Beginning of Year</i>	19,052	19,052	0
Prior Year Encumbrances Appropriated	<u>6,250</u>	<u>6,250</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,408</u></u>	<u><u>\$19,052</u></u>	<u><u>\$7,644</u></u>



**City of Brunswick, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park Development Fund*  
*For the Year Ended December 31, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Licenses, Permits and Fees	\$28,685	\$29,179	\$494
Intergovernmental	250,000	250,000	0
<i>Total Revenues</i>	278,685	279,179	494
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	539,084	158,867	380,217
<i>Net Change in Fund Balance</i>	(260,399)	120,312	380,711
<i>Fund Balance Beginning of Year</i>	228,644	228,644	0
Prior Year Encumbrances Appropriated	58,145	58,145	0
<i>Fund Balance End of Year</i>	\$26,390	\$407,101	\$380,711

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	458,566	369,845	88,721
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(458,566)	(369,845)	88,721
<b>Other Financing Sources (Uses)</b>			
Advances In	134,490	134,490	0
Transfers In	446,619	364,905	(81,714)
Transfers Out	(134,490)	0	134,490
<i>Total Other Financing Sources (Uses)</i>	446,619	499,395	52,776
<i>Net Change in Fund Balance</i>	(11,947)	129,550	141,497
<i>Fund Balance Beginning of Year</i>	7,076	7,076	0
Prior Year Encumbrances Appropriated	4,871	4,871	0
<i>Fund Balance End of Year</i>	\$0	\$141,497	\$141,497

**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, 2007*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$598,442	\$356,052	(\$242,390)
Interest	1,884	2,126	242
Other	50,000	0	(50,000)
<i>Total Revenues</i>	650,326	358,178	(292,148)
<b>Expenditures</b>			
Capital Outlay:			
Capital Outlay	1,849,917	729,228	1,120,689
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(1,199,591)	(371,050)	828,541
<b>Other Financing Sources (Uses)</b>			
Advances In	50,000	0	(50,000)
Advances Out	(50,000)	0	50,000
Transfers In	100,000	100,000	0
<i>Total Other Financing Sources (Uses)</i>	100,000	100,000	0
<i>Net Change in Fund Balance</i>	(1,099,591)	(271,050)	828,541
<i>Fund Balance Beginning of Year</i>	1,530,869	1,530,869	0
Prior Year Encumbrances Appropriated	123,364	123,364	0
<i>Fund Balance End of Year</i>	\$554,642	\$1,383,183	\$828,541

*(This Page Intentionally Left Blank)*

## Statistical Section

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

---

<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	<b><i>S2 – S7</i></b>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b><i>Revenue Capacity</i></b> .....	<b><i>S8 – S15</i></b>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<b><i>Debt Capacity</i></b> .....	<b><i>S16 – S20</i></b>
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b><i>Economic and Demographic Information</i></b> .....	<b><i>S21 – S22</i></b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b><i>Operating Information</i></b> .....	<b><i>S23 – S25</i></b>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.

**City of Brunswick, Ohio**  
*Net Assets By Component*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2007	2006	2005	2004	2003	2002	2001
<b>Governmental Activities</b>							
Invested in Capital Assets, Net of Related Debt	\$33,004,241	\$32,353,223	\$32,491,981	\$39,352,980	\$39,092,189	\$38,701,256	\$38,257,685
Restricted:							
Capital Projects	4,049,522	5,794,001	6,373,225	7,869,564	5,997,234	4,723,604	8,198,147
Debt Service	2,651,362	3,046,631	2,315,797	2,446,081	2,801,717	3,777,175	3,158,426
Police	674,589	632,269	603,134	603,770	N/A	N/A	N/A
Fire	1,952,798	1,697,405	1,719,296	1,665,347	N/A	N/A	N/A
Transportation	1,982,049	2,472,078	2,264,163	2,266,131	N/A	N/A	N/A
Cable Television Local Programming	1,179,886	1,069,868	945,910	762,462	N/A	N/A	N/A
Parks and Recreation	410,542	384,408	286,344	335,931	N/A	N/A	N/A
Community improvement	306,396	300,063	295,988	802,181	N/A	N/A	N/A
Other Purposes	247,095	221,255	7,644	82,783	6,406,611	5,934,063	6,500,075
Unrestricted	6,163,949	5,834,727	7,348,443	5,954,658	8,119,022	7,232,661	7,968,442
<i>Total Governmental Activities Net Assets</i>	<u>52,622,429</u>	<u>53,805,928</u>	<u>54,651,925</u>	<u>62,141,888</u>	<u>62,416,773</u>	<u>60,368,759</u>	<u>64,082,775</u>
<b>Business Type - Activity</b>							
Invested in Capital Assets, Net of Related Debt	257,697	281,594	305,682	331,272	13,540	17,425	19,915
Unrestricted	272,769	202,035	208,838	305,608	655,199	598,214	599,774
<i>Total Business-Type Activity Net Assets</i>	<u>530,466</u>	<u>483,629</u>	<u>514,520</u>	<u>636,880</u>	<u>668,739</u>	<u>615,639</u>	<u>619,689</u>
<b>Primary Government</b>							
Invested in Capital Assets, Net of Related Debt	33,261,938	32,634,817	32,797,663	39,684,252	39,105,729	38,718,681	38,277,600
Restricted	13,454,239	15,617,978	14,811,501	16,834,250	15,205,562	14,434,842	17,856,648
Unrestricted	6,436,718	6,036,762	7,557,281	6,260,266	8,774,221	7,830,875	8,568,216
<i>Total Primary Government Net Assets</i>	<u>\$53,152,895</u>	<u>\$54,289,557</u>	<u>\$55,166,445</u>	<u>\$62,778,768</u>	<u>\$63,085,512</u>	<u>\$60,984,398</u>	<u>\$64,702,464</u>

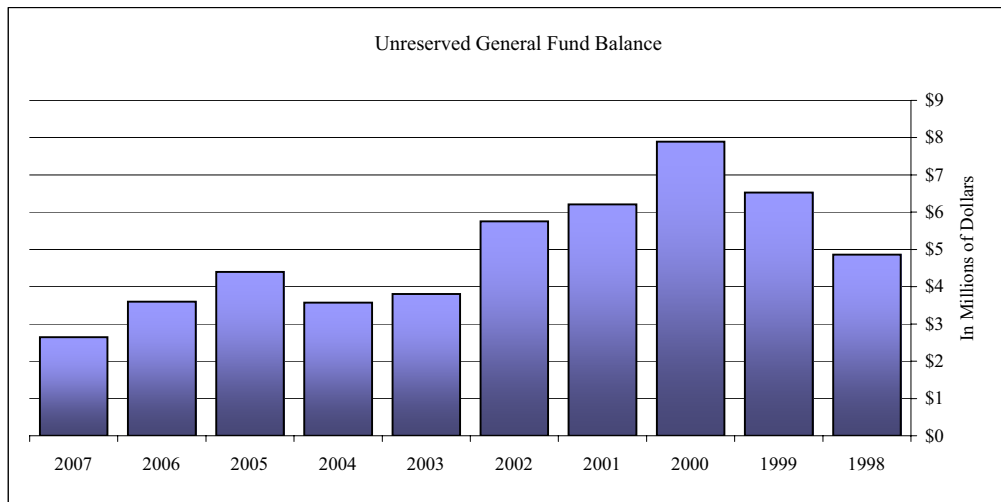
Note: 2004 was the first year other purposes were further identified.

**City of Brunswick, Ohio**  
*Change in Net Assets*  
*Last Six Years*  
*(Accrual Basis of Accounting)*

	2007	2006	2005	2004	2003	2002
<b>Program Revenues</b>						
Governmental Activities:						
Charges for Services:						
General Government	\$661,875	\$500,689	\$479,604	\$434,614	\$553,006	\$681,105
Security of Persons and Property	577,272	544,977	547,382	600,810	417,003	1,308,574
Transportation	26,209	576,574	34,935	15,709	7,214	155,822
Community Environment	971,563	924,851	854,056	1,011,950	594,144	629,830
Public Health Services	3,005	3,130	64,892	141,368	149,326	157,114
Leisure Time Activities	1,190,877	1,160,210	1,092,614	1,236,948	1,123,323	1,239,316
Subtotal - Charges for Services	3,430,801	3,710,431	3,073,483	3,441,399	2,844,016	4,171,761
Operating Grants and Contributions:	1,911,469	2,112,116	2,136,676	1,945,181	1,550,608	2,543,075
Capital Grants and Contributions:	993,535	650,137	792,664	1,137,855	1,051,604	755,058
<i>Total Governmental Activities Program Revenues</i>	<u>6,335,805</u>	<u>6,472,684</u>	<u>6,002,823</u>	<u>6,524,435</u>	<u>5,446,228</u>	<u>7,469,894</u>
Business-Type Activity:						
Charges for Services:						
Refuse	1,749,919	1,582,434	1,550,528	1,545,684	1,581,360	1,515,591
<i>Total Primary Government Program Revenues</i>	<u>8,085,724</u>	<u>8,055,118</u>	<u>7,553,351</u>	<u>8,070,119</u>	<u>7,027,588</u>	<u>8,985,485</u>
<b>Expenses</b>						
Governmental Activities:						
General Government	3,653,469	2,816,111	3,390,213	3,957,619	3,604,869	3,413,240
Security of Persons and Property	9,571,740	9,415,542	9,129,175	7,649,594	6,940,757	8,332,909
Transportation	4,249,283	3,924,014	3,687,267	3,390,709	3,298,189	4,199,350
Community Environment	1,818,776	1,900,429	1,335,463	1,986,991	1,248,223	1,080,047
Public Health Services	29,884	46,475	301,920	349,448	382,577	162,306
Leisure Time Activities	2,272,972	2,294,555	2,410,749	2,298,656	2,033,068	2,121,542
Interest and Fiscal Charges	574,531	531,615	468,839	358,729	409,492	430,787
<i>Total Governmental Activities Expenses</i>	<u>22,170,655</u>	<u>20,928,741</u>	<u>20,723,626</u>	<u>19,991,746</u>	<u>17,917,175</u>	<u>19,740,181</u>
Business-Type Activity						
Refuse	1,703,179	1,706,635	1,672,968	1,617,998	1,528,260	1,501,700
<i>Total Primary Government Program Expenses</i>	<u>23,873,834</u>	<u>22,635,376</u>	<u>22,396,594</u>	<u>21,609,744</u>	<u>19,445,435</u>	<u>21,241,881</u>
<b>Net (Expense)/Revenue</b>						
Governmental Activities	(15,834,850)	(14,456,057)	(14,720,803)	(13,467,311)	(12,470,947)	(12,270,287)
Business-Type Activity	46,740	(124,201)	(122,440)	(72,314)	53,100	13,891
<i>Total Primary Government Net Expense</i>	<u>(15,788,110)</u>	<u>(14,580,258)</u>	<u>(14,843,243)</u>	<u>(13,539,625)</u>	<u>(12,417,847)</u>	<u>(12,256,396)</u>
<b>General Revenues and Other Changes in Net Assets</b>						
Governmental Activities						
Property and Other Local Taxes Levied For:						
General Purposes	1,516,489	1,682,327	1,608,434	1,502,554	1,467,490	1,392,360
Police Pension	191,883	N/A	N/A	N/A	N/A	N/A
Debt Service	415,475	473,975	463,668	394,621	427,801	446,505
Income Taxes Levied For:						
General Purposes	3,705,051	3,516,603	3,513,824	3,316,964	3,088,345	3,203,791
Debt Service	36,679	34,741	32,938	32,121	71,420	32,545
Fire	2,727,912	2,583,884	2,449,791	2,481,449	2,301,777	0
Street Repair and Maintenance	1,295,478	1,085,666	846,265	1,084,331	1,005,818	0
Police	1,228,706	1,163,834	1,103,435	1,117,695	1,036,767	0
Brunswick Transit Authority	114,619	108,567	102,932	104,263	96,714	0
Parks	550,167	521,250	494,075	500,461	464,224	0
Other Purpose	0	0	0	0	0	5,158,246
Grants and Entitlements not Restricted to						
Specific Programs	1,439,760	1,411,996	1,545,535	1,586,733	1,861,276	379,161
Gain on Sale of Assets Held for Resale	0	0	0	355,588	2,268,639	0
Gain on Sale of Capital Assets	0	0	0	0	17,511	0
Interest	961,482	1,002,320	643,300	690,499	294,165	647,790
Other	467,650	118,069	129,228	65,147	117,014	129,896
Loss on Sale of Capital Assets	0	0	(5,702,585)	0	0	0
Transfers	0	(93,172)	0	(40,000)	0	0
<i>Total Governmental Activities</i>	<u>14,651,351</u>	<u>13,610,060</u>	<u>7,230,840</u>	<u>13,192,426</u>	<u>14,518,961</u>	<u>11,390,294</u>
Business-Type Activity						
Other	97	138	80	455	0	160
Transfers	0	93,172	0	40,000	0	0
<i>Total Business-Type Activity</i>	<u>97</u>	<u>93,310</u>	<u>80</u>	<u>40,455</u>	<u>0</u>	<u>160</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>14,651,448</u>	<u>13,703,370</u>	<u>7,230,920</u>	<u>13,232,881</u>	<u>14,518,961</u>	<u>11,390,454</u>
<b>Change in Net Assets</b>						
Governmental Activities	(1,183,499)	(845,997)	(7,489,963)	(274,885)	2,048,014	(879,993)
Business-Type Activity	46,837	(30,891)	(122,360)	(31,859)	53,100	14,051
<i>Total Primary Government Change in Net Assets</i>	<u>(\$1,136,662)</u>	<u>(\$876,888)</u>	<u>(\$7,612,323)</u>	<u>(\$306,744)</u>	<u>\$2,101,114</u>	<u>(\$865,942)</u>

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

	2007	2006	2005	2004
<b>General Fund</b>				
Reserved	\$1,772,772	\$2,155,921	\$2,450,979	\$2,526,780
Unreserved	2,645,280	3,599,382	4,392,771	3,573,993
<b>Total General Fund</b>	<b>4,418,052</b>	<b>5,755,303</b>	<b>6,843,750</b>	<b>6,100,773</b>
<b>All Other Governmental Funds</b>				
Reserved	2,540,016	2,901,069	3,142,957	3,898,410
Unreserved, Undesignated, Reported in:				
Special Revenue funds	2,891,433	3,040,634	3,080,982	3,824,747
Debt Service funds	939,632	1,041,567	803,932	799,854
Capital Projects funds	2,774,665	381,425	1,026,195	710,043
<b>Total All Other Governmental Funds</b>	<b>9,145,746</b>	<b>7,364,695</b>	<b>8,054,066</b>	<b>9,233,054</b>
<b>Total Governmental Funds</b>	<b>\$13,563,798</b>	<b>\$13,119,998</b>	<b>\$14,897,816</b>	<b>\$15,333,827</b>





2003	2002	2001	2000	1999	1998
\$3,316,076	\$2,905,630	\$2,923,319	\$2,445,741	\$1,983,441	\$1,902,951
3,805,381	5,755,504	6,207,004	7,887,991	6,522,808	4,859,517
7,121,457	8,661,134	9,130,323	10,333,732	8,506,249	6,762,468
4,606,776	3,132,687	4,275,787	3,500,273	3,449,622	3,280,760
4,223,076	4,122,085	4,475,842	3,164,429	3,198,609	3,280,635
869,670	959,757	1,062,699	1,241,629	1,232,411	1,129,786
769,420	2,978,774	2,843,448	3,460,621	2,401,859	620,030
10,468,942	11,193,303	12,657,776	11,366,952	10,282,501	8,311,211
\$17,590,399	\$19,854,437	\$21,788,099	\$21,700,684	\$18,788,750	\$15,073,679

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

	2007	2006	2005	2004	2003
<b>Revenues</b>					
Property and Other Taxes	\$2,067,685	\$2,142,256	\$2,056,354	\$1,911,242	\$1,877,786
Municipal Income Taxes	9,294,739	8,812,121	8,531,528	8,278,142	7,926,691
Charges for Services	1,720,581	1,694,330	1,663,950	1,977,325	1,609,278
Permissive Motor Vehicle License Tax	0	0	0	0	0
Special Assessments	240,165	126,446	130,466	134,899	135,899
Licenses, Permits and Fees	1,005,847	986,442	898,640	1,174,158	734,104
Fines and Forfeitures	548,262	492,656	480,171	432,882	545,944
Intergovernmental	4,027,246	4,096,203	4,355,023	4,467,468	4,147,681
Sales	9,128	5,676	12,710	14,744	17,445
Interest	921,370	1,025,789	662,849	344,554	336,368
Contributions and Donations	0	43,634	42,653	29,192	0
Rentals	0	0	0	0	0
Other	467,650	118,069	129,228	65,147	117,014
<i>Total Revenues</i>	<u>20,302,673</u>	<u>19,543,622</u>	<u>18,963,572</u>	<u>18,829,753</u>	<u>17,448,210</u>
<b>Expenditures</b>					
Current:					
General Government	3,510,739	3,215,653	2,631,259	3,891,681	3,525,380
Security of Persons and Property	9,173,610	9,274,006	8,794,037	7,639,752	7,412,518
Transportation	3,664,390	2,880,149	3,222,311	2,812,561	3,044,175
Community Environment	1,305,231	1,012,720	1,519,432	1,218,980	900,780
Public Health Services	6,725	5,550	61,489	110,770	142,773
Leisure Time Activities	2,075,212	2,110,126	2,409,150	2,116,225	2,019,593
Capital Outlay	2,769,815	2,326,127	3,169,334	5,214,484	779,386
Debt Service:					
Principal Retirement	672,105	586,631	595,664	538,717	5,237,717
Interest and Fiscal Charges	428,881	525,410	491,003	349,930	425,777
Issuance Costs	0	4,500	0	0	50,657
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
<i>Total Expenditures</i>	<u>23,606,708</u>	<u>21,940,872</u>	<u>22,893,679</u>	<u>23,893,100</u>	<u>23,538,756</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,304,035)</u>	<u>(2,397,250)</u>	<u>(3,930,107)</u>	<u>(5,063,347)</u>	<u>(6,090,546)</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	0	0	20,258	100	17,511
Sale of Assets Held for Resale	0	0	0	690,499	0
Inception of Capital Lease	197,835	164,613	132,075	0	0
Note Premium	0	0	37,136	0	0
Refunding Notes Issued	0	0	2,030,000	0	0
General Obligation Notes Issued	5,580,000	2,030,000	0	2,030,000	0
Special Assessment Bonds Issued	0	546,000	0	0	1,410,000
Current Refunding	(2,030,000)	(2,030,000)	0	0	0
Proceeds of Refunding Bonds	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
Special Assessment Bond Premium	0	1,991	0	0	130,358
OPWC Loan Issued	0	0	54,627	126,176	0
Payment to Refund Notes	0	0	(2,030,000)	0	0
Transfers In	685,921	913,543	3,371,512	294,270	1,509,665
Transfers Out	(685,921)	(1,006,715)	(3,371,512)	(334,270)	(1,509,665)
<i>Total Other Financing Sources (Uses)</i>	<u>3,747,835</u>	<u>619,432</u>	<u>244,096</u>	<u>2,806,775</u>	<u>1,557,869</u>
<b>Special Item</b>					
Sale of Assets Held for Resale	0	0	0	0	2,268,639
Proceeds from the Sale of Waterlines	0	0	3,250,000	0	0
<i>Net Change in Fund Balances</i>	<u>\$443,800</u>	<u>(\$1,777,818)</u>	<u>(\$436,011)</u>	<u>(\$2,256,572)</u>	<u>(\$2,264,038)</u>
Debt Service as a Percentage of Noncapital Expenditures	5.3%	5.6%	5.8%	5.0%	33.2%

2002	2001	2000	1999	1998
\$1,915,834	\$1,621,576	\$1,602,148	\$1,581,551	\$1,550,378
7,937,383	7,815,996	7,541,536	6,998,853	6,460,709
2,586,843	1,558,635	1,506,997	1,429,831	1,202,170
387,924	410,286	397,306	387,016	378,230
125,898	286,691	428,196	268,354	212,728
661,994	2,006,113	900,832	865,456	935,516
529,516	518,478	620,207	498,272	481,459
3,407,373	3,255,417	3,156,262	3,172,834	3,715,751
22,263	27,071	27,852	34,610	50,887
529,556	798,594	1,127,177	703,104	714,832
0	500	0	0	0
0	15,264	0	0	0
129,896	45,198	228,408	141,515	406,541
<u>18,234,480</u>	<u>18,359,819</u>	<u>17,536,921</u>	<u>16,081,396</u>	<u>16,109,201</u>
3,275,367	4,171,678	2,735,766	2,195,371	2,279,025
7,333,452	6,137,473	5,116,511	4,556,861	4,333,618
2,266,534	2,056,940	2,028,411	2,047,688	1,762,026
973,197	868,139	773,283	790,137	869,300
117,673	112,813	107,726	105,083	85,615
1,897,898	1,705,517	1,493,797	1,410,081	1,349,203
3,011,639	1,894,324	1,171,758	1,383,501	5,647,025
865,716	846,717	591,717	498,801	482,800
426,666	544,872	625,585	621,997	523,642
0	0	0	0	80,737
0	0	0	0	126,500
<u>20,168,142</u>	<u>18,338,473</u>	<u>14,644,554</u>	<u>13,609,520</u>	<u>17,539,491</u>
<u>(1,933,662)</u>	<u>21,346</u>	<u>2,892,367</u>	<u>2,471,876</u>	<u>(1,430,290)</u>
0	66,069	19,567	13,195	36,245
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	1,230,000	4,000,000
0	0	0	0	0
0	0	0	0	3,326,462
0	0	0	0	(3,245,690)
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
1,722,119	2,129,506	2,158,398	2,052,499	1,223,759
<u>(1,722,119)</u>	<u>(2,129,506)</u>	<u>(2,158,398)</u>	<u>(2,052,499)</u>	<u>(1,223,759)</u>
<u>0</u>	<u>66,069</u>	<u>19,567</u>	<u>1,243,195</u>	<u>4,117,017</u>
0	0	0	0	0
0	0	0	0	0
<u>(\$1,933,662)</u>	<u>\$87,415</u>	<u>\$2,911,934</u>	<u>\$3,715,071</u>	<u>\$2,686,727</u>
8.1%	9.2%	9.9%	10.1%	9.4%

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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2007	\$548,225,880	\$121,015,700	\$1,912,118,800	\$7,996,890	\$9,087,375
2006	546,793,420	118,513,210	1,900,876,086	8,649,000	9,828,409
2005	544,282,540	116,302,290	1,887,385,229	9,531,030	10,830,716
2004	500,690,810	98,378,240	1,711,625,857	9,788,860	11,123,705
2003	490,261,110	95,552,730	1,673,753,829	10,001,610	11,365,466
2002	474,073,130	95,357,390	1,626,944,343	9,703,390	11,026,580
2001	408,685,010	71,874,270	1,373,026,514	13,837,630	15,724,580
2000	396,280,900	71,398,430	1,336,226,657	13,803,680	15,686,000
1999	377,307,300	64,575,470	1,262,522,200	15,722,480	17,866,455
1998	350,814,190	63,368,130	1,183,378,057	14,460,450	16,432,330

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

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

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

Source: Medina County, Ohio; County Auditor

<u>Tangible Personal Property</u>					
<u>General Business</u>		<u>Total</u>			Tax Rate (per \$1,000 of Assessed Value)
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	
\$20,695,362	\$165,562,896	\$697,933,832	\$2,086,769,071	33.45%	\$3.25
34,606,697	184,569,051	708,562,327	2,095,273,545	33.82	3.35
42,352,922	169,411,688	712,468,782	2,067,627,632	34.46	3.35
41,285,346	165,141,384	650,143,256	1,887,890,946	34.44	3.35
41,423,866	165,695,464	637,239,316	1,850,814,758	34.43	3.35
38,711,687	154,846,748	617,845,597	1,792,817,670	34.46	3.35
34,705,810	138,823,240	529,102,720	1,527,574,334	34.64	3.35
28,055,480	112,221,920	509,538,490	1,464,134,577	34.80	3.35
25,769,480	103,077,920	483,374,730	1,383,466,575	34.94	3.55
23,801,975	95,207,900	452,444,745	1,295,018,287	34.94	3.65

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

	2007	2006	2005	2004	2003
<b>Unvoted Millage</b>					
Operating	\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>2.6000</u>	<u>2.6000</u>	<u>2.6000</u>	<u>2.6000</u>	<u>2.6000</u>
<b>Voted Millage</b>					
1980 Bond (\$1,200,000)	0.0000	0.0000	0.0000	0.0000	0.0000
1989 Bond (\$4,950,000)	0.6500	0.7500	0.7500	0.7500	0.7500
<i>Total Voted Millage</i>	<u>0.6500</u>	<u>0.7500</u>	<u>0.7500</u>	<u>0.7500</u>	<u>0.7500</u>
<b>Total Millage</b>	<u><u>\$3.2500</u></u>	<u><u>\$3.3500</u></u>	<u><u>\$3.3500</u></u>	<u><u>\$3.3500</u></u>	<u><u>\$3.3500</u></u>
<b>Overlapping Rates by Taxing District</b>					
Brunswick City School District					
Residential/Agricultural Real	\$39.9063	\$35.0086	\$36.7093	\$30.2578	\$30.2613
Commerical/Industrial and Public Utility Real	40.3514	35.1698	36.6780	30.4282	30.2470
General Business and Public Utility Personal	70.3700	65.4700	67.1700	60.6700	60.6700
Medina County					
Residential/Agricultural Real	6.2510	6.3361	6.3560	6.6504	6.6790
Commerical/Industrial and Public Utility Real	6.2038	6.2805	6.2565	6.4669	6.4536
General Business and Public Utility Personal	8.0700	8.2100	8.2200	8.2300	8.2400
Medina JVSD					
Residential/Agricultural Real	2.0000	2.0000	2.0000	2.0000	2.0000
Commerical/Industrial and Public Utility Real	2.0214	2.0274	2.0000	2.0281	2.0122
General Business and Public Utility Personal	3.0500	3.0500	3.0500	3.0500	3.0500
Medina County Library District					
Residential/Agricultural Real	1.6348	1.6397	1.6411	1.6903	0.6933
Commerical/Industrial and Public Utility Real	1.6661	1.6677	1.6585	1.6974	0.6919
General Business and Public Utility Personal	2.2500	2.2500	2.2500	2.2500	1.2500
Medina County Park District					
Residential/Agricultural Real	0.7446	0.3790	0.3801	0.4088	0.4106
Commerical/Industrial and Public Utility Real	0.7424	0.3654	0.3626	0.3826	0.3802
General Business and Public Utility Personal	0.7500	0.5000	0.5000	0.5000	0.5000

Source: Medina County Auditor

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

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

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

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

Property tax rates for tax year 1998 were not available.

2002	2001	2000	1999
\$2.3000	\$2.3000	\$2.3000	\$2.3000
0.3000	0.3000	0.3000	0.3000
2.6000	2.6000	2.6000	2.6000
0.0000	0.0000	0.0000	0.1000
0.7500	0.7500	0.9500	0.9500
0.7500	0.7500	0.9500	1.0500
\$3.3500	\$3.3500	\$3.5500	\$3.6500

\$30.2027	\$31.7941	\$31.6775	\$32.2084
30.1135	33.1983	33.1553	34.1216
61.9200	63.2400	63.2400	63.7700

6.6166	7.0513	5.6993	5.4251
6.2451	7.2673	6.1636	5.9312
8.0600	8.1900	8.2000	7.9200

1.9996	2.0045	2.0000	2.0000
2.0000	2.1655	2.1805	2.2154
3.0500	3.0500	3.0500	3.0500

0.6968	0.8078	0.8047	0.8064
0.6869	0.8920	0.8980	0.9125
1.2500	1.2500	1.2500	1.2500

0.4121	0.4768	0.4749	0.4758
0.3771	0.4891	0.4927	0.4996
0.5000	0.5000	0.5000	0.5000

**City of Brunswick, Ohio**  
*Principal Real Property Taxpayers*  
 2007 and 1998

<i>2007</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
City of Brunswick	\$6,677,890	1.00 %
Centro NP LLC	5,341,240	0.80
Village in the Park	4,653,680	0.70
Mark Spagnuolo LLC	4,466,240	0.67
Laurel Road LTD	4,235,370	0.63
Inland Real Estate Corporation	4,178,190	0.62
WBR Riverview LLC/WBR Snell Inc.	3,500,240	0.52
Interstate Properties LP	2,959,060	0.44
Ohio Edison Company	2,779,760	0.42
HD Development of Maryland, Inc.	2,745,080	0.41

Total	\$41,536,750	6.21 %
-------	--------------	--------

Total Assessed Valuation	\$669,241,580
--------------------------	---------------

<i>1998</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
GTE North Inc.	\$7,083,850	1.71 %
Columbia Gas of Ohio	4,827,850	1.17
Cross Creek Limited	3,858,620	0.93
Ohio Edison Co.	2,959,910	0.71
Clearbrooke Limited	2,485,000	0.60
Laurel Hill Development	2,444,540	0.59
Kimco Brunswick Assoc.	2,440,910	0.59
Interstate Properties	2,152,520	0.52
Mullinax Lincoln	2,045,050	0.49
Brunswick Auto Mart	1,772,400	0.43

Total	\$32,070,650	7.74 %
-------	--------------	--------

Total Assessed Valuation	\$414,182,320
--------------------------	---------------

Source: Medina County, Ohio; County Auditor



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

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2007	\$2,350,695	\$2,116,881	90.05%	\$52,983	\$2,169,864	92.31%	\$59,670	2.54%
2006	2,409,404	2,180,128	90.48	75,763	2,255,891	93.63	90,449	3.75
2005	2,332,042	2,157,390	92.51	49,401	2,206,791	94.63	84,889	3.64
2004	2,130,856	1,985,132	93.16	53,788	2,038,920	95.69	42,785	2.01
2003	2,074,140	1,943,186	93.69	48,313	1,991,499	96.02	53,398	2.57
2002	2,015,896	1,881,416	93.33	44,610	1,926,026	95.54	44,813	2.22
2001	1,770,180	1,669,218	94.30	38,413	1,707,631	96.47	42,170	2.38
2000	1,709,265	1,659,674	97.10	39,727	1,699,401	99.42	38,971	2.28
1999	1,670,254	1,629,239	97.54	50,275	1,679,514	100.55	40,707	2.44
1998	1,658,848	1,611,546	97.15	38,451	1,649,997	99.47	43,057	2.60

Source: Medina County, Ohio; County Auditor

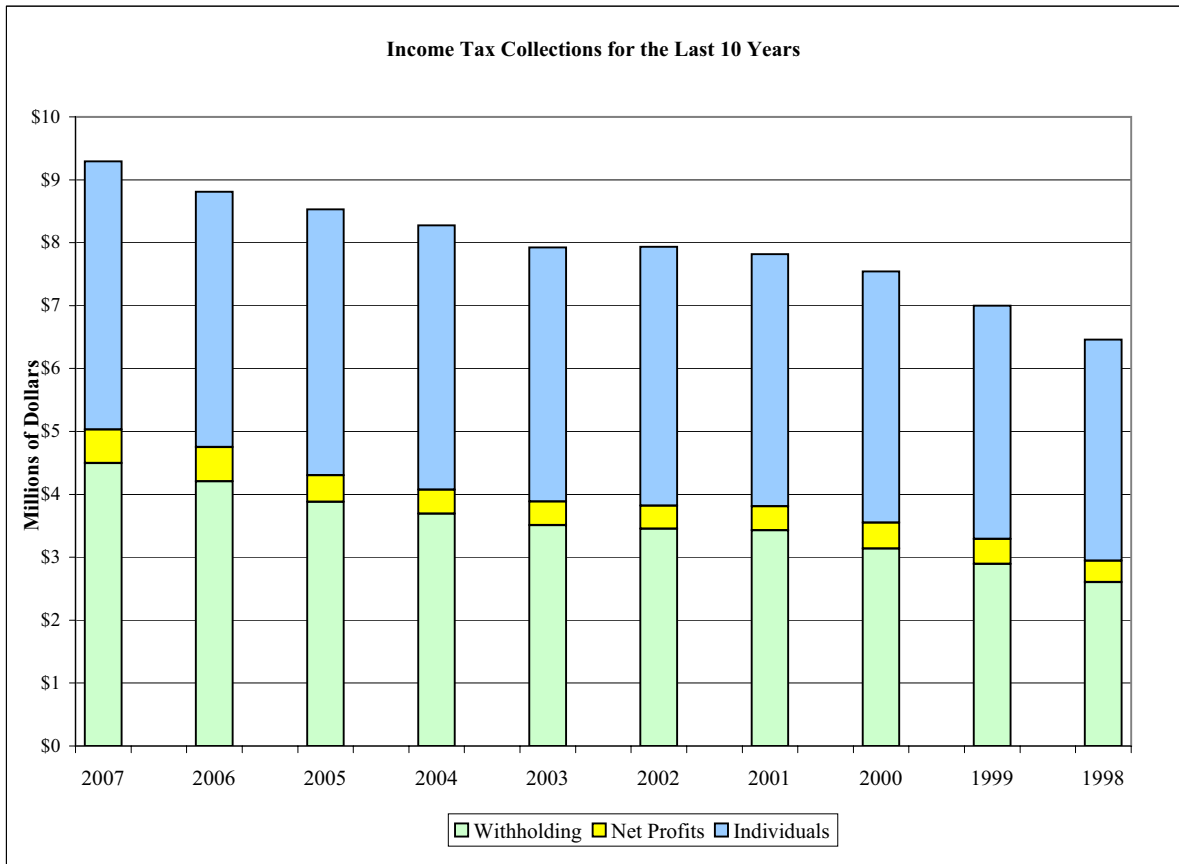
(1) State reimbursement of rollback and homestead exemptions are included.

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

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2007	1.35%	\$9,294,739	\$4,498,654	48.40%	\$530,730	5.71%	\$4,265,355	45.89%
2006	1.35	8,812,121	4,206,907	47.74	546,352	6.20	4,058,862	46.06
2005	1.35	8,531,528	3,881,845	45.50	421,457	4.94	4,228,225	49.56
2004	1.35	8,278,142	3,692,051	44.60	383,278	4.63	4,202,813	50.77
2003	1.35	7,926,691	3,509,939	44.28	378,103	4.77	4,038,649	50.95
2002	1.35	7,937,383	3,455,143	43.53	364,326	4.59	4,117,914	51.88
2001	1.35	7,815,996	3,427,314	43.85	382,984	4.90	4,005,698	51.25
2000	1.35	7,541,536	3,137,279	41.60	411,768	5.46	3,992,489	52.94
1999	1.35	6,998,853	2,895,425	41.37	393,336	5.62	3,710,092	53.01
1998	1.35	6,460,709	2,606,250	40.34	337,895	5.23	3,516,564	54.43

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



**City of Brunswick, Ohio**  
*Ten Largest Municipal Income Tax Withholding Accounts*  
*Tax Years 2007 and 1998*

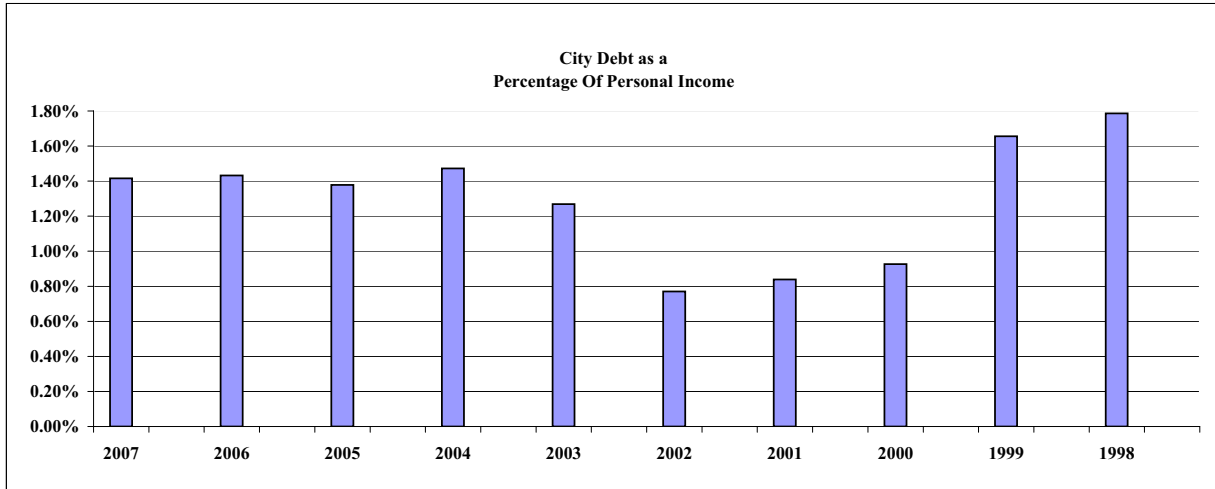
Tax Year 2007		
Taxpayers	Municipal Income Tax Withholding	Percent of Income Tax Collections
Brunswick City Schools	\$511,674	5.50 %
Brunswick Auto Mart, Inc	136,642	1.47
City of Brunswick	125,117	1.35
Riser Foods Company (prior to July 1999 Park Orchards)	71,132	0.77
Tinnerman Palnut Engineered Products, Inc.	61,656	0.66
Transitional Living Centers	58,691	0.63
Designer Showcases, Inc	49,094	0.53
Turf Care Supply Corporation	48,065	0.52
W.W. Williams Midwest, Inc.	44,632	0.48
E.T. Healthcare Providers, Inc.	38,902	0.42
<b>Total</b>	<b>1,145,605</b>	<b>12.33 %</b>
<b>Total Municipal Income Tax Collection</b>	<b>\$9,294,739</b>	

Tax Year 1998		
Taxpayers	Municipal Income Tax Withholding	Percent of Income Tax Collections
Brunswick City Schools	\$315,663	4.89 %
City of Brunswick	76,886	1.19
Eaton Corporation	65,286	1.01
Brunswick Auto Mart, Inc	48,925	0.76
Transitional Living Centers	46,873	0.73
Park Orchards, Inc. DBA (July 1999 - Present - Riser Foods)	36,607	0.57
W.W. Williams Midwest, Inc.	35,842	0.55
Mullinax Lincoln Mercury, Inc.	31,766	0.49
Sharp Tool Service, Inc.	31,177	0.48
International Machining, Inc.	28,698	0.44
<b>Total</b>	<b>717,723</b>	<b>11.11 %</b>
<b>Total Municipal Income Tax Collection</b>	<b>\$6,460,709</b>	

Source: City Financial Records

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

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Notes Payable	Total Primary Government	Total Personal Income (1)	Percentage of Personal Income	Population (2)	Per Capita
2007	\$1,709,812	\$1,881,397	\$162,723	\$8,060,000	\$11,813,932	\$834,724,787	1.42%	38,051	\$310
2006	2,155,529	2,037,985	181,283	7,120,000	11,494,797	802,806,452	1.43	36,596	314
2005	2,579,251	1,609,510	195,803	6,595,000	10,979,564	796,356,974	1.38	36,302	302
2004	3,011,973	1,723,996	151,176	6,705,000	11,592,145	787,099,560	1.47	35,880	323
2003	3,414,695	1,863,482	35,000	4,175,000	9,488,177	747,920,078	1.27	34,094	278
2002	3,752,085	1,958,463	50,000	0	5,760,548	747,920,078	0.77	34,094	169
2001	4,126,903	2,084,361	60,000	0	6,271,264	747,920,078	0.84	34,094	184
2000	4,451,721	2,261,260	70,000	0	6,782,981	732,432,556	0.93	33,388	203
1999	4,821,539	2,423,159	80,000	0	7,324,698	442,272,000	1.66	32,000	229
1998	5,171,357	1,332,142	90,000	1,300,000	7,893,499	441,995,580	1.79	31,980	247



(1) U.S. Census Bureau 2000 and U.S. Census Bureau 1990  
 (2) Estimates 1996-1999, 2001-2005; U.S. Census Bureau 2000

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

Fiscal Year	General Obligation Bonds	Estimated True Value of Taxable Property	Ratio of Bonded Debt to Estimated True Value of Taxable Property	Bonded Debt per Capita
2007	\$1,709,812	\$2,086,769,071	0.08%	\$45
2006	2,155,529	2,095,273,545	0.10	59
2005	2,579,251	2,067,627,632	0.12	71
2004	3,011,973	1,887,890,946	0.16	83
2003	3,414,695	1,850,814,758	0.18	94
2002	3,752,085	1,792,817,670	0.21	103
2001	4,126,903	1,527,574,334	0.27	114
2000	4,451,721	1,464,134,577	0.30	123
1999	4,821,539	1,383,466,575	0.35	133
1998	5,171,357	1,295,018,287	0.40	142

**City of Brunswick, Ohio**  
*Legal Debt Margin Information*  
*Last Ten Years*

	2007	2006	2005	2004	2003
Overall Debt Limitation (10.5% of Assessed Valuation)	\$73,283,052	\$74,399,044	\$74,809,222	\$68,265,042	\$66,910,128
Net Debt Within 10.5% Limitations	9,006,052	8,424,574	8,531,833	9,167,028	7,069,072
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$64,277,000</u>	<u>\$65,974,470</u>	<u>\$66,277,389</u>	<u>\$59,098,014</u>	<u>\$59,841,056</u>
Total net debt applicable to the limit as a percentage of debt limit	12.29%	11.32%	11.40%	13.43%	10.57%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$38,386,361	\$38,970,928	\$39,185,783	\$35,757,879	\$35,048,162
Net Debt Within 5.5% Limitations	9,006,052	8,424,574	6,706,833	9,167,028	7,069,072
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$29,380,309</u>	<u>\$30,546,354</u>	<u>\$32,478,950</u>	<u>\$26,590,851</u>	<u>\$27,979,090</u>
Total net debt applicable to the limit as a percentage of debt limit	23.46%	21.62%	17.12%	25.64%	20.17%

**Legal Debt Margin Calculation for Fiscal Year 2007**

	Unvoted Margin Within 5.5%	Overall Margin Within 10.5%
Assessed property value	<u>\$697,933,832</u>	<u>\$697,933,832</u>
Overall Debt Limitation (percentage of assessed valuation)	\$38,386,361	\$73,283,052
Gross Indebtedness	11,745,689	11,745,689
Less: Special Assessment Bonds	(1,856,965)	(1,856,965)
OPWC Loans	(162,723)	(162,723)
General Obligation Bond Retirement Fund Balance	<u>(719,949)</u>	<u>(719,949)</u>
Net Debt Within Limitations	<u>\$9,006,052</u>	<u>\$9,006,052</u>
Legal Debt Margin Within Limitations	<u>\$29,380,309</u>	<u>\$64,277,000</u>

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

<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$64,873,788	\$55,555,786	\$53,501,541	\$50,754,347	\$47,506,698
<u>3,155,364</u>	<u>3,439,387</u>	<u>3,745,923</u>	<u>4,120,493</u>	<u>5,794,247</u>
<u>\$61,718,424</u>	<u>\$52,116,399</u>	<u>\$49,755,618</u>	<u>\$46,633,854</u>	<u>\$41,712,451</u>
4.86%	6.19%	7.00%	8.12%	12.20%
\$33,981,508	\$29,100,650	\$28,024,617	\$26,585,610	\$24,884,461
<u>3,155,364</u>	<u>389,387</u>	<u>455,923</u>	<u>545,493</u>	<u>1,949,247</u>
<u>\$30,826,144</u>	<u>\$28,711,263</u>	<u>\$27,568,694</u>	<u>\$26,040,117</u>	<u>\$22,935,214</u>
9.29%	1.34%	1.63%	2.05%	7.83%

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

	Debt Attributable to Governmental Activities	Percentage Applicable to City (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brunswick			
General Obligation Bonds	\$1,709,812	100.00%	\$1,709,812
Special Assessment Bonds	1,881,397	100.00	1,881,397
Capital Leases	335,352	100.00	335,352
OPWC Loans	162,723	100.00	162,723
Notes	<u>8,060,000</u>	100.00	<u>8,060,000</u>
Total Direct Debt	<u>12,149,284</u>		<u>12,149,284</u>
Overlapping Debt:			
Payable from Property Taxes			
Medina County Bonds	6,947,768	1.95	135,481
Brunswick City School District Bonds	18,565,081	59.28	11,005,380
Payable from Other Sources:			
Medina County Special Assessment Bonds	1,595,940	1.95	31,121
Medina County OWDA Loans	1,663,521	1.95	32,439
Brunswick City School District Notes	<u>5,223,000</u>	59.28	<u>3,096,194</u>
Total Overlapping Debt	<u>33,995,310</u>		<u>14,300,615</u>
Total Direct and Overlapping Debt	<u>\$46,144,594</u>		<u>\$26,449,899</u>

Source: Medina County, Ohio; County Auditor

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



**City of Brunswick, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

---



---

Year	Population (3)	Total Personal Income (1)	Median Family Income (1)	Per Capita Income (1)	Unemployment Rate (2)		City Square Miles (3)
					Medina County	State of Ohio	
2007	38,051	\$834,724,787	\$62,080	\$21,937	5.2%	6.0%	12.70
2006	36,596	802,806,452	62,080	21,937	4.7	5.5	12.70
2005	36,302	796,356,974	62,080	21,937	4.7	5.9	12.60
2004	35,880	787,099,560	62,080	21,937	4.9	5.9	12.60
2003	34,094	747,920,078	62,080	21,937	5.0	6.1	12.60
2002	34,094	747,920,078	62,080	21,937	4.5	5.7	12.60
2001	34,094	747,920,078	62,080	21,937	3.7	4.2	12.60
2000	33,388	732,432,556	43,009	21,937	3.2	4.1	12.60
1999	32,000	442,272,000	43,009	13,821	3.4	4.3	12.50
1998	31,980	441,995,580	43,009	13,821	3.2	4.3	12.50

(1) U.S. Census Bureau 2000 and U.S. Census Bureau 1990

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

(3) City Records; Team NEO

**City of Brunswick, Ohio**  
Principal Employers  
2006 and Nine Years Ago (1)

<b>2006</b>			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Brunswick City Schools	Education	1,195	7.22 %
Riser Foods Company (Prior to July 1999 - Park Orchards, Inc.)	Grocery Store	467	2.82
City of Brunswick	Municipal Government	287	1.73
Transitional Living Centers	Care Facility	262	1.58
Home Depot	Retail	221	1.34
ET Helalthcare Providers	Care Facility	214	1.29
Kmart	Retail	169	1.02
PCLC Limited Partnership	Lawn Care Service	147	0.89
Brunswick Auto Mart	Auto Dealer	144	0.87
Tops Markets LLC	Grocery Store	131	0.79
<b>Total</b>		<b>3,237</b>	<b>19.57 %</b>
<b>Total Employment within the City</b>		<b>16,542</b>	

<b>1998</b>			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Brunswick City Schools	Education	1,084	7.27 %
TOPS, Inc	Grocery Store	349	2.34
Transitional Living Centers	Care Facility	342	2.29
Park Orchards, Inc DBA (July 1999 - Present - Riser Foods)	Grocery Store	274	1.84
City of Brunswick	Municipal Government	269	1.80
S & T Nursing Home	Care Facility	247	1.66
Kmart	Retail	238	1.60
PCLC Limited Partnership	Lawn Care Service	155	1.04
Scherba Industries, Inc	Inflatable Distributor/Design	142	0.95
Eaton Corporation	Industrial Manufacturer	131	0.87
<b>Total</b>		<b>3,231</b>	<b>21.65 %</b>
<b>Total Employment within the City</b>		<b>14,919</b>	

(1) 2007 information is not available

Source: City Financial Records and Estimate for Total Employment within the City.

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

Function/Program	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
<b>General Government</b>										
City Manager	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Mayor/Mayor's Court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Finance	7.00	7.00	7.00	8.00	8.00	8.00	8.00	7.00	7.00	6.50
Income Tax	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.50	4.50	4.50
Law	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50
<b>Administrative Services</b>										
(Purchasing and H/R)	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.00
Information Systems	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00
<b>Security of Persons and Property</b>										
Safety Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Police	52.50	57.00	55.00	55.50	63.00	58.50	61.00	55.00	53.50	59.00
Animal Control	1.50	1.50	1.50	0.50	2.50	2.00	2.00	1.00	1.50	1.00
Fire	28.50	32.00	31.00	30.00	35.00	34.00	39.00	31.00	29.50	30.50
<b>Community Environment</b>										
Planning and Zoning	2.00	2.00	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Building	8.00	6.50	6.50	6.00	9.00	8.00	8.00	8.00	8.00	7.00
Economic Development	1.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Refuse (Business-Type Activities)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cable TV	4.50	4.00	4.00	3.50	2.50	2.50	2.00	2.00	2.00	2.50
<b>Leisure Time Activities</b>										
Recreation Center	41.50	47.50	46.50	44.00	50.00	42.50	52.00	41.50	38.00	48.00
Senior Citizens	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Parks	12.00	12.00	11.00	7.00	12.00	9.00	12.50	9.00	6.50	13.00
<b>Transportation</b>										
Streets	24.00	24.50	24.00	21.50	23.50	20.00	20.00	17.00	16.00	17.50
Brunswick Transit Authority	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Totals:</b>	<u>208.00</u>	<u>220.00</u>	<u>214.00</u>	<u>204.00</u>	<u>233.50</u>	<u>212.50</u>	<u>232.50</u>	<u>198.00</u>	<u>188.50</u>	<u>211.50</u>

**Note:** All part-time employees, Council Members and Mayor were counted as 0.5 FTE's for the purposes of this table as of December 31, 2007

Source: City Records

**City of Brunswick, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Seven Years (1)*

Function/Program	2007	2006	2005	2004	2003	2002	2001
<b>Police</b>							
Stations	1	1	1	1	1	1	1
Vehicles	15	16	16	15	15	15	15
<b>Fire</b>							
Stations	2	2	2	2	2	2	2
Vehicles	13	14	14	14	14	17	N/A
<b>Highways and Streets</b>							
Streets (in miles)	153	150	130	130	130	130	130
Traffic Signals	25	24	21	21	21	21	21
Other Public Services Vehicles	38	37	36	34	31	26	N/A
Garages	1	1	1	1	1	1	1
Salt Domes	2	2	1	1	1	1	1
<b>Brunswick Transit Authority</b>							
Garages	1	1	1	1	1	1	1
Service Vehicles	5	5	5	8	7	5	5
<b>Recreation</b>							
Recreation Center	1	1	1	1	1	1	1
Number of Parks	19	19	19	19	N/A	N/A	N/A
Number of Baseball Diamonds	9	9	9	9	N/A	N/A	N/A
Number of Playgrounds	15	15	15	15	N/A	N/A	N/A
Number of Tennis Courts	11	11	11	11	N/A	N/A	N/A
Number of Full Sized Soccer Fields	7	7	7	7	N/A	N/A	N/A
Vehicles	17	17	17	15	N/A	N/A	N/A
<b>Cable TV</b>							
Studios	1	1	1	1	1	1	1
Cameras	16	12	12	10	8	4	4

(1) Information is not available prior to 2001.

Source: City Records

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

Function/Program	2007	2006	2005	2004	2003	2002	2001
<b>Safety Services:</b>							
Police Expenditures (in thousands)	\$6,137	\$5,792	\$5,098	\$5,126	\$4,932	\$4,550	\$4,055
Total Arrests	5,957	5,999	5,698	5,258	7,257	7,120	7,304
Traffic Violations	4,865	4,433	4,195	3,712	5,284	5,417	5,423
Parking Violations	922	817	742	507	1,000	889	1,139
Motor Vehicle Accidents	650	765	812	729	781	812	906
Calls for Service/Incidents	40,087	36,027	34,323	35,177	40,653	37,540	38,086
Calls per Resident	1.05	0.98	0.95	0.98	1.19	1.10	1.12
Average Cost per Resident (2)	\$161.29	\$158.27	\$140.44	\$142.85	\$144.67	\$133.44	\$118.93
Fire Expenditures (in thousands)	\$3,075	\$3,196	\$2,988	\$2,755	\$3,065	\$2,822	\$2,443
Inspections	464	338	208	70	220	164	190
Emergency Response Calls	2,368	1,993	2,056	1,849	1,908	1,850	1,737
Transport from Emergency Response Calls	1,558	1,567	1,682	1,483	1,520	1,424	1,324
Fire Calls	375	375	458	392	394	666	732
Total Calls	4,301	3,935	4,196	3,724	3,822	3,940	3,793
Avg Call per Resident	0.11	0.11	0.12	0.10	0.11	0.12	0.11
Average Cost per Resident (2)	\$80.81	\$87.33	\$82.30	\$76.79	\$89.89	\$82.77	\$71.66
Brunswick Transit Authority Expenditures (in thousands)	\$381	\$378	\$360	\$340	\$314	\$276	\$296
Total Vehicle Mile	128,056	129,372	129,758	131,700	132,225	132,300	135,531
Cost per Vehicle Mile (2)	\$2.98	\$2.92	\$2.77	\$2.58	\$2.38	\$2.09	\$2.18
<b>Recreation and Parks</b>							
Recreation Center Expenditures (in thousands)	\$1,026	\$1,209	\$1,271	\$1,252	\$1,277	\$1,176	\$1,203
Members	6,882	5,865	2,812	4,135	N/A	N/A	N/A
Programs Conducted	815	840	785	793	N/A	N/A	N/A
Community Free Events	21	16	12	15	N/A	N/A	N/A
Average Cost per Resident (2)	\$26.97	\$33.05	\$35.01	\$34.89	\$37.45	\$34.49	\$35.29
Parks Expenditures (in thousands)	\$601	\$630	\$687	\$611	\$546	\$495	\$409
Hours maintaining parks and City Buildings	7,700	7,778	8,709	8,910	N/A	N/A	N/A
Hours preparing Fields/Ball Diamonds	2,400	2,450	2,000	1,750	N/A	N/A	N/A
Hours of Snow removal	1,200	1,000	1,350	1,200	N/A	N/A	N/A
Hours of Naturalist Programs	620	618	701	600	N/A	N/A	N/A
Hours of Horticulture, Tree Care, etc.	1,650	1,634	1,800	1,800	N/A	N/A	N/A
Average Cost per Resident (2)	\$15.79	\$17.21	\$18.91	\$17.03	\$16.02	\$14.51	\$11.99
<b>Other Services</b>							
Cable TV Expenditures (in thousands)	\$353	\$212	\$260	\$347	\$222	\$183	\$227
Programs (hours)	950	800	740	700	500	250	200
Average cost per Resident (2)	9.26	5.81	7.17	9.67	6.50	5.37	6.67
Refuse Accounts	11,165	11,144	10,955	10,891	70,765	N/A	N/A
Cost per resident(non-homestead exemption)/year (2)	\$162	\$146	\$145	\$144	\$145	N/A	N/A
Cost per resident(homestead exemption)/year (2)	\$36	\$36	\$36	\$36	\$36	N/A	N/A
Building Expenditures (in thousands)	\$592	\$568	\$576	\$564	\$571	\$560	\$553
Building Permits Issued	75	105	126	347	190	214	326
New Residential Units	37	52	71	294	123	138	244
New Commercial Units	4	8	2	9	15	10	6
New Industrial Units	2	2	2	3	5	1	3
Site Plan Approvals	19	33	12	31	32	23	29
Property Maintenance Court Citations	52	86	81	79	35	66	99
Property Maintenance Violations	623	578	588	1,302	N/A	N/A	N/A
Average Cost per Resident (2)	\$15.55	\$15.51	\$15.87	\$15.72	\$16.75	\$16.41	\$16.21

(1) Information prior to 2001 is not available

(2) Cost is calculated on a cash basis.

Source: City Records

*(This Page Intentionally Left Blank)*