



**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2002**



**Auditor of State  
Betty Montgomery**



CITY OF BRECKSVILLE  
CUYAHOGA COUNTY

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**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY**

**Schedule of Federal Awards Expenditures  
For the Year Ended December 31, 2002**

Federal Grantor/ Pass-Through Grantor/Program Title	Pass-Through Entity Number	CFDA Number	Disbursements
<b>Federal Highway Administration</b>			
<i>Passed Through the Ohio Department of Transportation</i>			
Highway Planning & Construction (Traffic Signalization)	TE21-G990	20.205	<u>\$847,703</u>
<i>Passed Through the Ohio Department of Public Safety</i>			
State and Community Highway Safety (Police Traffic Services)	2001-AL-N/1	20.600	<u>11,281</u>
Total Federal Highway Administration			<u>858,984</u>
<b>U.S. Department of Justice</b>			
<i>Direct Programs</i>			
Bulletproof Vest Partnership	2001-1007427	16.607	<u>4,966</u>
Total U.S. Department of Justice			<u>4,966</u>
Total Federal Financial Disbursements			<u><u>\$863,950</u></u>

**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of federal awards expenditures is a summary of the activity of the City's federal awards programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B – BULLETPROOF VEST PARTNERSHIP & STATE AND COMMUNITY SAFETY GRANTS**

Federal monies received by the City for these programs are commingled with State grants and local revenues. It is assumed that federal monies are expended first.

CFDA - Catalog of Federal Domestic Assistance



**Auditor of State  
Betty Montgomery**

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

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

We have audited the basic financial statements of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2002, and have issued our report thereon dated June 23, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the City in a separate letter dated June 23, 2003.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to the City's management in a separate letter dated June 23, 2003.

This report is intended solely for the information and use of Audit Committee, management and the members of City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

June 23, 2003



## **Auditor of State Betty Montgomery**

### **INDEPENDENT ACCOUNTANTS' REPORT OF COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

#### **Compliance**

We have audited the compliance of the City of Brecksville, Cuyahoga County, Ohio, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2002. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2002.

#### **Internal Control Over Compliance**

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

### **Internal Control Over Compliance (continued)**

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Federal Awards Expenditures**

We have audited the basic financial statements of the City as of and for the year ended December 31, 2002, and have issued our report thereon dated June 23, 2003. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for the purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the Audit Committee, management, members of City Council, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

June 23, 2003

**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 §.505  
FOR THE YEAR ENDED DECEMBER 31, 2002**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Highway Planning & Construction – CFDA # 20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

<b>Finding Number</b>	
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None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.



**CITY OF BRECKSVILLE, OHIO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2002**



**City of Brecksville, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2002*  
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JERRY N. HRUBY, MAYOR AND SAFETY DIRECTOR  
CITY COUNCIL  
NEIL F. BRENNAN, PRESIDENT  
DAVID J. DEUCH, VICE-PRESIDENT  
GERALD F. BROSKI  
LOUIS N. CAROUSE, JR.  
NORA MURPHY  
CARL J. OPATRNY  
LARRY J. POTLA  
MARY SCULLIN, CLERK

June 23, 2003

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

We are pleased to submit to you the City of Brecksville's thirteenth Comprehensive Annual Financial Report (CAFR). The CAFR is for the year ended December 31, 2002.

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

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

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

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

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

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

#### Reporting Entity

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

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



- v -

The Southwest Council of Governments and the Northeast Ohio Public Energy Council are jointly governed organizations whose relationship to the City is described in note 16 to the general purpose financial statements. A complete discussion of the City's reporting entity is provided in note 1 to the basic financial statements.

### **The City of Brecksville and Its Benefits**

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

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

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

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

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

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

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

The City of Brecksville provides many programs for all ages through its Recreation Department. Baseball, basketball, volleyball, swimming, golf, tennis, jazzercise, exercise classes, crafts and day camps are just some of the many programs for family fun, fitness and recreation. Recreational facilities include the 84-acre Blossom Hill property with its gymnasium, playground, pavilion, baseball field and soccer fields. In 2002 work was begun on two new baseball fields with concession and restroom facilities. Completion is expected in the fall of 2003. Financing includes a \$200,000 NatureWorks grant from the State of Ohio. At City Hall there are three lighted baseball fields and three lighted tennis courts. Outdoor basketball courts are located on Stadium Drive. Our 49,000 square foot Community Center houses the Recreation Department as well as a field house, indoor pool, outdoor leisure pool, elevated running track, youth game room, fitness center, whirlpool, saunas and a community room with catering facilities. An average of 1,000 people a day visit the Community Center; 5,766 people are paid members.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. In 2002 the District earned its third consecutive perfect score on the Ohio Department of Education's Local Report Card. Only five school districts in Ohio have accomplished this feat. Brecksville is also home to the extended campuses of two colleges and is home to the Cuyahoga Valley Career Center which is the area's vocational school providing a multitude of adult education programs.

### **City Government**

The City of Brecksville operates under and is governed by its Charter, first adopted by the voters on November 6, 1956 and amended from time to time. The Charter provides for a Mayor-Council form of government. The Mayor will appoint a nine-member Charter Review Commission with City Council approval early in 2003. The Commission reviews the Charter every ten years. All Charter change recommendations by the Commission must be put to a vote of the people at the November General Election.

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

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

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

Security of one's person and property is foremost on the minds of our full-time Police Department. Brecksville prides itself with a low crime rate and rapid response time. There were 31 full-time police officers at the end of 2002.

A core of permanent firefighters, most of whom are paramedics, supplemented by a highly regarded unit of part-time firefighters, staffs the Fire Department on a 24/7 basis. The firefighters are also trained and equipped to provide full ambulance and rescue service. At the end of 2002 the full-time contingent was 15 firefighters. In 2002 the Fire Department answered 942 EMS calls, meaning that our ambulances were dispatched two to three times each day. The department responded to 439 other calls including 15 structure fires.

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

### **Economic Condition and Outlook**

The Brecksville City Administration and City Council are dedicated to the success of the downtown business district, and at the same time, and with the same enthusiasm, have promoted future growth and development of the City's industrial/office area. With the grand opening of Creekview Commons in 2002, the City's third shopping plaza, the downtown retail area is now built out. The industrial/office area on the south side of the City, continues to show both ongoing growth and growth potential.

A March 7, 2000 election approved the rezoning of the City's downtown northeast quadrant from residential to local business. This was the formal beginning of a long-discussed plan to erect a Heinen's supermarket and accompanying retail stores in Brecksville. Much of year 2000 saw deliberations between the City and the Heritage Development Group, laying the groundwork for the more than 94,000 sq. ft. development named Creekview Commons. Groundbreaking took place in 2001 and the first retail establishment to open its doors was the Heinen's supermarket in the early spring of 2002. Soon thereafter three additional buildings opened which house a variety of retail stores and three upscale restaurants, Austin's Steakhouse, Sakura Hibachi Restaurant and Panera Bread. The northeast quadrant was the last major tract of land available for development in downtown Brecksville.

In preparation for the Creekview Commons development the City widened Route 82, its main east-west artery, to four lanes between the Square and the entrance to the Metroparks on the east end of downtown. Also completed in 2002 were the addition of decorative light poles, new sidewalks and a traffic light at the intersection created by the entrance to Creekview Commons which is across from the east entrance to the Brecksville Shopping Center.

During 2002 the second of a two-building development on Brecksville Road was completed and opened. Just off Public Square in downtown Brecksville the 19<sup>th</sup> Century "Stage House," which was irreparable was demolished and a new Stage House replica building now stands in its place. The first building, a two-story, 14,700 square foot office and retail building contains a Starbucks Coffee House, a contemporary hair styling shop for men and women and a Hallmark Gold Crown store. The 8,000 square foot Stage House building which resembles the original building erected by Orin and Austin Edgerton in 1839 opened in 2002. Project developer, The Terra Group, established its headquarters in the second building and they are joined by other professional offices.

In 2002 the Ohio Department of Transportation developed plans to widen the bridge and exit ramp that carries morning rush hour traffic from I-77 to Brecksville's industrial/office area. This will relieve congestion and enhance the viability of this important commercial area. Ameritech (now SBC) completed a second story addition to its technical building on Route 82 in the downtown area. At the same time the exterior of the building was remodeled to coordinate with the Western Reserve style of architecture prevalent in the downtown.

During 2002 the City reviewed development proposals for land at Parkview Drive and Brecksville Road in Brecksville's industrial commercial area on the south side. The Goodrich Company has been selling off the remaining 142 acres of its former complex that was not included in the sale of its Performance Materials Division to the Noveon Company. This will open up approximately 80 acres for prime office/laboratory development over the next several years. Use for the remaining acreage is undetermined.

National City Corporation added 70 more employees to its home equity operations in Brecksville bringing its total number of employees to approximately 180. That number is expected to top 200. National City is also moving its auto-leasing group to another building in Brecksville. The company's home equity loan portfolio grew 21 percent in 2001. A National City executive said the company's home equity lending business "is one area where National City needs to dramatically boost staff. We're creating so many opportunities we're looking to add to this space."

Brecksville continued its long-standing policy of controlled growth. During 2002 there were 1,117 building permits issued. Thirty-six building permits were issued for residential dwelling units, down almost 50 percent from the previous year. The valuation of new dwelling construction was \$14,256,000 meaning the average cost of a newly built home in Brecksville was \$396,000. The total valuation of all permits issued during 2002 was \$22,806,516.

### **Accomplishments**

Our financial picture continues to be strong especially in the face of severe revenue shortfalls being experienced by many governmental entities. In 2001 Moody's Investors Service assigned Brecksville an Aa1 credit rating for the City's General Obligation Bonds. Brecksville is one of only seven cities in Ohio with the coveted Aa1 rating. Less than 3 percent of communities nationwide have achieved an Aa1 rating, only one rating category less than Aaa which is the highest rating possible. Only two Ohio cities are rated Aaa. The upgrade in the rating has meant a lower interest rate in the sale of City bonds and thus a lower overall cost of borrowing and the saving of taxpayer dollars.

The City of Brecksville's Finance Department was proud to receive its twelfth Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Year ended December 31, 2001.

In 2002 the Miller Cable Company completed a citywide traffic resignalization project. With almost \$1.5 million in federal funding nearly all traffic lights were replaced with a new, high tech signal system which has immensely improved traffic flow and traffic safety, especially in the downtown area.

Infrastructure maintenance is a Brecksville priority. The Service Department and independent contractors rebuilt or repaired many City streets. The most significant project was the beginning of a complete reconstruction of Oakes Road from Brecksville Road to the City's western border in 2002. Cuyahoga County will pay 80 percent of the construction costs.

The City of Brecksville takes pride in protecting the environment and promotes programs that preserve our natural beauty and lands. In that vein, the City maintains an aggressive recycling program. This Citywide program conducts curbside pick-up and has a building dedicated solely to administering the program. The City collects metals, glass, newspaper, computer paper and yard waste. In 2002 the Department recycled 43.19 percent of its rubbish, (3,801 tons) compared to a 20.5 percent average for other county municipalities. That meant the City sent only 57 percent of its rubbish to the landfill. In 2002 the City received a grant of \$11,666 which will be used toward the purchase of a 1-¼ ton dump truck and the rebuilding of a recycling trailer. This is the 13th straight year we have been fortunate to receive a grant from the Ohio Department of Natural Resources and Brecksville is the only city in Cuyahoga County that has received this grant for that number of consecutive years.

The City maintains its green trademark with an aggressive tree-planting program begun in 1994. The continuation of that program resulted in the City's designation as a Tree City USA for the eighth consecutive year. In 2002 the City spent \$241,838 in forestry expenditures which included the purchase and planting of 593 trees. The Ohio Department of Natural Resources awarded a \$15,000 Ohio Bicentennial Legacy Tree Planting Grant.

On Memorial Day County Commissioner Tim McCormack joined Mayor Hruby in the City's Memorial Day parade and ceremony at the Brecksville Highland Drive Cemetery. Also speaking that day was Lorraine Moskal, widow of William Moskal, a resident of Brecksville who died in the World Trade Center on September 11<sup>th</sup>. The parade featured the debut of the City's new 20' X 38' American flag which was carried by residents.

The City again demonstrated its patriotism by spearheading a September 11<sup>th</sup> first anniversary service of remembrance, attended by almost 1,000 people.

In 2002 the City broke ground for a major expansion of the Fire Department. The project should be completed in the spring of 2003. Wings are being added to both sides of the building, providing new space for training and two large bays, one of which will accommodate the Sutphen Aerial Platform fire truck acquired in 2001 at a cost of \$708,000. The Department takes great pride in its highly professional paramedic/EMT staff. The primary equipment procurement in 2002 was a Lifepak 12 monitor defibrillator that monitors cardiac rhythms and enables the firefighter/paramedics to defibrillate lethal cardiac arrhythmia.

The City pays annual dues to the Chemical Abuse Prevention Association (CAPA) for a Drug Prevention Coordinator to administer to our students, residents, and employers within the City. CAPA is jointly funded by the Brecksville-Broadview Heights City School District, the cities of Brecksville and Broadview Heights and the CARE Concerned Citizens Group. Our City CARE program entered its 21st year in 2002, attesting to the program's longevity and commitment.

The Brecksville Community Center and Recreation Department maintained its sizable membership roll and continues to offer a variety of programs and activities for all age groups. In September of 2002 the Recreation Department held an entire weekend of events to celebrate the Community Center's tenth anniversary. The Community Center staff ranges from 40 to 75 full and part-time employees depending on the season, ranging from lifeguards and fitness instructors to front desk clerks and building supervisors.

The Department of Human Services has maintained many programs including snow removal and a food bank for senior and low-income residents, Meals on Wheels, health screening, recreational programs and social activities. The Human Services Department, with the support of its Advisory Board, continues to expand its activities and services in order to meet the needs of Brecksville's older and disabled residents. In 2002 the 20th annual Yuletide Hunger program was again a success. 94 families (including 158 children) received food and 65 families benefited from the "Adopt-A-Family" program and received holiday gifts. Cash contributions from the participating cities to the Yuletide program totaled \$14,952. Transporting our seniors and physically challenged residents remains a top priority of the Department. Approximately 70 volunteers drive a fleet of six vehicles including two wheel chair accessible buses, a van and three cars. Transportation is provided for people to kidney dialysis three days a week including holidays.

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

Also, the Service Department was once again responsible for creating beautiful holiday lighting displays at a variety of locations in the City.

### **For the Future**

Looking ahead to 2003 the City:

- Will complete the Fire Department's \$1.5 million expansion and renovation project.
- Will complete the construction of two new ball fields, comfort facilities and adjacent parking at the Blossom Property.
- Anticipates the groundbreaking for a \$7,500,000, 46,000 square foot addition to the Community Center. Two floors of the three-floor structure will house the Human Services Department and the third floor will be additional space for the Recreation Department's physical fitness section. The Human Services facilities will include a 30' X 50' water therapy pool.
- Will open a new section of the Brecksville Highland Drive Cemetery. Two columbarium for cremated remains will begin use and there will be space for approximately 700 gravesites.
- Will commence rebuilding the Southwest Quadrant (Center West) parking complex behind the businesses on Brecksville Road near the Square. This will not only beautify the downtown area but enhance patronage of the businesses as well.
- Will begin the design stages of a proposed Blossom Memorial Park at the Blossom Recreation Property.
- Will commence a sanitary sewer addition and water main relining project on Whitewood Road, Hilton Avenue and Brecksville Road.
- Will begin preparing for water system improvements involving Fitzwater, Riverview and Wiese Roads and Carriage Hill Drive.
- Will continue studying the prospect of constructing a water park facility for residents.
- Will assist the Glen Valley neighborhood (private) in the construction of a new sewer system.
- Will complete the reconstruction of Oakes Road.
- Will benefit from the resurfacing of State Route 82 by the Ohio Department of Transportation.

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

### **Financial Condition**

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

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

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

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

As part of this new reporting model, management is responsible for preparing Management Discussion and Analysis of the City. This discussion follows the independent accountants' report, providing an assessment of the City finances for 2002.

### **Budgetary Control**

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

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

### **Internal Control**

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

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

### **Cash Management**

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

## **Risk Management**

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

## **Independent Auditor**

In accordance with Ohio law, independent audits must be performed on all financial operations of the City. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The Brecksville City Council selected the Auditor of State's Office to perform these services for the year 2002. Their report is presented in the Financial Section.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Comprehensive Annual financial report for the year ended December 31, 2001. A Certificate of Achievement is valid for a period of one year only. The City of Brecksville believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

## **...With Respect For Our Past**

Although Finance Director Dolores A. Wood does not officially retire until January 30, 2003, it is appropriate to recognize her main contributions to this community in this the City's thirteenth Comprehensive Annual Financial Report.

Finance Director Wood began her service with the City as Assistant Finance Director in June of 1976, after serving the City of Garfield Heights in a similar capacity. She became Brecksville's Finance Director on March 1, 1978, and continued her long and distinguished career with the City marked by professionalism and tireless dedication.

Dolores initiated many new programs within the Finance Department, saw the operation computerized, supervised and instituted a safe and productive municipal investment program which brought many dollars to the community, as well as updated the payroll and personnel tracking system.

In 1990, under her leadership, she created the City's first CAFR, and every year thereafter a CAFR was created under her guidance. Under Mrs. Wood's tenure the City's bond rating was updated three times, most recently to Aa1. Brecksville is one of only seven communities in Ohio with such a rating.

On behalf of the citizens of the City of Brecksville, her staff, and each and every member of the City family, we extend to her our sincere appreciation. We thank her for such a long and distinguished career and for the friendship she gave to all of us. We wish her the very best.

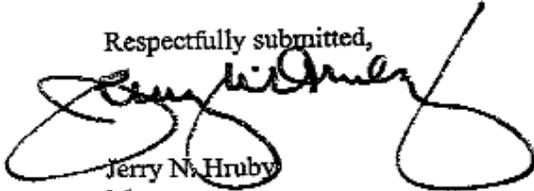
## Acknowledgments

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

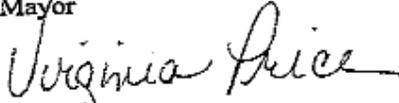
In addition, we would like to thank Brecksville City Council, without whose positive leadership and encouragement, the preparation of this report would not have been possible.

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

Respectfully submitted,



Jerry N. Hruby  
Mayor



Virginia Price  
Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brecksville,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2001

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.



*William Patrick Harte*

President

*Jeffrey R. Enow*

Executive Director

**City of Brecksville, Ohio**

*City Officials*

**ELECTED OFFICIALS**

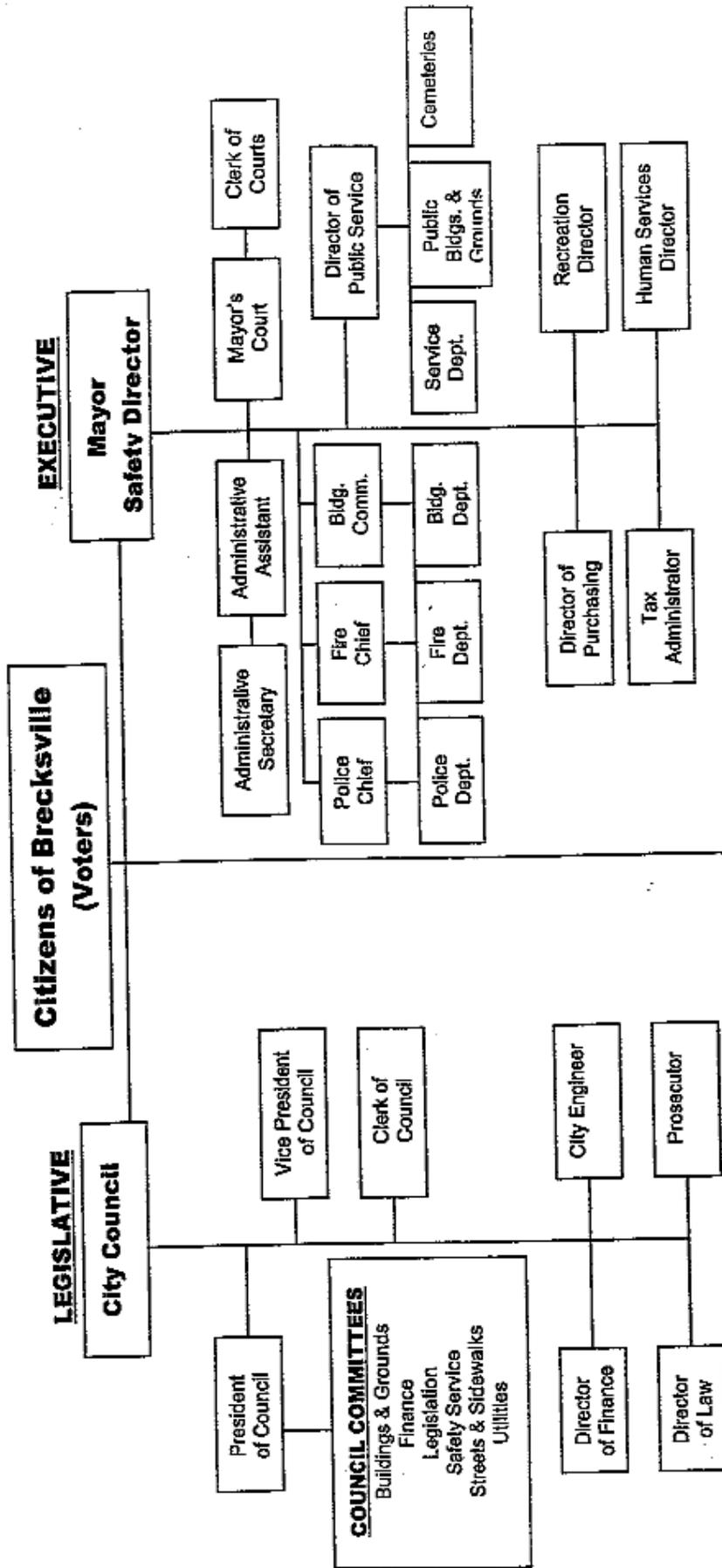
Mayor-Safety Director ..... Jerry N. Hruby  
President of Council ..... Neil F. Brennan  
Vice-President of Council ..... David J. Deuch  
Council Member ..... Gerald F. Broski  
Council Member ..... Louis Carouse  
Council Member ..... Nora Murphy  
Council Member ..... Carl J. Opatrny  
Council Member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

**APPOINTED OFFICIALS**

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

# CITY OF BRECKSVILLE, OHIO

## ORGANIZATIONAL CHART



- BOARDS AND COMMISSIONS**
- Advisory Board of Dept. of Human Services
  - Assessment Equalization Board
  - Board of Design & Construction Review
    - Board of Zoning Appeals
  - Telecommunications Commission
  - Civil Service Commission
  - Community Center Use & Review Board
    - Planning Commission
    - Records Commission
    - Recreation Commission
    - Income Tax Board of Review
    - Volunteer Firemen's Dependents Board

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2002, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, as of December 31, 2002, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General and Fire Department Funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2003, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of 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.

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

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

**Betty Montgomery**  
Auditor of State

June 23, 2003

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

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The discussion and analysis of the City of Brecksville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2002. 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 2002 are as follows:

- Total Net Assets increased \$4,676,767 or a 8.36 percent increase over 2001.
- Total Assets of Governmental Activities increased \$3,109,069 which represents a 4.13 percent increase over 2001.
- Total Current Liabilities decreased by \$916,250 or 11.49 percent from 2001.
- Total Capital Assets increased by \$4,119,215 or 9.01 percent over 2001.
- Total Outstanding Long-term Liabilities at 2002 were \$651,448 less than year 2001 or 5.71 percent decrease.
- On a modified accrual basis, City income tax revenue has decreased by \$969,473 or 7.67 percent.

**Using This Annual Financial Report**

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

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

**Reporting the City of Brecksville as a Whole**

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2002?" 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 for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

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

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

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

### **Reporting the City of Brecksville's Most Significant Funds**

#### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Brecksville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The presentation of the City's major funds begins on page 14. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brecksville, our major funds are the general, fire department, special assessment bond retirement, general municipal improvement, building and improvements and road improvements.

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

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

**The City of Brecksville as a Whole**

Recall that the Statement of Net Assets pictures the City as a whole. Table 1 provides a summary of the City's net assets for 2002 compared to 2001.

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

	Governmental Activities	
	2002	2001
<b>Assets</b>		
Current and Other Assets	\$28,610,812	\$29,620,958
Capital Assets, Net	49,847,047	45,727,832
<i>Total Assets</i>	<u>78,457,859</u>	<u>75,348,790</u>
<b>Liabilities</b>		
Current and Other Liabilities	7,056,933	7,973,183
Long-Term Liabilities:		
Due Within One Year	864,954	766,056
Due In More Than One Year	9,898,533	10,648,879
<i>Total Liabilities</i>	<u>17,820,420</u>	<u>19,388,118</u>
<b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	38,639,023	34,795,536
Restricted for:		
Capital Projects	6,919,152	4,904,140
Debt Service	6,111,400	6,344,837
Other Purposes	2,854,864	2,568,737
Unrestricted	6,113,000	7,347,422
<i>Total Net Assets</i>	<u>\$60,637,439</u>	<u>\$55,960,672</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Brecksville, assets exceeded liabilities by \$60,637,439 at year end 2002. By far the largest portion of the City of Brecksville's net assets (approximately 64 percent) reflects its investment in capital assets including land, construction in progress, buildings and improvements, equipment and machinery, furniture and fixtures, roads, sidewalks, guardrails, storm sewers, sanitary sewers, and waterlines. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Brecksville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

The City's net assets increased by \$4,676,767 during the current fiscal year. The primary factor for this increase is the City's continuing commitment to investment in its infrastructure, indicated by an increase in capital assets of \$4,119,215. Additionally, the City of Brecksville works very hard to stabilize current liabilities and reduce long-term liabilities. As an example, the City budgets \$100,000 per month from income tax revenues to provide future funding for specific building or infrastructure improvements. During 2002 the City was able to reduce its current liabilities by \$916,250 and its long-term liabilities by \$651,448.

The City also carefully invests its funds in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Investment Board which consists of the Mayor, Finance Director, and Law Director pay close attention to daily interest rates and have made the City's money "work for us", an increasingly difficult task in the current period of declining interest rates. The City realized \$714,986 in interest revenue. This additional revenue is utilized as part of the City's plan to pay off short- term debt or pay for future projects or improvements.

Table 2 shows the changes in net assets for the year ended December 31, 2002 compared to 2001.

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

	Governmental Activities	
	2002	2001
<b>Revenues</b>		
Program Revenues		
Charges for Services	\$1,389,736	\$1,401,161
Operating Grants and Contributions	778,363	515,523
Capital Grants and Contributions	1,507,521	2,431,667
Total Program Revenues	3,675,620	4,348,351
General Revenues		
Property Taxes	3,930,627	3,901,487
Income Taxes	11,061,166	12,187,355
Grants and Entitlements	1,781,468	1,186,863
Interest	714,986	964,378
Gain on Sale of Capital Assets	18,321	1,915
Miscellaneous	332,884	676,866
Total General Revenues	17,839,452	18,918,864
<i>Total Revenues</i>	<b>\$21,515,072</b>	<b>\$23,267,215</b>

(continued)

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

	Governmental Activities	
	2002	2001
<b>Program Expenses</b>		
General Government:		
Legislative and Executive	\$4,088,405	\$3,793,602
Judicial	158,683	125,666
Public Safety:		
Police	3,655,090	3,060,371
Fire	1,374,110	1,738,761
Public Health Services	145,378	54,214
Street Construction, Maintenance and Repair	2,784,828	2,760,673
Housing and Community Development	830,697	883,503
Basic Utility Services	1,701,700	1,659,828
Recreational Activities	1,522,030	1,437,308
Interest and Fiscal Charges	577,384	651,325
<i>Total Program Expenses</i>	<u>\$16,838,305</u>	<u>16,165,161</u>
<i>Increase in Net Assets</i>	4,676,767	7,101,964
<i>Net Assets Beginning of Year</i>	<u>55,960,672</u>	<u>48,858,708</u>
<i>Net Assets End of Year</i>	<u>\$60,637,439</u>	<u>\$55,960,672</u>

**Governmental Activities**

Several revenue sources fund our governmental activities with the City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by a Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount for 2002 was \$11,061,166. General revenues from grants and entitlements, such as local government funds, are also sources of revenue.

While City income tax collections in 2002 were 9.24 percent lower than in 2001, the majority of the decrease can be attributed to the poor economy in general. The City had enjoyed a healthy revenue stream in its income tax collections for the past twelve years. This has been especially important to the City because of the sale of the BF Goodrich Research & Development site to Noveon, Inc. and the ongoing reduction in staff at the Brecksville Veterans Administration Hospital, part of the Louis Stokes Cleveland Veterans Administration Center. Despite the downturn in the national economy, Brecksville's tax base has continued to grow with new office development in our City. The City of Brecksville has been very aggressive in the year 2002 collecting delinquent income tax as it has for many years. The catalyst behind its historical growth is a strong economic development program. The number of businesses, be they large or small, provides an income tax base that can sustain the loss of any major tax paying entity and still be able to meet the financial needs of the City. City income tax revenue of \$2,472,000 per year is earmarked for specific city improvements. \$10,000 per month or \$120,000 per year is part of the funding designated for road repaving. \$16,000 per month or \$192,000 per year is part of the funding designated for capital improvements. \$80,000 per month or \$960,000 per year is allocated toward general municipal improvements. \$100,000 per month or \$1,200,000 per year is allocated toward building improvements. These revenues are allocated by Ordinance of City Council providing that a substantial portion of our

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

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income tax collections is set aside for roads, City facilities and capital needs. Of the \$21,515,072 in total revenue, income tax accounts for 51 percent of that total. Property taxes of \$3,930,627 accounts for 18 percent with program revenues, grants and entitlements, investment income and miscellaneous income accounting for the remaining 31 percent.

Public safety, including the police and fire departments, accounted for program expenses of \$5,029,200, which is 30 percent of total City expenses for the year 2002. Street construction, maintenance and repair expenses of \$2,784,828 accounted for 17 percent. These two figures illustrate the City's commitment toward infrastructure maintenance as well as the safety of our citizens. The police and fire departments live within their overtime budgets, which account for a small portion of the total cost of operating both departments.

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

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

As stated previously, 17 percent of our year 2002 program expenses were for road and infrastructure maintenance and repairs. The City funds these projects through short-term notes and by utilizing earmarked income tax dollars as described previously. Because of the City's history of income tax revenue increases we have taken advantage of placing these dollars into our improvement programs and paying off our short term notes annually. Historically the City has either paid cash for improvement projects or issued short-term debt. While City operating expense increases were impacted by poor weather, increased medical costs, and rising energy prices, the City kept total expenses well below total revenues.

### **The City's Funds**

Information about the City's Governmental funds begins on page 14. These funds are accounted for using the modified accrual basis of accounting. All Governmental Funds had total revenue of \$22,027,957 and expenditures of \$21,368,376. The most significant fund is our general fund with an unreserved fund balance at year-end of \$5,695,626 compared to annual expenditures of \$10,867,145. While revenues exceeded expenditures by \$2,429,397, the excess was transferred to other funds. These transfers enabled the City to reduce its short-term debt and fund capital improvements.

### **General Fund Budgeting Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of 2002 the City amended its general fund budget several times, but no amendment was significant. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for Ordinance enactment on the change. The City does allow small interdepartmental budget changes that modify line items within departments within the same fund. The general fund supports many of our major activities including the Police Department, Recreation Department, and most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

**City of Brecksville, Ohio**  
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*For the Year Ended December 31, 2002*  
*Unaudited*

**Capital Assets and Debt Administration**

*Capital Assets*

**Table 3**  
**Capital Assets at December 31**

	Governmental Activities	
	2002	2001
Land	\$ 4,050,626	\$ 4,003,927
Construction in Progress	5,723,093	1,322,134
Buildings and Improvements	8,261,102	8,462,196
Equipment and Machinery	4,048,335	4,347,446
Furniture and Fixtures	123,258	113,749
Infrastructure		
Roads	10,500,282	10,268,748
Sidewalks	1,432,554	1,316,988
Guardrails	23,031	34,547
Storm Sewer	3,327,763	3,334,531
Sanitary Sewer	7,807,301	7,908,499
Water Lines	4,549,702	4,615,067
<i>Total Capital Assets</i>	<u>\$49,847,047</u>	<u>\$45,727,832</u>

Total capital assets for the City of Brecksville as of December 31, 2002 were \$49,847,047, \$4,119,215 more than 2001. The most significant increases in our capital assets came in the area of construction in progress. The City is committed to a long-term goal of rebuilding its infrastructure and facilities. We have a capital plan in place providing for rebuilding major residential streets, water, sewer and storm sewer lines, and adding additional facilities to complement our current structures.

In 2002, the City completed the Edgerton Culvert Replacement and State Route 82 projects. Additional roadwork was performed on Sunnysdale, State Route 82 widening, Oakes Road reconstruction, and engineering was developed on several other road projects. Additionally the fire station expansion and human services building project contributed to building projects in process while the City's recreational assets were enhanced by the renovation of playing fields.

The City of Brecksville seeks grants for infrastructure projects as well as improving our City facilities. In 2002 it received over \$1.4 million through the Ohio Department of Transportation for city-wide traffic resignalization. Use of grants and loans as well as short-term notes enable the City to improve its capital assets and at the same time maintain our fund levels. See Note 8 for additional information on capital assets.

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

**Debt**

As of December 31, 2002, the City of Brecksville had \$11,763,487 in bonds, notes, loans and compensated absences outstanding with \$1,864,954 due within one year.

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

	Governmental Activities	
	2002	2001
General Obligation Bonds	\$4,874,400	\$ 5,238,937
Special Assessment Bonds	4,772,000	5,097,000
Notes	1,000,000	2,000,000
OPWC Loans	561,624	606,794
Compensated Absences	555,463	472,204
<i>Total</i>	\$11,763,487	\$13,414,935

The General Obligation Bond Retirement bonds are composed of a Library Refunding Bond of \$1,609,400, two Community Center Bonds; one for \$1,880,000 and one for \$1,385,000. On November 7, 1989, effective January 1, 1990, voters passed a ½ percent City income tax increase (from 1½ percent to 2 percent with 100 percent credit). The ½ percent was designated for the construction of a Community Center, the purchase of Blossom Hill property (\$1,000,000) and capital improvements. Each month, \$80,000 is put into a General Municipal Improvement Fund. Money is transferred into the General Obligation Bond Retirement fund for payment of the Community Center bonds.

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

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

The OPWC Loans are paid semi-annually from the Capital Improvement Fund, the Road Improvement Charter Levy Fund, and the Public Utility Improvement Fund and will be paid in full in the year 2016.

The City's overall debt was reduced by \$1,651,448 (12.32 percent) due to the payment of one \$2,000,000 note, the subsequent issue of \$1,000,000 note and the annual payments of other existing debt. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 21, 2002 was \$53,826,614. The aggregated outstanding debt after issuance of bonds subject to the ten and one half percent limitation is \$4,997,821. The difference of \$48,828,793 between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one half-percent limitation. See Note 13 for additional information on City's debt.

**City of Brecksville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2002*  
*Unaudited*

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**Current Financial Related Activities**

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

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

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

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

**Contacting the City's Finance Department**

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

**City Of Brecksville, Ohio**

*Statement of Net Assets*

*December 31, 2002*

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	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$15,068,230
Cash and Cash Equivalents in Segregated Accounts	10,480
Materials and Supplies Inventory	88,332
Accounts Receivable	262,409
Intergovernmental Receivable	1,628,493
Prepaid Items	49,475
Municipal Income Taxes Receivable	2,422,735
Property Taxes Receivable	4,308,658
Special Assessments Receivable	4,772,000
Nondepreciable Capital Assets, Net	9,773,719
Depreciable Capital Assets, Net	<u>40,073,328</u>
<i>Total Assets</i>	<u>78,457,859</u>
<b>Liabilities</b>	
Accounts Payable	24,006
Contracts Payable	387,416
Retainage Payable	136,210
Accrued Wages and Benefits	492,146
Intergovernmental Payable	611,610
Deferred Revenue	4,133,188
Accrued Interest Payable	55,632
Claims Payable	216,725
Notes Payable	1,000,000
Long-Term Liabilities:	
Due Within One Year	864,954
Due In More Than One Year	<u>9,898,533</u>
<i>Total Liabilities</i>	<u>17,820,420</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	38,639,023
Restricted for:	
Capital Projects	6,919,152
Debt Service	6,111,400
Other Purposes	2,854,864
Unrestricted	<u>6,113,000</u>
<i>Total Net Assets</i>	<u><u>\$60,637,439</u></u>

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2002

	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions		
<b>Governmental Activities</b>					
General Government:					
Legislative and Executive	\$4,088,405	\$214,328	\$4,696	\$0	(\$3,869,381)
Judicial System	158,683	346,837	0	0	188,154
Public Safety:					
Police	3,655,090	40,233	41,587	0	(3,573,270)
Fire	1,374,110	3,843	5,542	4,050	(1,360,675)
Public Health Services	145,378	19,691	0	0	(125,687)
Street Construction, Maintenance and Repair	2,784,828	330	479,926	1,436,541	(868,031)
Housing and Community Development	830,697	162,026	222,928	0	(445,743)
Basic Utility Services	1,701,700	0	20,000	43,490	(1,638,210)
Recreational Activities	1,522,030	602,448	3,684	23,440	(892,458)
Interest and Fiscal Charges	577,384	0	0	0	(577,384)
<i>Total Governmental Activities</i>	<u>\$16,838,305</u>	<u>\$1,389,736</u>	<u>\$778,363</u>	<u>\$1,507,521</u>	<u>(13,162,685)</u>

**General Revenues**

Property Taxes Levied for:

General Purposes	1,586,320
Fire Department	1,535,769
Other Purposes	587,206
Debt Service	221,332

Income Taxes Levied for:

General Purposes	8,684,168
Capital Outlay	2,376,998

Grants and Entitlements not Restricted  
to Specific Programs

Investment Earnings	1,781,468
Gain on Sale of Capital Assets	714,986
Miscellaneous	18,321
	<u>332,884</u>

*Total General Revenues*

17,839,452

Change in Net Assets

4,676,767

*Net Assets Beginning of Year*

*Restated - (See Note 3)*

55,960,672

*Net Assets End of Year*

\$60,637,439

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2002*

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Building and Improvements
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$5,482,556	\$401,199	\$156,087	\$570,646	\$1,598,163
Cash and Cash Equivalents:					
In Segregated Accounts	7,825	0	0	0	0
Municipal Income Taxes Receivable	1,921,702	0	0	194,576	243,220
Property Taxes Receivable	1,724,491	1,662,324	0	0	0
Accounts Receivable	39,341	0	0	0	0
Intergovernmental Receivable	610,580	93,384	0	0	0
Materials and Supplies Inventory	58,902	0	0	0	0
Prepaid Items	49,475	0	0	0	0
Special Assessments Receivable	0	0	4,772,000	0	0
<i>Total Assets</i>	<u>\$9,894,872</u>	<u>\$2,156,907</u>	<u>\$4,928,087</u>	<u>\$765,222</u>	<u>\$1,841,383</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$18,975	\$328	\$0	\$0	\$0
Contracts Payable	10,457	0	0	1,275	0
Retainage Payable	0	0	0	0	0
Accrued Wages and Benefits	385,482	72,779	0	0	0
Intergovernmental Payable	27,488	1,690	0	0	0
Deferred Revenue	3,570,365	1,755,708	4,772,000	114,576	143,220
Accrued Interest Payable	0	0	0	0	0
Notes Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>4,012,767</u>	<u>1,830,505</u>	<u>4,772,000</u>	<u>115,851</u>	<u>143,220</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	186,479	12,684	0	2,632	0
Unreserved:					
General Fund	5,695,626	0	0	0	0
Special Revenue Funds	0	313,718	0	0	0
Debt Service Funds	0	0	156,087	0	0
Capital Projects Funds (Deficit)	0	0	0	646,739	1,698,163
<i>Total Fund Balances</i>	<u>5,882,105</u>	<u>326,402</u>	<u>156,087</u>	<u>649,371</u>	<u>1,698,163</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$9,894,872</u>	<u>\$2,156,907</u>	<u>\$4,928,087</u>	<u>\$765,222</u>	<u>\$1,841,383</u>

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2002*

Road Improvements	Other Governmental Funds	Total Governmental Funds
\$1,501,479	\$5,315,853	\$15,025,983
0	0	7,825
24,322	38,915	2,422,735
0	921,843	4,308,658
0	2,669	42,010
450,000	474,529	1,628,493
0	29,430	88,332
0	0	49,475
0	0	4,772,000
<u>\$1,975,801</u>	<u>\$6,783,239</u>	<u>\$28,345,511</u>
\$374	\$4,160	\$23,837
0	375,684	387,416
0	136,210	136,210
0	33,885	492,146
0	1,439	30,617
14,322	1,389,269	11,759,460
15,536	0	15,536
1,000,000	0	1,000,000
<u>1,030,232</u>	<u>1,940,647</u>	<u>13,845,222</u>
1,203,260	1,808,345	3,213,400
0	0	5,695,626
0	1,151,059	1,464,777
0	322,179	478,266
(257,691)	1,561,009	3,648,220
<u>945,569</u>	<u>4,842,592</u>	<u>14,500,289</u>
<u>\$1,975,801</u>	<u>\$6,783,239</u>	<u>\$28,345,511</u>

<b>Total Governmental Fund Balances</b>	\$14,500,289
<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	49,847,047
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	175,470
Intergovernmental	1,026,591
Municipal Income Taxes	1,652,211
Special Assessments	<u>4,772,000</u>
Total	7,626,272
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	48,407
Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(580,993)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(40,096)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(4,874,400)
Special Assessment Bonds	(4,772,000)
OPWC Loans	(561,624)
Compensated Absences	<u>(555,463)</u>
Total	<u>(10,763,487)</u>
<i>Net Assets of Governmental Activities</i>	<u>\$60,637,439</u>

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2002*

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Building and Improvements	Road Improvements
<b>Revenues</b>						
Property and Other Taxes	\$1,587,585	\$1,536,995	\$0	\$0	\$0	\$0
Municipal Income Taxes	9,200,006	0	0	960,000	1,200,000	120,000
Charges for Services	41,379	3,723	0	0	0	0
Licenses and Permits	215,889	120	0	390	0	1,040
Fines and Forfeitures	329,447	0	0	0	0	0
Intergovernmental	1,373,489	239,693	0	0	0	1,328,116
Special Assessments	0	0	325,000	0	0	0
Interest	215,563	10,347	337,687	6,114	26,177	31,537
Donations	4,696	200	0	0	0	0
Rentals	112,359	0	0	0	0	0
Miscellaneous	216,129	8,611	0	11,577	0	116,726
<i>Total Revenues</i>	<u>13,296,542</u>	<u>1,799,689</u>	<u>662,687</u>	<u>978,081</u>	<u>1,226,177</u>	<u>1,597,419</u>
<b>Expenditures</b>						
Current:						
General Government:						
Legislative and Executive	3,481,423	0	6,591	0	0	0
Judicial System	146,231	0	0	0	0	0
Public Safety:						
Police	3,218,647	0	0	0	0	0
Fire	25,186	1,616,491	0	0	0	0
Public Health Services	142,703	0	0	0	0	0
Street Construction, Maintenance and Repair	1,745,386	0	0	0	0	0
Housing and Community Development	767,720	0	0	0	0	0
Basic Utility Services	1,324,054	0	0	0	0	0
Recreational Activities	15,795	0	0	0	0	0
Capital Outlay	0	0	0	145,311	0	2,702,370
Debt Service:						
Principal Retirement	0	0	325,000	0	0	0
Interest and Fiscal Charges	0	0	292,622	25,600	0	15,536
<i>Total Expenditures</i>	<u>10,867,145</u>	<u>1,616,491</u>	<u>624,213</u>	<u>170,911</u>	<u>0</u>	<u>2,717,906</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,429,397</u>	<u>183,198</u>	<u>38,474</u>	<u>807,170</u>	<u>1,226,177</u>	<u>(1,120,487)</u>
<b>Other Financing Sources (Uses)</b>						
Sale of Capital Assets	23,963	875	0	0	0	0
Transfers In	0	0	0	2,037,498	0	912,000
Transfers Out	(3,009,562)	(120,000)	0	(433,142)	(1,800,000)	(262,498)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,985,599)</u>	<u>(119,125)</u>	<u>0</u>	<u>1,604,356</u>	<u>(1,800,000)</u>	<u>649,502</u>
<i>Net Change in Fund Balances</i>	(556,202)	64,073	38,474	2,411,526	(573,823)	(470,985)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>6,438,307</u>	<u>262,329</u>	<u>117,613</u>	<u>(1,762,155)</u>	<u>2,271,986</u>	<u>1,416,554</u>
<i>Fund Balances End of Year</i>	<u>\$5,882,105</u>	<u>\$326,402</u>	<u>\$156,087</u>	<u>\$649,371</u>	<u>\$1,698,163</u>	<u>\$945,569</u>

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2002*

Other Governmental Funds	Total Governmental Funds
\$809,182	\$3,933,762
192,000	11,672,006
576,878	621,980
118,091	335,530
24,250	353,697
554,764	3,496,062
0	325,000
87,561	714,986
3,715	8,611
38,580	150,939
62,341	415,384
<u>2,467,362</u>	<u>22,027,957</u>
2,736	3,490,750
7,788	154,019
201,291	3,419,938
0	1,641,677
0	142,703
823,494	2,568,880
195,959	963,679
0	1,324,054
1,476,954	1,492,749
1,977,443	4,825,124
435,170	760,170
250,875	584,633
<u>5,371,710</u>	<u>21,368,376</u>
<u>(2,904,348)</u>	<u>659,581</u>
0	24,838
3,132,874	6,082,372
<u>(457,170)</u>	<u>(6,082,372)</u>
<u>2,675,704</u>	<u>24,838</u>
(228,644)	684,419
<u>5,071,236</u>	<u>13,815,870</u>
<u>\$4,842,592</u>	<u>\$14,500,289</u>

**Net Change in Fund Balances - Total Governmental Funds** \$684,419

*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	6,052,519	
Current Year Depreciation	<u>(1,859,181)</u>	
Total		4,193,338

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. (74,123)

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

Property Taxes	(3,135)	
Intergovernmental	407,769	
Municipal Income Taxes	(610,840)	
Special Assessments	<u>(325,000)</u>	
Total		(531,206)

Repayment of bond principal and loans is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 760,170

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	7,249	
Bond Accretion	<u>(25,463)</u>	
Total		(18,214)

Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represent contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	(83,259)	
Pension Obligation	<u>(167,164)</u>	
Total		(250,423)

The internal service fund used by management to charge the individual funds is reported in the district-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. (87,194)

*Change in Net Assets of Governmental Activities* \$4,676,767

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property and Other Taxes	\$1,550,204	\$1,578,640	\$1,587,585	\$8,945
Municipal Income Taxes	7,490,598	7,628,000	9,215,926	1,587,926
Charges for Services	48,553	49,444	64,529	15,085
Licenses and Permits	148,352	151,073	215,889	64,816
Fines and Forfeitures	300,488	306,000	332,166	26,166
Intergovernmental	1,074,716	1,094,430	1,494,934	400,504
Interest	314,037	319,797	218,388	(101,409)
Donations	3,715	3,783	4,696	913
Rentals	30,735	31,299	79,177	47,878
Miscellaneous	69,668	70,741	216,047	145,306
<i>Total Revenues</i>	11,031,066	11,233,207	13,429,337	2,196,130
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	5,236,906	5,160,719	3,803,746	1,356,973
Judicial System	161,598	163,003	151,951	11,052
Public Safety:				
Police	3,636,997	3,670,112	3,243,005	427,107
Fire	48,618	48,618	26,607	22,011
Public Health Services	123,971	144,953	138,076	6,877
Street Construction, Maintenance and Repair	1,830,536	1,952,678	1,754,724	197,954
Housing and Community Development	896,026	902,846	770,193	132,653
Basic Utility Services	1,784,151	1,790,854	1,356,140	434,714
Recreational Activities	89,900	89,900	17,155	72,745
<i>Total Expenditures</i>	13,808,703	13,923,683	11,261,597	2,662,086
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,777,637)	(2,690,476)	2,167,740	4,858,216
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	8,449	8,809	23,963	15,154
Transfers Out	(3,051,623)	(3,409,562)	(3,009,562)	400,000
<i>Total Other Financing Sources (Uses)</i>	(3,043,174)	(3,400,753)	(2,985,599)	415,154
<i>Net Change in Fund Balance</i>	(5,820,811)	(6,091,229)	(817,859)	5,273,370
<i>Fund Balance Beginning of Year</i>	5,763,108	5,763,108	5,763,108	0
Prior Year Encumbrances Appropriated	329,203	329,203	329,203	0
<i>Fund Balance End of Year</i>	\$271,500	\$1,082	\$5,274,452	\$5,273,370

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Fire Department Fund  
For the Year Ended December 31, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property and Other Taxes	\$1,707,397	\$1,519,997	\$1,536,995	\$16,998
Charges for Services	0	0	3,723	3,723
Licenses and Permits	103	103	120	17
Intergovernmental	0	187,400	240,873	53,473
Interest	20,001	20,001	10,988	(9,013)
Donations	0	0	200	200
Other	0	0	8,611	8,611
<i>Total Revenues</i>	<u>1,727,501</u>	<u>1,727,501</u>	<u>1,801,510</u>	<u>74,009</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Fire	<u>1,936,731</u>	<u>1,936,731</u>	<u>1,623,100</u>	<u>313,631</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(209,230)</u>	<u>(209,230)</u>	<u>178,410</u>	<u>387,640</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	0	875	875
Transfers Out	<u>(120,000)</u>	<u>(120,000)</u>	<u>(120,000)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(120,000)</u>	<u>(120,000)</u>	<u>(119,125)</u>	<u>875</u>
<i>Net Change in Fund Balance</i>	<u>(329,230)</u>	<u>(329,230)</u>	<u>59,285</u>	<u>388,515</u>
<i>Fund Balance Beginning of Year</i>	306,905	306,905	306,905	0
Prior Year Encumbrances Appropriated	<u>22,325</u>	<u>22,325</u>	<u>22,325</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$388,515</u></u>	<u><u>\$388,515</u></u>

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Fund*  
*December 31, 2002*

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	Internal Service Fund - Insurance
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$42,247
Cash and Cash Equivalents In Segregated Accounts	2,655
Accounts Receivable	220,399
<i>Total Assets</i>	<u>265,301</u>
<b>Liabilities</b>	
Accounts Payable	169
Claims Payable	216,725
<i>Total Liabilities</i>	<u>216,894</u>
<b>Net Assets</b>	
Unrestricted	<u><u>\$48,407</u></u>

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Fund  
For the Year Ended December 31, 2002*

	Internal Service Fund - Insurance
<b>Operating Revenues</b>	
Charges for Services	\$1,036,194
Miscellaneous	361,802
<i>Total Operating Revenues</i>	1,397,996
<b>Operating Expenses</b>	
Purchased Services	239,511
Claims	1,246,445
<i>Total Operating Expenses</i>	1,485,956
<i>Operating Loss</i>	(87,960)
<b>Non Operating Revenues</b>	
Interest	766
<i>Change in Net Assets</i>	(87,194)
<i>Net Assets Beginning of Year</i>	135,601
<i>Net Assets End of Year</i>	\$48,407

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Cash Flows*  
*Proprietary Fund*  
For the Year Ended December 31, 2002

	Internal Service Fund - Insurance
<b><i>Increase (Decrease) In Cash and Cash Equivalents</i></b>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Interfund Services	\$1,213,712
Cash Received from Other Operating Sources	141,403
Cash Payments to Suppliers for Goods and Services	(239,342)
Cash Payments for Claims	(1,207,238)
<i>Net Cash Used for Operating Activities</i>	(91,465)
<b>Cash Flows from Investing Activities</b>	
Interest	766
<i>Net Decrease In Cash and Cash Equivalents</i>	(90,699)
<i>Cash and Cash Equivalents Beginning of Year</i>	135,601
<i>Cash and Cash Equivalents End of Year</i>	\$44,902
 <b>Reconciliation of Operating Loss to Net Cash Used For Operating Activities</b>	
<i>Operating Loss</i>	(\$87,960)
(Increase)/Decrease in Assets:	
Accounts Receivable	(220,399)
Due from Other Funds	177,518
Increase in Liabilities:	
Accounts Payable	169
Claims Payable	39,207
<i>Net Cash Used for Operating Activities</i>	(\$91,465)

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*December 31, 2002*

	<u>Private Purpose Trust</u>	
	<u>Cemetery</u>	<u>Agency</u>
<b>Assets</b>		
Equity Pooled in Cash and Cash Equivalents	<u>\$3,199</u>	<u>\$538,523</u>
<b>Liabilities</b>		
Undistributed Monies	\$0	\$7,638
Deposits Held and Due to Others	<u>0</u>	<u>530,885</u>
<i>Total Liabilities</i>	<u>0</u>	<u>\$538,523</u>
<b>Net Assets</b>		
Held in Trust for Cemetery	<u>\$3,199</u>	

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Fund*  
*For the Year Ended December 31, 2002*

	Private Purpose Trust
	Cemetery
<b>Additions</b>	
Interest	\$24
<b>Deductions</b>	192
<i>Change in Net Assets</i>	(168)
<i>Net Assets Beginning of Year</i>	3,367
<i>Net Assets End of Year</i>	\$3,199

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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**Note 1 - Description of the City and Reporting Entity**

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

***Reporting Entity***

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

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

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

**Note 2 - Summary of Significant Accounting Policies**

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

***A. Basis of Presentation***

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses.

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

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

***B. Fund Accounting***

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

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

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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

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

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

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

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

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

***Internal Service Fund*** This fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City utilizes an internal service fund to account for the operation of the City's self insurance program for employee health benefits.

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

### ***C. Measurement Focus***

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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

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

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

***D. Basis of Accounting***

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

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

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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**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, 2002, but which were levied to finance year 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

**E. Cash and Cash Equivalents**

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

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

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

During 2002, investments were limited to repurchase agreements, Federal Home Loan Mortgage Bonds, Federal National Mortgage Association Bonds, Federal Home Loan Bank Bonds and State Treasury Asset Reserve of Ohio (STAROhio).

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2002.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to all funds. Interest revenue credited to the general fund during 2002 amounted to \$215,563.

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

**F. Inventory**

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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***G. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2002, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

***H. Capital Assets***

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

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

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

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

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

***I. Compensated Absences***

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

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

***J. Accrued Liabilities and Long-Term Obligations***

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***K. Fund Balance Reserves***

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

***L. Operating Revenues and Expenses***

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

***M. Net Assets***

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

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

***N. Interfund Activity***

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

***O. 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. Neither type of transaction occurred during 2002.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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***P. 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.

***Q. Budgetary Process***

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control is at the object level within each department for the general and road improvements funds. The legal level of budgetary control is at the object level for the motor vehicle license tax fund, street maintenance and repair fund, state highway fund, general municipal improvement fund, community center fund, fire department fund and the equipment replacement fund. The legal level of control is at the fund level for all remaining funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control. The Finance Director with approval from Council has been authorized to allocate appropriations to the department and object level within each fund. Budgetary statements are presented beyond that legal level of control for information purposes only.

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

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

**Note 3 - Change in Accounting Principles and Restatement of Prior Year Net Assets**

For 2002, the City increased the threshold amount for capitalizing capital assets from \$1,500 to \$5,000, and determined that the outstanding bonds were understated. The restatement decreased capital assets by \$356,488 from \$46,084,320 to \$45,727,832 and increased long-term liabilities by \$10,435 from \$10,638,444 to \$10,648,879. Net assets decreased \$366,923 from \$56,327,595 to \$55,960,672.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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**Note 4 - Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
5. Investments reported at fair value (GAAP) rather than cost (budget).

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

Net Change in Fund Balance		
General and Fire Department Special Revenue Fund		
	General	Fire Department
GAAP Basis	(\$556,202)	\$64,073
Net Adjustment for Revenue Accruals	126,205	1,821
Beginning Fair Value Adjustments for Investments	23,404	0
Ending Fair Value Adjustments for Investments	(16,814)	0
Net Adjustment for Expenditure Accruals	(203,162)	6,075
Encumbrances	(191,290)	(12,684)
Budget Basis	(\$817,859)	\$59,285

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 5 - Deposits and Investments**

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

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

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

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

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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

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

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

**Deposits** At year-end, the carrying amount of the City's deposits was \$1,849,595 and the bank balance was \$2,146,795. Of the bank balance:

1. \$211,023 was covered by Federal depository insurance, by collateral held by the City, or by collateral held by the City's agent in the name of the City; and
2. \$1,935,772 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department in the City's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

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

	Category 3	Carrying Value	Fair Value
Repurchase Agreements	\$3,459,135	\$3,459,135	\$3,459,135
Federal Home Loan Bank Bonds	500,000	500,000	500,000
Federal National Mortgage Association Bonds	1,000,000	1,000,000	1,000,000
Federal Home Loan Mortgage Bonds	1,019,000	1,019,000	1,019,000
STAROhio	0	7,775,888	7,775,888
Total Investments	<u>\$5,978,135</u>	<u>\$13,754,023</u>	<u>\$13,754,023</u>

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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

	Cash and Cash Equivalents	Investments
GASB Statement 9	\$15,620,432	\$0
Investments:		
Repurchase Agreements	(3,459,135)	3,459,135
Federal Home Loan Bank Bonds	(500,000)	500,000
Federal National Mortgage Association Bonds	(1,000,000)	1,000,000
Federal Home Loan Mortgage Bonds	(1,019,000)	1,019,000
STAROhio	(7,775,888)	7,775,888
Unrecorded Cash	(16,814)	0
GASB Statement 3	\$1,849,595	\$13,754,023

**Note 6 - Receivables**

Receivables at December 31, 2002, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), special assessments and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$4,417,000 in the special assessments bond retirement fund. At December 31, 2002 the amount of delinquent special assessments was \$29,321.

**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 2002 for real and public utility property taxes represents collections of the 2001 taxes. Property tax payments received during 2002 for tangible personal property (other than public utility property) is for 2002 taxes.

2002 real property taxes are levied after October 1, 2002 on the assessed value as of January 1, 2002, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2002 real property taxes are collected in and intended to finance 2003.

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. 2002 public utility property taxes which became a lien December 31, 2001, are levied after October 1, 2002, and are collected in 2003 with real property taxes.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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2002 tangible personal property taxes are levied after October 1, 2001, on the value as of December 31, 2001. Collections are made in 2002. Tangible personal property assessments are 25 percent of true value for capital assets and 24 percent of true value for inventory.

The full tax rate for all City operations for the year ended December 31, 2002, was \$8.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2002 property tax receipts were based are as follows:

Real Property	\$460,952,210
Tangible Personal Property	30,013,647
Public Utility Property	<u>21,668,560</u>
Total	<u><u>\$512,634,417</u></u>

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

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Brecksville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2002 and for which there is an enforceable legal claim. In the general, fire department, road maintenance, bond retirement and police pension funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2002 operations and the collection of delinquent taxes during the available period are not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and a revenue while on a modified accrual basis the revenue is deferred.

***B. Income Tax***

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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**C. Intergovernmental Receivables**

A summary of the intergovernmental receivables follows:

	Amount
<b>Governmental Activities</b>	
County Road Construction	\$450,000
Local Government	392,298
Grants	244,536
Homestead and Rollback	233,952
Estate Tax	120,696
Gasoline Tax	87,522
Excise Tax	43,545
Auto Registration	37,473
Permissive Tax	14,898
Prisoner Housing	3,573
<b>Total</b>	<b>\$1,628,493</b>

**Note 7 - Interfund Transfers and Balances**

Interfund transfers for the year ended December 31, 2002 consisted of the following:

	Transfer From				
	General Fund	Fire Department	General Municipal Improvement	Buildings and Improvements	Road Improvements
<u>Transfer To</u>					
General Municipal Improvement	\$1,775,000	\$0	\$0	\$0	\$262,498
Road Improvements	0	0	0	500,000	0
Ohio Arts	16,000	0	0	0	0
Natureworks Grants	240,000	0	0	0	0
Recycling	56,000	0	0	0	0
Tree Planting	562	0	0	0	0
General Obligation Bond Retirement	0	0	433,142	0	0
Issue II	0	0	0	0	0
Capital Improvement	0	120,000	0	0	0
Recreation Expansion	922,000	0	0	0	0
Fire Station Building	0	0	0	1,300,000	0
<b>Total Governmental Activities</b>	<b>\$3,009,562</b>	<b>\$120,000</b>	<b>\$433,142</b>	<b>\$1,800,000</b>	<b>\$262,498</b>

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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	Transfer From				Total
	Street Construction, Maintenance and Repair	Road Maintenance	Capital Improvements	Public Utility	
<u>Transfer To</u>					
General Municipal Improvement	\$0	\$0	\$0	\$0	\$2,037,498
Road Improvements	412,000	0	0	0	912,000
Ohio Arts	0	0	0	0	16,000
Natureworks Grant	0	0	0	0	240,000
Recycling	0	0	0	0	56,000
Tree Planting	0	0	0	0	562
General Obligation Bond Retirement	0	0	0	0	433,142
Issue II	0	11,732	22,214	11,224	45,170
Capital Improvement	0	0	0	0	120,000
Recreation Expansion	0	0	0	0	922,000
Fire Station Building	0	0	0	0	1,300,000
Total Governmental Activities	<u>\$412,000</u>	<u>\$11,732</u>	<u>\$22,214</u>	<u>\$11,224</u>	<u>\$6,082,372</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; to segregate money for anticipated capital projects; and to return money to the fund from which it was originally provided once a project is completed.

The City had no transfers that either do not occur on a regular basis or were inconsistent with the purpose of the fund making the transfer.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

**Note 8 - Capital Assets**

A summary of changes in capital assets during 2002 follows:

	Balance 12/31/01	Additions	Deletions	Balance 12/31/02
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$4,003,927	\$46,699	\$0	\$4,050,626
Construction in Progress	1,322,134	5,297,892	(896,933)	5,723,093
<i>Total Capital Assets, Not Being Depreciated</i>	<u>5,326,061</u>	<u>5,344,591</u>	<u>(896,933)</u>	<u>9,773,719</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings and Improvements	12,966,950	162,598	0	13,129,548
Machinery and Equipment	8,375,095	263,850	(283,084)	8,355,861
Furniture and Fixtures	601,085	71,856	0	672,941
Infrastructure:				
Roads	25,313,162	864,363	0	26,177,525
Sidewalks	3,368,368	199,775	0	3,568,143
Guardrails	345,463	0	0	345,463
Traffic Signals	168,028	0	0	168,028
Storm Sewer	4,869,475	42,419	0	4,911,894
Sanitary Sewer	10,018,600	0	0	10,018,600
Water Lines	6,471,125	0	0	6,471,125
<i>Total Capital Assets, Being Depreciated</i>	<u>72,497,351</u>	<u>1,604,861</u>	<u>(283,084)</u>	<u>73,819,128</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(4,504,754)	(363,692)	0	(4,868,446)
Machinery and Equipment	(4,027,649)	(488,838)	208,961	(4,307,526)
Furniture and Fixtures	(487,336)	(62,347)	0	(549,683)
Infrastructure:				
Roads	(15,044,414)	(632,829)	0	(15,677,243)
Sidewalks	(2,051,380)	(84,209)	0	(2,135,589)
Guardrails	(310,916)	(11,516)	0	(322,442)
Traffic Signals	(168,028)	0	0	(168,028)
Storm Sewer	(1,534,944)	(49,187)	0	(1,584,131)
Sanitary Sewer	(2,110,101)	(101,198)	0	(2,211,299)
Water Lines	(1,856,058)	(65,365)	0	(1,921,423)
<i>Total Accumulated Depreciation</i>	<u>(32,095,580)</u>	<u>(1,859,181) *</u>	<u>208,961</u>	<u>(33,745,800)</u>
Total Capital Assets, Being Depreciated, Net	<u>40,401,771</u>	<u>(254,320)</u>	<u>(74,123)</u>	<u>40,073,328</u>
Governmental Activities Assets, Net	<u>\$45,727,832</u>	<u>\$5,090,271</u>	<u>(\$971,056)</u>	<u>\$49,847,047</u>

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
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Depreciation expense was charged to governmental functions as follows:

General Government:	
Legislative and Executive	\$155,022
Public Safety:	
Police	144,608
Fire	102,017
Street Construction, Maintenance and Repair	958,826
Housing and Community Development	11,331
Basic Utility Services	244,634
Recreational Activities	242,743
Total Depreciation Expense	<u><u>\$1,859,181</u></u>

**Note 9 - Defined Benefit Pension Plans**

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

All full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Ohio Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The 2002 employer contribution rate for the City was 8.55 percent of covered payroll, decreased from 9.25 percent in 2001. Contributions are authorized by State statute. The City's required contributions to OPERS for the years ended December 31, 2002, 2001, and 2000 were \$421,608, \$424,383, and \$447,498, respectively. The full amount has been contributed for 2001 and 2000. 73.29 percent has been contributed for 2002, with the remainder being presented as "intergovernmental payable" in the governmental activities column of the statement of net assets.

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 11.75 percent for police and 16.25 percent for firefighters. For 2001, the City contributions were 12 percent for police and 16.50 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for police and firefighters were \$248,334 and \$156,087 for the year ended December 31, 2002, \$205,327 and \$148,775 for the year ended December 31, 2001, \$195,026 and \$132,498 for the year ended December 31, 2000. The full amount has been contributed for 2001 and 2000. 71.90 percent and 73.27 percent, respectively, have been contributed for 2002 with the remainder being presented as "intergovernmental payable" in the governmental activities column of the statement of net assets.

***C. Social Security System***

Effective August 3, 1992, all part-time firefighters, not otherwise covered by another retirement system, are covered by social security. The City's liability is 6.2 percent of wages paid.

**Note 10 - Postemployment Benefits**

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

The Ohio Public Employees Retirement System of Ohio (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2002 employer contribution rate was 13.55 percent of covered payroll; 5 percent was the portion that was used to fund health care for 2002. For 2001, the contribution rate was 13.55 percent of covered payroll; 4.30 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2001, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually for inflation (assuming no change in the number of active employees) and an additional increase in total payroll of between .5 percent and 6.30 percent based on additional annual pay increases. Health care premiums were assumed to increase 4 percent annually.

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

The number of active contributing participants was 402,041. The City's actual contributions for 2002 which were used to fund postemployment benefits were \$246,554. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2001, (the latest information available) were \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$16.4 billion and \$4.8 billion, respectively.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
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**B. Ohio Police and Fire Pension Fund**

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

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2002. For 2001 the percent used to fund healthcare was 7.50 percent. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The City's actual contributions for 2002 that were used to fund postemployment benefits were \$163,795 for police and \$74,442 for fire. The OP&F's total health care expenses for the year ended December 31, 2001, (the latest information available) were \$122,298,771, which was net of member contributions of \$6,874,699. The number of OP&F participants eligible to receive health care benefits as of December 31, 2001 (the latest information available), was 13,174 for police and 10,239 for firefighters.

**Note 11 - Compensated Absences**

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

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

**Note 12 - Note Debt**

The City's note activity, including amounts outstanding and interest rates is as follows:

	Outstanding 12/31/01	Issued	Retired	Outstanding 12/31/02
3.20% Street Improvement	\$2,000,000	\$0	(\$2,000,000)	\$0
2.35% Road Improvement	0	1,000,000	0	1,000,000
<b>Total Notes</b>	<b>\$2,000,000</b>	<b>\$1,000,000</b>	<b>(\$2,000,000)</b>	<b>\$1,000,000</b>

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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All of the notes are bond anticipation notes, are backed by the full faith and credit of the City of Brecksville and mature within one year. The note liability is reflected in the funds which received the proceeds.

By Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. There are also limitations on the number of times notes can be renewed. All notes outstanding at year-end are bond anticipation notes. The notes will be refinanced until the projects are complete and the City determines it to be advantageous to issue bonds.

**Note 13 - Long-Term Obligations**

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

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
General Obligation Bonds				
Community Center	1992	4.10 to 8.00 %	\$3,000,000	December 1, 2012
Library Refunding	1997	3.75 to 5.10	1,847,915	December 1, 2012
Community Center Refunding	1997	3.75 to 5.10	1,585,000	December 1, 2012
Special Assessment Bonds				
Old Royalton Road Water Main	1989	7.25	117,000	December 1, 2009
Sewer Project 1312 #2	1988	7.25	2,310,000	December 1, 2008
Sprague-Wallings Improvement	1985	9.125	905,000	December 1, 2005
Oakhurst-Fitzwater Sewer Refunding	1997	3.75 to 5.10	875,000	December 1, 2012
Southpointe Parkway Refunding	1997	3.85 to 5.35	1,190,000	December 1, 2017
Four Seasons Sewer and Water	2001	4.66	1,265,000	December 1, 2021
Service Road Sewer and Water	2001	4.66	935,000	December 1, 2021
OPWC Loans			234,638	July 1, 2016

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

A schedule of changes in bonds and other long-term obligations of the City during 2002 follows:

	Amounts			Amounts	Amounts
	Outstanding 12/31/01	Additions	Reductions	Outstanding 12/31/02	Due in One Year
<b>Governmental Activities</b>					
<i>General Obligation Bonds:</i>					
Library Refunding	\$1,205,000	\$0	(\$150,000)	\$1,055,000	\$155,000
Library Refunding Accretion Value	528,937	25,463	0	554,400	0
Total Library Refunding	1,733,937	25,463	(150,000)	1,609,400	155,000
Community Center	2,015,000	0	(135,000)	1,880,000	145,000
Community Center Refunding	1,490,000	0	(105,000)	1,385,000	110,000
<i>Total General Obligation Bonds</i>	<u>5,238,937</u>	<u>25,463</u>	<u>(390,000)</u>	<u>4,874,400</u>	<u>410,000</u>
<i>Special Assessment Bonds with Governmental Commitment:</i>					
Old Royalton Road Water Main	57,000	0	(5,000)	52,000	5,000
Sewer Project 1312 #2	815,000	0	(115,000)	700,000	115,000
Sprague-Wallings Improvement	180,000	0	(45,000)	135,000	45,000
Oakhurst-Fitzwater Sewer Refunding	820,000	0	(60,000)	760,000	65,000
Southpointe Parkway Refunding	1,025,000	0	(45,000)	980,000	45,000
Four Seasons Sewer and Water	1,265,000	0	(30,000)	1,235,000	45,000
Service Road Sewer and Water	935,000	0	(25,000)	910,000	35,000
<i>Total Special Assessment Bonds</i>	<u>5,097,000</u>	<u>0</u>	<u>(325,000)</u>	<u>4,772,000</u>	<u>355,000</u>
OPWC Loans	606,794	0	(45,170)	561,624	45,170
Compensated Absences	472,204	94,836	(11,577)	555,463	54,784
<i>Total Governmental Activities</i>	<u>\$11,414,935</u>	<u>\$120,299</u>	<u>(\$771,747)</u>	<u>\$10,763,487</u>	<u>\$864,954</u>

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

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

On October 9, 1997, the City issued \$1,847,915 of General Obligation Bonds, for the purpose of advance refunding \$1,850,000 library bonds. The 1997 general obligation library refunding bonds included current interest bonds and capital appreciation bonds. The current interest bonds were issued in the amounts of \$730,000 and \$900,000 with the final amount of bonds payable at December 2003, and December 2012, respectively. The capital appreciation bonds were issued in the amount of \$217,915 with the final amount of \$650,000 bonds payable at December 2007. For 2002, the annual accretion of discounted interest is \$25,463, for a total accretion of \$554,400.

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

The City's overall legal debt margin was \$48,828,793 at December 31, 2002. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2002, are as follows:

Year	General Obligation Bonds - Serial		General Obligation Bonds - Capital Appreciation		Special Assessment Bonds		OPWC Loans	Totals
	Principal	Interest	Principal	Interest	Principal	Interest		
2003	\$410,000	\$232,688	\$0	\$0	\$355,000	\$248,457	\$45,170	\$1,291,315
2004	265,000	168,644	165,000	44,540	360,000	227,666	45,170	1,276,020
2005	280,000	155,127	165,000	44,540	370,000	206,564	45,170	1,266,401
2006	300,000	139,667	160,000	44,540	340,000	184,925	39,678	1,208,810
2007	315,000	120,063	160,000	44,540	355,000	166,513	34,180	1,195,296
2008-2012	2,750,000	469,270	0	0	1,412,000	586,564	170,900	5,388,734
2013-2017	0	0	0	0	990,000	307,473	153,300	1,450,773
2018-2021	0	0	0	0	590,000	73,989	28,056	692,045
<b>Total</b>	<b>\$4,320,000</b>	<b>\$1,285,459</b>	<b>\$650,000</b>	<b>\$178,160</b>	<b>\$4,772,000</b>	<b>\$2,002,151</b>	<b>\$561,624</b>	<b>\$13,769,394</b>

**Note 14 - Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2002, the City contracted with several companies for various types of insurance as follows:

Company	Type of Coverage	Coverage Amounts
Wichert Insurance Services:	Blanket Building/Contents	\$22,447,891
	Crime	250,000
	Boiler and Machinery	22,000,000
	Public Officials Liability	1,000,000
	General Liability	1,000,000
	Garage keepers liability	120,000
Custis Insurance Service:	Law Enforcement	1,000,000
	Canine Mortality and Medical	5,500

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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

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

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

The claims liability of \$216,725, reported in the self-insurance fund at December 31, 2002, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

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

	<u>Balance at</u> <u>Beginning of Year</u>	<u>Current</u> <u>Year Claims</u>	<u>Claims</u> <u>Payments</u>	<u>Balance at</u> <u>End of Year</u>
2001	\$166,931	\$907,035	\$896,448	\$177,518
2002	177,518	1,246,445	1,207,238	216,725

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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**Note 15 - Contractual Commitments**

At December 31, 2002, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Street Construction	\$2,069,286	\$1,204,590	\$864,696
Engineering	472,596	289,245	183,351
Waterline Repair	4,618	3,197	1,421
Asphalt, Concrete, Street Repairs	991,397	508,686	482,711
Building Construction	1,582,089	906,005	676,084
Recreation Infrastructure	471,801	57,094	414,707
Total	<u>\$5,591,787</u>	<u>\$2,968,817</u>	<u>\$2,622,970</u>

**Note 16 - Jointly Governed Organizations**

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

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The board is comprised of one member from each of the sixteen participating entities. The board exercises total 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 2002, the City contributed \$7,500 which represents 5.4 percent of total contributions.

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

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2002*

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NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting Dan DiLiberto, Board Chairman, 1615 Clark Avenue, Cleveland, Ohio, 44109 or at the website [www.nopecinfo.org](http://www.nopecinfo.org).

**Note 17 - Contingencies**

***A. Grants***

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2002.

***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, 2002.

## Combining Statements and

### Individual Fund Schedules

#### Combining Statements - Nonmajor Governmental Funds

##### *Nonmajor Special Revenue Funds*

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

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

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

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

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

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

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

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

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

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

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

(continued)

## Combining Statements - Nonmajor Governmental Funds (continued)

### *Nonmajor Special Revenue Funds (continued)*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(continued)

## **Combining Statements - Nonmajor Governmental Funds (continued)**

### ***Nonmajor Debt Service Fund***

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

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

### ***Nonmajor Capital Projects Funds***

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

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

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

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

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

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

***Fire Station Building Fund*** - This fund accounts for investment interest for financing the renovations to the Fire Station.

***Human Services Facilities Fund*** - This fund accounts for investment interest to be used to build a facility for the seniors in the community.

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

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

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2002*

	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	\$2,260,478	\$322,179	\$2,733,196	\$5,315,853
Receivables:				
Municipal Income Taxes	0	0	38,915	38,915
Property Taxes	635,594	286,249	0	921,843
Accounts	2,669	0	0	2,669
Intergovernmental	461,071	13,458	0	474,529
Materials and Supplies Inventory	29,430	0	0	29,430
<i>Total Assets</i>	<u>\$3,389,242</u>	<u>\$621,886</u>	<u>\$2,772,111</u>	<u>\$6,783,239</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$4,020	\$0	\$140	\$4,160
Contracts Payable	83,636	0	292,048	375,684
Retainage Payable	10,218	0	125,992	136,210
Accrued Wages and Benefits	33,885	0	0	33,885
Intergovernmental Payable	1,439	0	0	1,439
Deferred Revenue	1,066,647	299,707	22,915	1,389,269
<i>Total Liabilities</i>	<u>1,199,845</u>	<u>299,707</u>	<u>441,095</u>	<u>1,940,647</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	1,038,338	0	770,007	1,808,345
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,151,059	0	0	1,151,059
Debt Service Funds	0	322,179	0	322,179
Capital Projects Funds	0	0	1,561,009	1,561,009
<i>Total Fund Balances</i>	<u>2,189,397</u>	<u>322,179</u>	<u>2,331,016</u>	<u>4,842,592</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,389,242</u>	<u>\$621,886</u>	<u>\$2,772,111</u>	<u>\$6,783,239</u>

**City of Brecksville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2002*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property and Other Taxes	\$587,674	\$221,508	\$0	\$809,182
Municipal Income Taxes	0	0	192,000	192,000
Charges for Services	576,878	0	0	576,878
Licenses and Permits	47,111	0	70,980	118,091
Fines and Forfeitures	24,250	0	0	24,250
Intergovernmental	496,494	33,775	24,495	554,764
Interest	40,859	0	46,702	87,561
Donations	3,715	0	0	3,715
Rentals	38,580	0	0	38,580
Miscellaneous	62,341	0	0	62,341
<i>Total Revenues</i>	<u>1,877,902</u>	<u>255,283</u>	<u>334,177</u>	<u>2,467,362</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	701	2,035	0	2,736
Judicial System	7,788	0	0	7,788
Public Safety:				
Police	201,291	0	0	201,291
Street Construction, Maintenance and Repair	823,494	0	0	823,494
Housing and Community Development	195,959	0	0	195,959
Recreational Activities	1,476,954	0	0	1,476,954
Capital Outlay	0	0	1,977,443	1,977,443
Debt Service:				
Principal Retirement	0	390,000	45,170	435,170
Interest and Fiscal Charges	0	250,875	0	250,875
<i>Total Expenditures</i>	<u>2,706,187</u>	<u>642,910</u>	<u>2,022,613</u>	<u>5,371,710</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(828,285)</u>	<u>(387,627)</u>	<u>(1,688,436)</u>	<u>(2,904,348)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,234,562	433,142	1,465,170	3,132,874
Transfers Out	(423,732)	0	(33,438)	(457,170)
<i>Total Other Financing Sources (Uses)</i>	<u>810,830</u>	<u>433,142</u>	<u>1,431,732</u>	<u>2,675,704</u>
<i>Net Change in Fund Balances</i>	(17,455)	45,515	(256,704)	(228,644)
<i>Fund Balances Beginning of Year</i>	<u>2,206,852</u>	<u>276,664</u>	<u>2,587,720</u>	<u>5,071,236</u>
<i>Fund Balances End of Year</i>	<u>\$2,189,397</u>	<u>\$322,179</u>	<u>\$2,331,016</u>	<u>\$4,842,592</u>

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2002*

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$122,821	\$388,369	\$149,799	\$252,430
Receivables:				
Property Taxes	0	0	0	0
Accounts	0	0	0	2,669
Intergovernmental	14,898	155,922	12,618	0
Materials and Supplies Inventory	0	29,430	0	0
<i>Total Assets</i>	<u>\$137,719</u>	<u>\$573,721</u>	<u>\$162,417</u>	<u>\$255,099</u>
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$4,020
Contracts Payable	0	0	0	5,324
Retainage Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	33,885
Intergovernmental Payable	0	0	0	1,439
Deferred Revenue	12,667	130,219	10,534	0
<i>Total Liabilities</i>	<u>12,667</u>	<u>130,219</u>	<u>10,534</u>	<u>44,668</u>
 <b>Fund Balances</b>				
Reserved for Encumbrances	0	231,590	0	40,239
Unreserved, Undesignated	125,052	211,912	151,883	170,192
<i>Total Fund Balances</i>	<u>125,052</u>	<u>443,502</u>	<u>151,883</u>	<u>210,431</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$137,719</u>	<u>\$573,721</u>	<u>\$162,417</u>	<u>\$255,099</u>

(continued)

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2002*

	Special Programs	Road Maintenance	Ohio Arts Grant	Federal Equitable Sharing
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$18,080	\$371,220	\$15,299	\$3,831
Receivables:				
Property Taxes	0	488,918	0	0
Accounts	0	0	0	0
Intergovernmental	0	27,466	6,928	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$18,080</u>	<u>\$887,604</u>	<u>\$22,227</u>	<u>\$3,831</u>
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	516,384	6,928	0
<i>Total Liabilities</i>	<u>0</u>	<u>516,384</u>	<u>6,928</u>	<u>0</u>
 <b>Fund Balances</b>				
Reserved for Encumbrances	0	333,809	3,974	0
Unreserved, Undesignated	18,080	37,411	11,325	3,831
<i>Total Fund Balances</i>	<u>18,080</u>	<u>371,220</u>	<u>15,299</u>	<u>3,831</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$18,080</u>	<u>\$887,604</u>	<u>\$22,227</u>	<u>\$3,831</u>

<u>Indigent Prisoner Assistance</u>	<u>Indigent Drivers</u>	<u>Enforcement and Education</u>	<u>Court Computerization</u>	<u>Natureworks Grants</u>	<u>Recycling Demo</u>
\$7,625	\$6,872	\$28,768	\$106,960	\$465,159	\$67,590
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	200,000	20,000
0	0	0	0	0	0
<u>\$7,625</u>	<u>\$6,872</u>	<u>\$28,768</u>	<u>\$106,960</u>	<u>\$665,159</u>	<u>\$87,590</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	78,312	0
0	0	0	0	10,218	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	200,000	20,000
0	0	0	0	288,530	20,000
0	0	2,086	0	345,253	66,891
7,625	6,872	26,682	106,960	31,376	699
7,625	6,872	28,768	106,960	376,629	67,590
<u>\$7,625</u>	<u>\$6,872</u>	<u>\$28,768</u>	<u>\$106,960</u>	<u>\$665,159</u>	<u>\$87,590</u>

(continued)

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2002*

	Tree Planting Grants	Law Enforcement	Law Enforcement Mandatory Drug	Vehicle Immobilization
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$121,902	\$49,315	\$41,829	\$20,098
Receivables:				
Property Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	15,000	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$136,902</u>	<u>\$49,315</u>	<u>\$41,829</u>	<u>\$20,098</u>
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	15,000	0	0	0
<i>Total Liabilities</i>	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
 <b>Fund Balances</b>				
Reserved for Encumbrances	13,308	1,188	0	0
Unreserved, Undesignated	108,594	48,127	41,829	20,098
<i>Total Fund Balances</i>	<u>121,902</u>	<u>49,315</u>	<u>41,829</u>	<u>20,098</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$136,902</u>	<u>\$49,315</u>	<u>\$41,829</u>	<u>\$20,098</u>

<u>Brecksville Safety Town</u>	<u>Police Pension</u>	<u>Brecksville Traveler's Trips</u>	<u>Safety Helmet Donation</u>	<u>Memorial</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$3,225	\$580	\$2,020	\$193	\$16,493	\$2,260,478
0	146,676	0	0	0	635,594
0	0	0	0	0	2,669
0	8,239	0	0	0	461,071
0	0	0	0	0	29,430
<u>\$3,225</u>	<u>\$155,495</u>	<u>\$2,020</u>	<u>\$193</u>	<u>\$16,493</u>	<u>\$3,389,242</u>
\$0	\$0	\$0	\$0	\$0	\$4,020
0	0	0	0	0	83,636
0	0	0	0	0	10,218
0	0	0	0	0	33,885
0	0	0	0	0	1,439
0	154,915	0	0	0	1,066,647
0	154,915	0	0	0	1,199,845
0	0	0	0	0	1,038,338
3,225	580	2,020	193	16,493	1,151,059
3,225	580	2,020	193	16,493	2,189,397
<u>\$3,225</u>	<u>\$155,495</u>	<u>\$2,020</u>	<u>\$193</u>	<u>\$16,493</u>	<u>\$3,389,242</u>

**City of Brecksville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2002*

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
<b>Revenues</b>				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	563,868
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	32,943	344,975	27,971	0
Interest	1,868	0	0	16,243
Donations	0	0	0	3,684
Rentals	0	0	0	38,580
Miscellaneous	0	0	0	41,062
<i>Total Revenues</i>	<u>34,811</u>	<u>344,975</u>	<u>27,971</u>	<u>663,437</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial System	0	0	0	0
Public Safety:				
Police	0	0	0	0
Street Construction, Maintenance and Repair	0	258,309	6,122	0
Housing and Community Development	0	0	0	0
Recreational Activities	0	0	0	1,476,181
<i>Total Expenditures</i>	<u>0</u>	<u>258,309</u>	<u>6,122</u>	<u>1,476,181</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>34,811</u>	<u>86,666</u>	<u>21,849</u>	<u>(812,744)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	922,000
Transfers Out	0	(412,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(412,000)</u>	<u>0</u>	<u>922,000</u>
<i>Net Change in Fund Balances</i>	34,811	(325,334)	21,849	109,256
<i>Fund Balances Beginning of Year</i>	<u>90,241</u>	<u>768,836</u>	<u>130,034</u>	<u>101,175</u>
<i>Fund Balances End of Year</i>	<u><u>\$125,052</u></u>	<u><u>\$443,502</u></u>	<u><u>\$151,883</u></u>	<u><u>\$210,431</u></u>

Special Programs	Road Maintenance	Ohio Arts Grant	Federal Equitable Sharing	Indigent Prisoner Assistance	Indigent Drivers	Enforcement and Education	Court Computerization
\$0	\$452,057	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0	0
0	0	0	0	858	0	0	17,390
0	0	0	0	0	850	2,574	0
0	68,927	0	0	0	0	0	0
155	10,824	0	47	135	120	550	1,731
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
838	10,649	0	3,784	0	0	3,600	0
993	542,457	0	3,831	993	970	6,724	19,121
0	0	701	0	0	0	0	0
0	0	0	0	0	0	0	7,788
0	0	0	0	70	0	5,470	0
0	559,063	0	0	0	0	0	0
0	0	0	0	0	0	0	0
773	0	0	0	0	0	0	0
773	559,063	701	0	70	0	5,470	7,788
220	(16,606)	(701)	3,831	923	970	1,254	11,333
0	0	16,000	0	0	0	0	0
0	(11,732)	0	0	0	0	0	0
0	(11,732)	16,000	0	0	0	0	0
220	(28,338)	15,299	3,831	923	970	1,254	11,333
17,860	399,558	0	0	6,702	5,902	27,514	95,627
\$18,080	\$371,220	\$15,299	\$3,831	\$7,625	\$6,872	\$28,768	\$106,960

(continued)

**City of Brecksville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2002*

	Natureworks Grants	Recycling Demo	Tree Planting Grants	Law Enforcement
<b>Revenues</b>				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0
Licenses and Permits	0	0	26,748	0
Fines and Forfeitures	0	0	0	16,560
Intergovernmental	1,000	0	0	0
Interest	5,181	419	1,728	822
Donations	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	1,778
<i>Total Revenues</i>	<u>6,181</u>	<u>419</u>	<u>28,476</u>	<u>19,160</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial System	0	0	0	0
Public Safety:				
Police	0	0	0	4,303
Street Construction, Maintenance and Repair	0	0	0	0
Housing and Community Development	167,928	0	28,031	0
Recreational Activities	0	0	0	0
<i>Total Expenditures</i>	<u>167,928</u>	<u>0</u>	<u>28,031</u>	<u>4,303</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(161,747)</u>	<u>419</u>	<u>445</u>	<u>14,857</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	240,000	56,000	562	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>240,000</u>	<u>56,000</u>	<u>562</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	78,253	56,419	1,007	14,857
Fund Balances Beginning of Year	<u>298,376</u>	<u>11,171</u>	<u>120,895</u>	<u>34,458</u>
<i>Fund Balances End of Year</i>	<u><u>\$376,629</u></u>	<u><u>\$67,590</u></u>	<u><u>\$121,902</u></u>	<u><u>\$49,315</u></u>

Law Enforcement Mandatory Drug	Vehicle Immobilization	Brecksville Safety Town	Police Pension	Brecksville Traveler's Trips	Safety Helmet Donation	Memorial	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$135,617	\$0	\$0	\$0	\$587,674
0	0	0	0	13,010	0	0	576,878
0	0	2,115	0	0	0	0	47,111
1,606	2,660	0	0	0	0	0	24,250
0	0	0	20,678	0	0	0	496,494
685	292	59	0	0	0	0	40,859
0	0	31	0	0	0	0	3,715
0	0	0	0	0	0	0	38,580
0	0	630	0	0	0	0	62,341
2,291	2,952	2,835	156,295	13,010	0	0	1,877,902
0	0	0	0	0	0	0	701
0	0	0	0	0	0	0	7,788
0	0	2,605	175,264	13,579	0	0	201,291
0	0	0	0	0	0	0	823,494
0	0	0	0	0	0	0	195,959
0	0	0	0	0	0	0	1,476,954
0	0	2,605	175,264	13,579	0	0	2,706,187
2,291	2,952	230	(18,969)	(569)	0	0	(828,285)
0	0	0	0	0	0	0	1,234,562
0	0	0	0	0	0	0	(423,732)
0	0	0	0	0	0	0	810,830
2,291	2,952	230	(18,969)	(569)	0	0	(17,455)
39,538	17,146	2,995	19,549	2,589	193	16,493	2,206,852
\$41,829	\$20,098	\$3,225	\$580	\$2,020	\$193	\$16,493	\$2,189,397

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2002*

	Issue II	Capital Improvement	Equipment Replacement	Recreation Expansion
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$246,341	\$618,541	\$82,410	\$78,036
Municipal Income Tax Receivable	0	38,915	0	0
<i>Total Assets</i>	<u>\$246,341</u>	<u>\$657,456</u>	<u>\$82,410</u>	<u>\$78,036</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$140	\$0	\$0
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Deferred Revenue	0	22,915	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>23,055</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	156,115	12,985	0	0
Unreserved, Undesignated (Deficit)	90,226	621,416	82,410	78,036
<i>Total Fund Balances</i>	<u>246,341</u>	<u>634,401</u>	<u>82,410</u>	<u>78,036</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$246,341</u>	<u>\$657,456</u>	<u>\$82,410</u>	<u>\$78,036</u>

Library Improvement	Fire Station Building	Human Services Facilities	Sewer Improvement	Public Utility Improvement	Total Nonmajor Capital Projects Funds
\$37,089	\$787,502	\$305,403	\$104,568	\$473,306	\$2,733,196
0	0	0	0	0	38,915
<u>\$37,089</u>	<u>\$787,502</u>	<u>\$305,403</u>	<u>\$104,568</u>	<u>\$473,306</u>	<u>\$2,772,111</u>
\$0	\$0	\$0	\$0	\$0	\$140
0	292,048	0	0	0	292,048
0	125,992	0	0	0	125,992
0	0	0	0	0	22,915
0	418,040	0	0	0	441,095
0	408,032	168,875	0	24,000	770,007
<u>37,089</u>	<u>(38,570)</u>	<u>136,528</u>	<u>104,568</u>	<u>449,306</u>	<u>1,561,009</u>
<u>37,089</u>	<u>369,462</u>	<u>305,403</u>	<u>104,568</u>	<u>473,306</u>	<u>2,331,016</u>
<u>\$37,089</u>	<u>\$787,502</u>	<u>\$305,403</u>	<u>\$104,568</u>	<u>\$473,306</u>	<u>\$2,772,111</u>

**City of Brecksville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2002*

	Issue II	Capital Improvement	Equipment Replacement	Recreation Expansion
<b>Revenues</b>				
Municipal Income Taxes	\$0	\$192,000	\$0	\$0
Licenses and Permits	0	0	0	23,440
Intergovernmental	24,495	0	0	0
Interest	5,385	10,315	1,389	1,178
<i>Total Revenues</i>	<u>29,880</u>	<u>202,315</u>	<u>1,389</u>	<u>24,618</u>
<b>Expenditures</b>				
Capital Outlay	112,088	343,714	0	10,910
Debt Service:				
Principal Retirement	45,170	0	0	0
<i>Total Expenditures</i>	<u>157,258</u>	<u>343,714</u>	<u>0</u>	<u>10,910</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(127,378)</u>	<u>(141,399)</u>	<u>1,389</u>	<u>13,708</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	45,170	120,000	0	0
Transfers Out	0	(22,214)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>45,170</u>	<u>97,786</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(82,208)	(43,613)	1,389	13,708
<i>Fund Balances Beginning of Year</i>	<u>328,549</u>	<u>678,014</u>	<u>81,021</u>	<u>64,328</u>
<i>Fund Balances End of Year</i>	<u><u>\$246,341</u></u>	<u><u>\$634,401</u></u>	<u><u>\$82,410</u></u>	<u><u>\$78,036</u></u>

Library Improvement	Fire Station Building	Human Services Facilities	Sewer Improvement	Public Utility Improvement	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$0	\$192,000
0	4,050	0	0	43,490	70,980
0	0	0	0	0	24,495
624	16,375	4,772	1,771	4,893	46,702
624	20,425	4,772	1,771	48,383	334,177
0	1,476,368	8,869	0	25,494	1,977,443
0	0	0	0	0	45,170
0	1,476,368	8,869	0	25,494	2,022,613
624	(1,455,943)	(4,097)	1,771	22,889	(1,688,436)
0	1,300,000	0	0	0	1,465,170
0	0	0	0	(11,224)	(33,438)
0	1,300,000	0	0	(11,224)	1,431,732
624	(155,943)	(4,097)	1,771	11,665	(256,704)
36,465	525,405	309,500	102,797	461,641	2,587,720
\$37,089	\$369,462	\$305,403	\$104,568	\$473,306	\$2,331,016

## **Combining Statements - Agency Funds**

### ***Fiduciary Funds***

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

### ***Private Purpose Trust Fund***

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

### ***Agency Funds***

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

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

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

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

***Mayor's Court Fund*** - This fund accounts for the activities of the Mayor's Court.

**City of Brecksville, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2002*

	Senior Citizens' Programs	Street Openings	Deposits and Fees
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$7,638	\$198,950	\$331,858
<b>Liabilities</b>			
Undistributed Monies	\$7,638	\$0	\$0
Deposits Held and Due to Others	0	198,950	331,858
<i>Total Liabilities</i>	\$7,638	\$198,950	\$331,858

(continued)

**City of Brecksville, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds (continued)*  
*December 31, 2002*

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	Route 21 Gas Lines	Total
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$77	\$538,523
	<hr/>	<hr/>
<b>Liabilities</b>		
Undistributed Monies	\$0	\$7,638
Deposits Held and Due to Others	77	530,885
	<hr/>	<hr/>
<i>Total Liabilities</i>	\$77	\$538,523
	<hr/>	<hr/>

**City of Brecksville, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2002*

	Beginning Balance 12/31/01	Additions	Deductions	Ending Balance 12/31/02
<b>Senior Citizens' Programs</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$17,413	\$15,002	\$24,777	\$7,638
<b>Liabilities</b>				
Undistributed Monies	\$17,413	\$15,002	\$24,777	\$7,638
<b>Street Openings</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$199,350	\$47,800	\$48,200	\$198,950
<b>Liabilities</b>				
Deposits Held and Due to Others	\$199,350	\$47,800	\$48,200	\$198,950
<b>Deposits and Fees</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$201,687	\$286,023	\$155,852	\$331,858
<b>Liabilities</b>				
Deposits Held and Due to Others	\$201,687	\$286,023	\$155,852	\$331,858
<b>Route 21 Gas Lines</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$77	\$0	\$0	\$77
<b>Liabilities</b>				
Deposits Held and Due to Others	\$77	\$0	\$0	\$77

(continued)

**City of Brecksville, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds (continued)*  
*For the Year Ended December 31, 2002*

	Beginning Balance 12/31/01	Additions	Deductions	Ending Balance 12/31/02
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$13,470	\$591,826	\$605,296	\$0
<b>Liabilities</b>				
Undistributed Monies	\$13,470	\$591,826	\$605,296	\$0
 <b>Total - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$418,527	\$348,825	\$228,829	\$538,523
Cash and Cash Equivalents in Segregated Accounts	13,470	591,826	605,296	0
<i>Total Assets</i>	<u>\$431,997</u>	<u>\$940,651</u>	<u>\$834,125</u>	<u>\$538,523</u>
<b>Liabilities</b>				
Undistributed Monies	\$30,883	\$606,828	\$630,073	\$7,638
Deposits Held and Due to Others	401,114	333,823	204,052	530,885
<i>Total Liabilities</i>	<u>\$431,997</u>	<u>\$940,651</u>	<u>\$834,125</u>	<u>\$538,523</u>

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

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Taxes	\$1,550,204	\$1,578,640	\$1,587,585	\$8,945
Municipal Income Taxes	7,490,598	7,628,000	9,215,926	1,587,926
Charges for Services	48,553	49,444	64,529	15,085
Licenses and Permits	148,352	151,073	215,889	64,816
Fines and Forfeitures	300,488	306,000	332,166	26,166
Intergovernmental	1,074,716	1,094,430	1,494,934	400,504
Interest	314,037	319,797	218,388	(101,409)
Donations	3,715	3,783	4,696	913
Rentals	30,735	31,299	79,177	47,878
Miscellaneous	69,668	70,741	216,047	145,306
<i>Total Revenues</i>	<u>11,031,066</u>	<u>11,233,207</u>	<u>13,429,337</u>	<u>2,196,130</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive:				
Mayor:				
Salaries and Wages	182,281	182,281	177,534	4,747
Fringe Benefits	71,872	75,499	74,471	1,028
Materials and Supplies	7,600	7,600	5,866	1,734
Capital Outlay	1,400	1,400	359	1,041
Total Mayor	<u>263,153</u>	<u>266,780</u>	<u>258,230</u>	<u>8,550</u>
Finance Director:				
Salaries and Wages	230,866	215,866	174,336	41,530
Fringe Benefits	63,239	65,984	56,358	9,626
Materials and Supplies	7,750	7,750	3,571	4,179
Capital Outlay	2,500	2,500	0	2,500
Total Finance Director	<u>304,355</u>	<u>292,100</u>	<u>234,265</u>	<u>57,835</u>
Purchasing Department:				
Salaries and Wages	174,541	190,541	172,841	17,700
Fringe Benefits	53,548	56,219	54,824	1,395
Materials and Supplies	2,300	2,300	867	1,433
Capital Outlay	5,000	5,000	199	4,801
Total Purchasing Department	<u>235,389</u>	<u>254,060</u>	<u>228,731</u>	<u>25,329</u>
Legal Department:				
Salaries and Wages	79,000	82,000	78,650	3,350
Fringe Benefits	24,286	25,270	24,948	322
Purchased Services	134,733	132,000	86,711	45,289
Materials and Supplies	1,775	1,700	974	726
Total Legal Department	<u>\$239,794</u>	<u>\$240,970</u>	<u>\$191,283</u>	<u>\$49,687</u>

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Legislative:</b>				
Salaries and Wages	\$134,766	\$131,000	\$129,767	\$1,233
Fringe Benefits	65,190	70,370	69,160	1,210
Purchased Services	20,258	21,500	8,733	12,767
Materials and Supplies	10,402	11,040	3,868	7,172
Capital Outlay	1,885	2,000	0	2,000
<b>Total Legislative</b>	<b>232,501</b>	<b>235,910</b>	<b>211,528</b>	<b>24,382</b>
<b>Civil Service:</b>				
Salaries and Wages	3,500	3,500	1,117	2,383
Fringe Benefits	673	895	654	241
Purchased Services	12,186	19,100	15,830	3,270
Materials and Supplies	1,515	2,375	87	2,288
Capital Outlay	64	100	0	100
<b>Total Civil Service</b>	<b>17,938</b>	<b>25,970</b>	<b>17,688</b>	<b>8,282</b>
<b>Land and Building:</b>				
Salaries and Wages	224,000	270,000	253,848	16,152
Purchased Services	492,921	483,758	424,389	59,369
Materials and Supplies	97,316	92,084	79,474	12,610
Capital Outlay	654,168	534,563	321,578	212,985
<b>Total Land and Building</b>	<b>1,468,405</b>	<b>1,380,405</b>	<b>1,079,289</b>	<b>301,116</b>
<b>Engineer:</b>				
Purchased Services	50,000	50,000	42,475	7,525
<b>Cable Advisory Commission:</b>				
Salaries and Wages	2,000	2,000	603	1,397
Fringe Benefits	401	412	225	187
Purchased Services	4,000	4,000	2,179	1,821
Materials and Supplies	50	50	6	44
<b>Total Cable Advisory Commission</b>	<b>6,451</b>	<b>6,462</b>	<b>3,013</b>	<b>3,449</b>
<b>County Auditor and Treasurer:</b>				
Fringe Benefits	165,528	168,908	69,376	99,532
Purchased Services	60,368	60,368	58,416	1,952
Capital Outlay	7,000	7,000	0	7,000
<b>Total County Auditor and Treasurer</b>	<b>\$232,896</b>	<b>\$236,276</b>	<b>\$127,792</b>	<b>\$108,484</b>

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Income Tax Administration:</b>				
Salaries and Wages	\$11,845	\$11,845	\$11,845	\$0
Fringe Benefits	3,863	4,060	4,048	12
Purchased Services	378,200	378,200	352,458	25,742
Materials and Supplies	1,800	1,800	1,004	796
<b>Total Income Tax Administration</b>	<b>395,708</b>	<b>395,905</b>	<b>369,355</b>	<b>26,550</b>
<b>Administrative Support:</b>				
Salaries and Wages	32,000	32,000	29,287	2,713
Fringe Benefits	49,310	54,940	51,670	3,270
Purchased Services	388,649	432,156	318,715	113,441
Materials and Supplies	283,596	282,336	208,857	73,479
Capital Outlay	184,831	149,871	75,403	74,468
Other	1,506	1,506	385	1,121
<b>Total Administrative Support</b>	<b>939,892</b>	<b>952,809</b>	<b>684,317</b>	<b>268,492</b>
<b>Human Resources Department:</b>				
Salaries and Wages	174,673	146,172	79,248	66,924
Fringe Benefits	37,652	38,805	23,592	15,213
Purchased Services	19,996	20,000	7,039	12,961
Materials and Supplies	80,059	80,074	24,653	55,421
Capital Outlay	3,523	3,500	629	2,871
<b>Total Human Resources Department</b>	<b>315,903</b>	<b>288,551</b>	<b>135,161</b>	<b>153,390</b>
<b>Blossom Hill:</b>				
Salaries and Wages	91,000	102,000	97,357	4,643
Purchased Services	131,202	128,636	91,800	36,836
Materials and Supplies	14,045	13,389	11,162	2,227
Capital Outlay	298,274	290,496	20,300	270,196
<b>Total Blossom Hill</b>	<b>534,521</b>	<b>534,521</b>	<b>220,619</b>	<b>313,902</b>
<b>Total Legislative and Executive</b>	<b>5,236,906</b>	<b>5,160,719</b>	<b>3,803,746</b>	<b>1,356,973</b>
<b>Judicial System:</b>				
<b>Mayor's Court:</b>				
Salaries and Wages	95,503	95,503	92,757	2,746
Fringe Benefits	28,359	29,866	28,742	1,124
Purchased Services	29,775	30,000	25,110	4,890
Materials and Supplies	6,497	6,159	5,248	911
Capital Outlay	1,365	1,375	94	1,281
Other	99	100	0	100
<b>Total Judicial System</b>	<b>161,598</b>	<b>163,003</b>	<b>151,951</b>	<b>11,052</b>
<b>Total General Government</b>	<b>\$5,398,504</b>	<b>\$5,323,722</b>	<b>\$3,955,697</b>	<b>\$1,368,025</b>

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	\$2,321,059	\$2,321,059	\$2,113,483	\$207,576
Fringe Benefits	662,106	702,305	616,320	85,985
Purchased Services	102,908	105,444	84,251	21,193
Materials and Supplies	129,247	123,336	96,443	26,893
Capital Outlay	89,717	83,703	43,880	39,823
Total Law Enforcement	3,305,037	3,335,847	2,954,377	381,470
Prisoner Support:				
Salaries and Wages	178,500	178,500	160,455	18,045
Fringe Benefits	57,961	60,718	56,427	4,291
Purchased Services	13,988	14,000	10,056	3,944
Materials and Supplies	20,252	20,210	12,922	7,288
Capital Outlay	5,495	5,500	130	5,370
Total Prisoner Support	276,196	278,928	239,990	38,938
Animal Control:				
Salaries and Wages	36,010	36,010	32,656	3,354
Fringe Benefits	12,473	12,577	11,756	821
Purchased Services	4,854	4,500	2,796	1,704
Materials and Supplies	1,348	1,250	751	499
Capital Outlay	1,079	1,000	679	321
Total Animal Control	55,764	55,337	48,638	6,699
Total Police	3,636,997	3,670,112	3,243,005	427,107
Fire:				
Hydrants:				
Salaries and Wages	8,500	9,500	8,543	957
Purchased Services	26,052	23,618	4,618	19,000
Materials and Supplies	14,066	15,500	13,446	2,054
Total Fire	48,618	48,618	26,607	22,011
Total Public Safety	3,685,615	3,718,730	3,269,612	449,118
Public Health Services:				
Cemetery:				
Salaries and Wages	71,000	90,500	86,260	4,240
Purchased Services	3,870	2,650	2,100	550
Materials and Supplies	6,320	8,090	6,688	1,402
Capital Outlay	535	685	0	685
Other	1,075	1,375	1,375	0
Total Cemetery	\$82,800	\$103,300	\$96,423	\$6,877

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Board of Health:				
Purchased Services	\$39,477	\$39,477	\$39,477	\$0
Senior Center Flu Shots:				
Materials and Supplies	1,694	2,176	2,176	0
Total Public Health Services	123,971	144,953	138,076	6,877
Street Construction, Maintenance and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	639,500	655,500	623,567	31,933
Fringe Benefits	578,362	677,319	676,138	1,181
Purchased Services	14,452	18,600	12,308	6,292
Materials and Supplies	66,439	54,272	44,985	9,287
Total Street Repairs and Maintenance	1,298,753	1,405,691	1,356,998	48,693
Signs:				
Salaries and Wages	24,500	28,500	26,937	1,563
Materials and Supplies	10,630	10,630	3,493	7,137
Total Signs	35,130	39,130	30,430	8,700
Snow and Ice Removal:				
Salaries and Wages	127,000	127,000	69,906	57,094
Purchased Services	29,882	24,000	4,783	19,217
Materials and Supplies	4,118	10,000	1,765	8,235
Total Snow and Ice Removal	161,000	161,000	76,454	84,546
Vehicle Maintenance:				
Salaries and Wages	142,000	151,000	147,867	3,133
Purchased Services	53,313	56,253	43,189	13,064
Materials and Supplies	121,742	120,504	99,111	21,393
Capital Outlay	18,501	19,000	575	18,425
Other	97	100	100	0
Total Vehicle Maintenance	335,653	346,857	290,842	56,015
Total Street Construction, Maintenance and Repair	1,830,536	1,952,678	1,754,724	197,954
Housing and Community Development:				
Planning Commission:				
Salaries and Wages	3,000	3,000	2,019	981
Fringe Benefits	759	790	601	189
Purchased Services	9,945	10,000	5,136	4,864
Materials and Supplies	3,734	3,677	722	2,955
Total Planning Commission	\$17,438	\$17,467	\$8,478	\$8,989

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Board of Zoning Appeals:				
Salaries and Wages	\$1,500	\$1,500	\$764	\$736
Fringe Benefits	337	346	220	126
Purchased Services	2,000	2,000	29	1,971
Materials and Supplies	2,900	2,900	2,413	487
Total Board of Zoning Appeals	6,737	6,746	3,426	3,320
Housing and Building Inspection:				
Salaries and Wages	469,312	452,311	406,559	45,752
Fringe Benefits	145,729	153,218	139,223	13,995
Purchased Services	4,606	4,650	2,004	2,646
Materials and Supplies	21,694	20,904	8,751	12,153
Capital Outlay	2,703	2,729	1,785	944
Other	1,490	1,504	1,504	0
Total Housing and Building Inspection	645,534	635,316	559,826	75,490
Board of Design and Construction Review:				
Salaries and Wages	200	200	0	200
Purchased Services	400	400	144	256
Materials and Supplies	400	400	0	400
Total Board of Design and Construction Review	1,000	1,000	144	856
Urban Forestry:				
Salaries and Wages	163,000	180,000	174,853	5,147
Purchased Services	27,829	29,000	9,740	19,260
Materials and Supplies	20,888	20,916	8,791	12,125
Capital Outlay	13,600	12,401	4,935	7,466
Total Urban Forestry	225,317	242,317	198,319	43,998
Total Housing and Community Development	896,026	902,846	770,193	132,653
Basic Utility Services:				
Storm Sewers and Drains:				
Salaries and Wages	40,000	66,000	51,496	14,504
Purchased Services	218,265	186,000	25,690	160,310
Materials and Supplies	11,735	10,000	4,077	5,923
Total Storm Sewers and Drains	270,000	262,000	81,263	180,737
Refuse Collection:				
Salaries and Wages	230,000	230,000	204,230	25,770
Purchased Services	110,461	100,000	0	100,000
Other	253,956	264,417	242,114	22,303
Total Refuse Collection	\$594,417	\$594,417	\$446,344	\$148,073

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Service Department:				
Salaries and Wages	\$209,639	\$212,639	\$205,749	\$6,890
Fringe Benefits	145,328	152,554	138,184	14,370
Purchased Services	13,792	13,243	4,790	8,453
Materials and Supplies	49,049	49,278	36,745	12,533
Capital Outlay	10,057	9,854	4,910	4,944
Total Service Department	427,865	437,568	390,378	47,190
Street Lighting:				
Purchased Services	85,000	85,000	80,427	4,573
Rubbish Recycling:				
Salaries and Wages	267,000	272,000	263,343	8,657
Purchased Services	26,639	26,925	20,043	6,882
Materials and Supplies	21,761	21,444	10,376	11,068
Capital Outlay	1,969	2,000	1,115	885
Total Rubbish Recycling	317,369	322,369	294,877	27,492
Leaf Program:				
Salaries and Wages	69,000	69,000	49,783	19,217
Purchased Services	15,000	15,000	12,543	2,457
Materials and Supplies	5,500	5,500	525	4,975
Total Leaf Program	89,500	89,500	62,851	26,649
Total Basic Utility Services	1,784,151	1,790,854	1,356,140	434,714
Recreational Activities:				
Kid's Quarter:				
Materials and Supplies	2,000	2,000	478	1,522
Capital Outlay	10,000	10,000	0	10,000
Total Kid's Quarter	12,000	12,000	478	11,522
Brecksville Center for the Arts:				
Purchased Services	67,621	68,500	11,767	56,733
Materials and Supplies	6,232	5,300	3,635	1,665
Capital Outlay	4,047	4,100	1,275	2,825
Total Brecksville Center for the Arts	77,900	77,900	16,677	61,223
Total Recreational Activities	89,900	89,900	17,155	72,745
<i>Total Expenditures</i>	13,808,703	13,923,683	11,261,597	2,662,086
<i>Excess of Revenues Over (Under) Expenditures</i>	(\$2,777,637)	(\$2,690,476)	\$2,167,740	\$4,858,216

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	\$8,449	\$8,809	\$23,963	\$15,154
Transfers Out	(3,051,623)	(3,409,562)	(3,009,562)	400,000
<i>Total Other Financing Sources (Uses)</i>	<u>(3,043,174)</u>	<u>(3,400,753)</u>	<u>(2,985,599)</u>	<u>415,154</u>
<i>Net Change in Fund Balance</i>	(5,820,811)	(6,091,229)	(817,859)	5,273,370
<i>Fund Balance Beginning of Year</i>	5,763,108	5,763,108	5,763,108	0
Prior Year Encumbrances Appropriated	<u>329,203</u>	<u>329,203</u>	<u>329,203</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$271,500</u></u>	<u><u>\$1,082</u></u>	<u><u>\$5,274,452</u></u>	<u><u>\$5,273,370</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Department Fund*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property and Other Taxes	\$1,707,397	\$1,519,997	\$1,536,995	\$16,998
Charges for Services	0	0	3,723	3,723
Licenses and Permits	103	103	120	17
Intergovernmental	0	187,400	240,873	53,473
Interest	20,001	20,001	10,988	(9,013)
Donations	0	0	200	200
Miscellaneous	0	0	8,611	8,611
<i>Total Revenues</i>	<u>1,727,501</u>	<u>1,727,501</u>	<u>1,801,510</u>	<u>74,009</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,266,891	1,266,891	1,189,534	77,357
Fringe Benefits	336,045	336,045	284,721	51,324
Purchased Services	112,070	112,070	64,083	47,987
Materials and Supplies	74,937	74,937	43,745	31,192
Capital Outlay	146,788	146,788	41,017	105,771
<i>Total Expenditures</i>	<u>1,936,731</u>	<u>1,936,731</u>	<u>1,623,100</u>	<u>313,631</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(209,230)</u>	<u>(209,230)</u>	<u>178,410</u>	<u>387,640</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	0	875	875
Transfers Out	(120,000)	(120,000)	(120,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(120,000)</u>	<u>(120,000)</u>	<u>(119,125)</u>	<u>875</u>
<i>Net Change in Fund Balance</i>	(329,230)	(329,230)	59,285	388,515
<i>Fund Balance Beginning of Year</i>	306,905	306,905	306,905	0
Prior Year Encumbrances Appropriated	22,325	22,325	22,325	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$388,515</u>	<u>\$388,515</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Assessment Bond Retirement Fund*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Special Assessments	\$1,140,920	\$1,140,920	\$662,687	(\$478,233)
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive:				
Other	6,628	6,628	6,591	37
Debt Service:				
Principal Retirement	715,000	715,000	325,000	390,000
Interest and Fiscal Charges	536,905	536,905	292,622	244,283
Total Debt Service	1,251,905	1,251,905	617,622	634,283
<i>Total Expenditures</i>	1,258,533	1,258,533	624,213	634,320
<i>Net Change in Fund Balance</i>	(117,613)	(117,613)	38,474	156,087
<i>Fund Balance Beginning of Year</i>	117,613	117,613	117,613	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$156,087	\$156,087

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Municipal Improvement Fund*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Municipal Income Taxes	\$959,205	\$960,000	\$960,000	\$0
Licenses and Permits	0	0	390	390
Interest	19,984	20,000	6,901	(13,099)
Miscellaneous	0	0	11,577	11,577
<i>Total Revenues</i>	<u>979,189</u>	<u>980,000</u>	<u>978,868</u>	<u>(1,132)</u>
<b>Expenditures</b>				
Capital Outlay:				
Purchased Services	261,553	288,885	250	288,635
Materials and Supplies	425	470	470	0
Capital Outlay	868,457	648,301	367,790	280,511
Total Capital Outlay	<u>1,130,435</u>	<u>937,656</u>	<u>368,510</u>	<u>569,146</u>
Debt Service:				
Principal Retirement	1,810,778	2,000,000	2,000,000	0
Interest and Fiscal Charges	57,945	64,000	64,000	0
Total Debt Service	<u>1,868,723</u>	<u>2,064,000</u>	<u>2,064,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,999,158</u>	<u>3,001,656</u>	<u>2,432,510</u>	<u>569,146</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,019,969)</u>	<u>(2,021,656)</u>	<u>(1,453,642)</u>	<u>568,014</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,035,811	2,037,498	2,037,498	0
Transfers Out	(433,142)	(433,142)	(433,142)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,602,669</u>	<u>1,604,356</u>	<u>1,604,356</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(417,300)	(417,300)	150,714	568,014
<i>Fund Balance Beginning of Year</i>	135,808	135,808	135,808	0
Prior Year Encumbrances Appropriated	281,492	281,492	281,492	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$568,014</u>	<u>\$568,014</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Buildings and Improvement Fund*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$1,200,000	\$1,200,000	\$1,200,000	\$0
Interest	57,104	57,104	30,267	(26,837)
<i>Total Revenues</i>	1,257,104	1,257,104	1,230,267	(26,837)
<b>Expenditures</b>	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	1,257,104	1,257,104	1,230,267	(26,837)
<b>Other Financing Uses</b>				
Transfers Out	(3,425,000)	(3,425,000)	(1,800,000)	1,625,000
<i>Net Change in Fund Balance</i>	(2,167,896)	(2,167,896)	(569,733)	1,598,163
<i>Fund Balance Beginning of Year</i>	2,167,896	2,167,896	2,167,896	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$1,598,163	\$1,598,163

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Road Improvements Fund*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Municipal Income Taxes	\$93,102	\$120,000	\$120,000	\$0
Licenses and Permits	0	0	1,040	1,040
Intergovernmental	1,398,661	1,802,750	878,116	(924,634)
Interest	26,846	34,602	35,972	1,370
Miscellaneous	64,007	82,500	116,726	34,226
<i>Total Revenues</i>	<u>1,582,616</u>	<u>2,039,852</u>	<u>1,151,854</u>	<u>(887,998)</u>
<b>Expenditures</b>				
Capital Outlay:				
Road Repaving:				
Purchased Services	63,389	68,853	50,360	18,493
Materials and Supplies	169,378	169,536	168,193	1,343
Capital Outlay	88,863	44,710	0	44,710
Total Road Repaving	<u>321,630</u>	<u>283,099</u>	<u>218,553</u>	<u>64,546</u>
Sunnydale, Vera, Lloyd, Harold:				
Purchased Services	9,830	8,977	3,926	5,051
Capital Outlay	469,997	421,023	195,474	225,549
Total Sunnydale, Vera, Lloyd, Harold	<u>479,827</u>	<u>430,000</u>	<u>199,400</u>	<u>230,600</u>
Ashlawn Drive Reconstruction:				
Capital Outlay	88,939	67,623	44,846	22,777
Parkvies Drive Reconstruction:				
Capital Outlay	85,417	131,000	86,000	45,000
Oakes Road Reconstruction:				
Purchased Services	162,532	249,269	213,212	36,057
Capital Outlay	301	462	462	0
Other	1,536,374	2,356,269	1,956,268	400,001
Total Oakes Road Reconstruction	<u>1,699,207</u>	<u>2,606,000</u>	<u>2,169,942</u>	<u>436,058</u>
Route 82 Widening:				
Purchased Services	43,118	27,796	27,791	5
Capital Outlay	819,539	565,418	550,815	14,603
Total Route 82 Widening	<u>\$862,657</u>	<u>\$593,214</u>	<u>\$578,606</u>	<u>\$14,608</u>

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Road Improvements Fund (continued)*  
*For the Year Ended December 31, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Route 82 Resurfacing:				
Capital Outlay	\$34,339	\$52,664	\$0	\$52,664
Citywide Traffic Resignal:				
Purchased Services	268,198	266,150	124,669	141,481
Capital Outlay	1,236,160	1,507,782	1,031,799	475,983
Total Citywide Traffic Resignal	1,504,358	1,773,932	1,156,468	617,464
<i>Total Expenditures</i>	5,076,374	5,937,532	4,453,815	1,483,717
<i>Excess of Revenues Under Expenditures</i>	(3,493,758)	(3,897,680)	(3,301,961)	595,719
<b>Other Financing Sources (Uses)</b>				
Notes Issued	775,849	1,000,000	1,000,000	0
Transfers In	938,389	1,209,500	912,000	(297,500)
Transfers Out	(171,158)	(262,498)	(262,498)	0
<i>Total Other Financing Sources (Uses)</i>	1,543,080	1,947,002	1,649,502	(297,500)
<i>Net Change in Fund Balance</i>	(1,950,678)	(1,950,678)	(1,652,459)	298,219
<i>Fund Balance Beginning of Year</i>	745,791	745,791	745,791	0
Prior Year Encumbrances Appropriated	1,204,887	1,204,887	1,204,887	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$298,219</u>	<u>\$298,219</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Motor Vehicle License Tax Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$30,000	\$30,000	\$32,935	\$2,935
Interest	3,148	3,148	2,034	(1,114)
<i>Total Revenues</i>	33,148	33,148	34,969	1,821
<b>Expenditures</b>				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Capital Outlay	121,000	121,000	0	121,000
<i>Net Change in Fund Balance</i>	(87,852)	(87,852)	34,969	122,821
<i>Fund Balance Beginning of Year</i>	87,852	87,852	87,852	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$122,821</u>	<u>\$122,821</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Repair and Maintenance Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$314,769	\$314,769	\$344,301	\$29,532
<b>Expenditures</b>				
Current:				
Street Construction, Maintenance and Repair:				
Snow and Ice Removal:				
Materials and Supplies	420,000	420,000	400,000	20,000
Capital Outlay	193,000	193,000	85,753	107,247
<i>Total Expenditures</i>	<u>613,000</u>	<u>613,000</u>	<u>485,753</u>	<u>127,247</u>
<i>Excess of Revenues Under Expenditures</i>	(298,231)	(298,231)	(141,452)	156,779
<b>Other Financing Uses</b>				
Transfers Out	(412,000)	(412,000)	(412,000)	0
<i>Net Change in Fund Balance</i>	(710,231)	(710,231)	(553,452)	156,779
<i>Fund Balance Beginning of Year</i>	<u>710,231</u>	<u>710,231</u>	<u>710,231</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$156,779</u></u>	<u><u>\$156,779</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$26,995	\$26,995	\$27,916	\$921
<b>Expenditures</b>				
Current:				
Street Construction, Maintenance and Repair:				
Route 21 Center Strip:				
Salaries and Wages	12,000	12,000	6,122	5,878
Purchased Services	10,000	10,000	0	10,000
Materials and Supplies	10,000	10,000	0	10,000
Total Route 21 Center Strip	32,000	32,000	6,122	25,878
Snow and Ice Removal:				
Materials and Supplies	123,000	123,000	0	123,000
<i>Total Expenditures</i>	155,000	155,000	6,122	148,878
<i>Net Change in Fund Balance</i>	(128,005)	(128,005)	21,794	149,799
<i>Fund Balance Beginning of Year</i>	128,005	128,005	128,005	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$149,799	\$149,799

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Center Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$563,754	\$547,173	\$569,492	\$22,319
Interest	39,181	38,029	16,526	(21,503)
Donations	1,030	1,000	3,684	2,684
Rentals	42,758	41,500	38,580	(2,920)
Miscellaneous	296	287	41,062	40,775
<i>Total Revenues</i>	<u>647,019</u>	<u>627,989</u>	<u>669,344</u>	<u>41,355</u>
<b>Expenditures</b>				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	713,054	698,405	664,940	33,465
Fringe Benefits	110,870	108,592	103,113	5,479
Purchased Services	517,948	500,276	358,429	141,847
Materials and Supplies	237,410	228,739	187,322	41,417
Capital Outlay	253,280	246,909	198,103	48,806
Other	17,538	17,179	15,635	1,544
<i>Total Expenditures</i>	<u>1,850,100</u>	<u>1,800,100</u>	<u>1,527,542</u>	<u>272,558</u>
<i>Excess of Revenues Under Expenditures</i>	(1,203,081)	(1,172,111)	(858,198)	313,913
<b>Other Financing Sources</b>				
Transfers In	<u>1,052,970</u>	<u>1,022,000</u>	<u>922,000</u>	<u>(100,000)</u>
<i>Net Change in Fund Balance</i>	(150,111)	(150,111)	63,802	213,913
<i>Fund Balance Beginning of Year</i>	137,866	137,866	137,866	0
Prior Year Encumbrances Appropriated	<u>12,245</u>	<u>12,245</u>	<u>12,245</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$213,913</u>	<u>\$213,913</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Programs Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$281	\$281	\$155	(\$126)
Miscellaneous	1,173	1,173	838	(335)
<i>Total Revenues</i>	1,454	1,454	993	(461)
<b>Expenditures</b>				
Current:				
Recreational Activities:				
Special Events:				
Materials and Supplies	19,314	19,314	773	18,541
<i>Net Change in Fund Balance</i>	(17,860)	(17,860)	220	18,080
<i>Fund Balance Beginning of Year</i>	17,683	17,683	17,683	0
Prior Year Encumbrances Appropriated	177	177	177	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$18,080</u>	<u>\$18,080</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Road Maintenance Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Taxes	\$445,757	\$449,177	\$452,057	\$2,880
Intergovernmental	56,420	53,000	68,927	15,927
Interest	23,265	23,265	10,824	(12,441)
Miscellaneous	0	0	10,649	10,649
<i>Total Revenues</i>	<u>525,442</u>	<u>525,442</u>	<u>542,457</u>	<u>17,015</u>
<b>Expenditures</b>				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Purchased Services	757,736	731,998	726,484	5,514
Materials and Supplies	20,140	23,327	8,561	14,766
Capital Outlay	136,994	157,943	157,828	115
<i>Total Expenditures</i>	<u>914,870</u>	<u>913,268</u>	<u>892,873</u>	<u>20,395</u>
<i>Excess of Revenues Under Expenditures</i>	(389,428)	(387,826)	(350,416)	37,410
<b>Other Financing Uses</b>				
Transfers Out	(10,130)	(11,732)	(11,732)	0
<i>Net Change in Fund Balance</i>	(399,558)	(399,558)	(362,148)	37,410
<i>Fund Balance Beginning of Year</i>	273,176	273,176	273,176	0
Prior Year Encumbrances Appropriated	126,382	126,382	126,382	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$37,410</u>	<u>\$37,410</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Clean Ohio Grant Fund  
For the Year Ended December 31, 2002*

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

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ohio Arts Grant Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$12,199	\$7,039	\$0	(\$7,039)
Interest	173	100	0	(100)
<i>Total Revenues</i>	12,372	7,139	0	(7,139)
<b>Expenditures</b>				
Current:				
General Government - Legislative and Executive:				
Ohio Arts Council:				
Purchased Services	40,100	23,139	4,675	18,464
<i>Excess of Revenues Under Expenditures</i>	(27,728)	(16,000)	(4,675)	11,325
<b>Other Financing Sources</b>				
Transfers In	27,728	16,000	16,000	0
<i>Net Change in Fund Balance</i>	0	0	11,325	11,325
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$11,325</u>	<u>\$11,325</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Federal Equitable Sharing Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$0	\$0	\$47	\$47
Miscellaneous	<u>0</u>	<u>0</u>	<u>3,784</u>	<u>3,784</u>
<i>Total Revenues</i>	0	0	3,831	3,831
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	3,831	3,831
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$3,831</u></u>	<u><u>\$3,831</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Prisoner Assistance Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses and Permits	\$700	\$700	\$858	\$158
Interest	198	198	135	(63)
<i>Total Revenues</i>	898	898	993	95
<b>Expenditures</b>				
Current:				
Public Safety:				
Prisoner Support:				
Materials and Supplies	7,600	7,600	70	7,530
<i>Net Change in Fund Balance</i>	(6,702)	(6,702)	923	7,625
<i>Fund Balance Beginning of Year</i>	6,702	6,702	6,702	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$7,625</u>	<u>\$7,625</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Drivers Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$500	\$500	\$850	\$350
Interest	298	298	120	(178)
<i>Total Revenues</i>	798	798	970	172
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Purchased Services	6,700	6,700	0	6,700
<i>Net Change in Fund Balance</i>	(5,902)	(5,902)	970	6,872
<i>Fund Balance Beginning of Year</i>	5,902	5,902	5,902	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$6,872</u>	<u>\$6,872</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Enforcement and Education Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$3,162	\$3,162	\$2,574	(\$588)
Interest	1,058	1,058	550	(508)
Donations	500	500	0	(500)
Miscellaneous	3,600	3,600	3,600	0
<i>Total Revenues</i>	<u>8,320</u>	<u>8,320</u>	<u>6,724</u>	<u>(1,596)</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Salaries and Wages	11,180	13,200	2,037	11,163
Purchased Services	21,297	22,697	6,473	16,224
Materials and Supplies	1,609	1,900	1,014	886
Capital Outlay	8,093	4,382	4,377	5
<i>Total Expenditures</i>	<u>42,179</u>	<u>42,179</u>	<u>13,901</u>	<u>28,278</u>
<i>Net Change in Fund Balance</i>	(33,859)	(33,859)	(7,177)	26,682
<i>Fund Balance Beginning of Year</i>	27,405	27,405	27,405	0
Prior Year Encumbrances Appropriated	<u>6,454</u>	<u>6,454</u>	<u>6,454</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$26,682</u>	<u>\$26,682</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Computerization Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses and Permits	\$16,000	\$16,000	\$17,390	\$1,390
Interest	3,553	3,553	1,911	(1,642)
<i>Total Revenues</i>	19,553	19,553	19,301	(252)
<b>Expenditures</b>				
Current:				
General Government - Judicial:				
Court Computerization:				
Purchased Services	115,000	115,000	7,788	107,212
<i>Net Change in Fund Balance</i>	(95,447)	(95,447)	11,513	106,960
<i>Fund Balance Beginning of Year</i>	95,447	95,447	95,447	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$106,960</u>	<u>\$106,960</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Natureworks Grants Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$91,449	\$200,000	\$1,000	(\$199,000)
Interest	1,001	2,189	5,743	3,554
<i>Total Revenues</i>	<u>92,450</u>	<u>202,189</u>	<u>6,743</u>	<u>(195,446)</u>
<b>Expenditures</b>				
Current:				
Housing and Community Development:				
Nature Planning:				
Purchased Services	59,628	53,581	43,181	10,400
Materials and Supplies	620	966	966	0
Capital Outlay	439,755	685,456	458,816	226,640
<i>Total Expenditures</i>	<u>500,003</u>	<u>740,003</u>	<u>502,963</u>	<u>237,040</u>
<i>Excess of Revenues Under Expenditures</i>	(407,553)	(537,814)	(496,220)	41,594
<b>Other Financing Sources</b>				
Transfers In	109,739	240,000	240,000	0
<i>Net Change in Fund Balance</i>	(297,814)	(297,814)	(256,220)	41,594
<i>Fund Balance Beginning of Year</i>	272,561	272,561	272,561	0
Prior Year Encumbrances Appropriated	25,253	25,253	25,253	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$41,594</u>	<u>\$41,594</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Recycling Demo Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$14,498	\$20,000	\$0	(\$20,000)
Interest	239	330	419	89
<i>Total Revenues</i>	14,737	20,330	419	(19,911)
<b>Expenditures</b>				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Capital Outlay	66,501	87,501	66,891	20,610
<i>Excess of Revenues Under Expenditures</i>	(51,764)	(67,171)	(66,472)	699
<b>Other Financing Sources</b>				
Transfers In	40,593	56,000	56,000	0
<i>Net Change in Fund Balance</i>	(11,171)	(11,171)	(10,472)	699
<i>Fund Balance Beginning of Year</i>	11,171	11,171	11,171	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$699</u>	<u>\$699</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Tree Planting Grants Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses and Permits	\$26,555	\$26,895	\$26,748	(\$147)
Intergovernmental	16,785	17,000	0	(17,000)
Interest	0	0	1,913	1,913
<i>Total Revenues</i>	<u>43,340</u>	<u>43,895</u>	<u>28,661</u>	<u>(15,234)</u>
<b>Expenditures</b>				
Current:				
Housing and Community Development:				
Tree Planning:				
Salaries and Wages	11,980	13,000	0	13,000
Purchased Services	2,401	2,605	0	2,605
Materials and Supplies	22,635	24,562	23,167	1,395
Capital Outlay	126,667	124,000	17,397	106,603
Other	922	1,000	775	225
<i>Total Expenditures</i>	<u>164,605</u>	<u>165,167</u>	<u>41,339</u>	<u>123,828</u>
<i>Excess of Revenues Under Expenditures</i>	(121,265)	(121,272)	(12,678)	108,594
<b>Other Financing Sources</b>				
Transfers In	555	562	562	0
<i>Net Change in Fund Balance</i>	(120,710)	(120,710)	(12,116)	108,594
<i>Fund Balance Beginning of Year</i>	108,312	108,312	108,312	0
Prior Year Encumbrances Appropriated	12,398	12,398	12,398	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$108,594</u>	<u>\$108,594</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Law Enforcement Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$747	\$747	\$16,560	\$15,813
Interest	500	500	887	387
Miscellaneous	<u>0</u>	<u>0</u>	<u>1,778</u>	<u>1,778</u>
<i>Total Revenues</i>	1,247	1,247	19,225	17,978
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Purchased Services	<u>35,640</u>	<u>35,640</u>	<u>5,491</u>	<u>30,149</u>
<i>Net Change in Fund Balance</i>	(34,393)	(34,393)	13,734	48,127
<i>Fund Balance Beginning of Year</i>	33,253	33,253	33,253	0
Prior Year Encumbrances Appropriated	<u>1,140</u>	<u>1,140</u>	<u>1,140</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$48,127</u></u>	<u><u>\$48,127</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Law Enforcement Mandatory Drug Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$500	\$500	\$1,606	\$1,106
Interest	1,036	1,036	759	(277)
<i>Total Revenues</i>	1,536	1,536	2,365	829
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Purchased Services	41,000	41,000	0	41,000
<i>Net Change in Fund Balance</i>	(39,464)	(39,464)	2,365	41,829
<i>Fund Balance Beginning of Year</i>	39,464	39,464	39,464	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$41,829</u>	<u>\$41,829</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vehicle Immobilization Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$1,186	\$1,186	\$2,660	\$1,474
Interest	700	700	324	(376)
<i>Total Revenues</i>	1,886	1,886	2,984	1,098
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Purchased Services	19,000	19,000	0	19,000
<i>Net Change in Fund Balance</i>	(17,114)	(17,114)	2,984	20,098
<i>Fund Balance Beginning of Year</i>	17,114	17,114	17,114	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$20,098</u>	<u>\$20,098</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Brecksville Safety Town Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses and Permits	\$2,100	\$2,100	\$2,115	\$15
Interest	155	155	59	(96)
Donations	0	0	31	31
Miscellaneous	650	650	630	(20)
<i>Total Revenues</i>	<u>2,905</u>	<u>2,905</u>	<u>2,835</u>	<u>(70)</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Salaries and Wages	1,030	1,030	1,000	30
Purchased Services	4,870	4,870	1,605	3,265
<i>Total Expenditures</i>	<u>5,900</u>	<u>5,900</u>	<u>2,605</u>	<u>3,295</u>
<i>Net Change in Fund Balance</i>	(2,995)	(2,995)	230	3,225
<i>Fund Balance Beginning of Year</i>	<u>2,995</u>	<u>2,995</u>	<u>2,995</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$3,225</u>	<u>\$3,225</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Taxes	\$135,570	\$140,647	\$135,617	(\$5,030)
Intergovernmental	15,083	15,648	20,678	5,030
<i>Total Revenues</i>	150,653	156,295	156,295	0
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Fringe Benefits	170,202	175,844	175,264	580
<i>Net Change in Fund Balance</i>	(19,549)	(19,549)	(18,969)	580
<i>Fund Balance Beginning of Year</i>	19,549	19,549	19,549	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$580</u>	<u>\$580</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Brecksville Traveler's Trips Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$23,411	\$23,411	\$13,010	(\$10,401)
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Materials and Supplies	<u>26,000</u>	<u>26,000</u>	<u>13,579</u>	<u>12,421</u>
<i>Net Change in Fund Balance</i>	(2,589)	(2,589)	(569)	2,020
<i>Fund Balance Beginning of Year</i>	<u>2,589</u>	<u>2,589</u>	<u>2,589</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$2,020</u></u>	<u><u>\$2,020</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Safety Helmet Donation Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Materials and Supplies	<u>193</u>	<u>193</u>	<u>0</u>	<u>193</u>
<i>Net Change in Fund Balance</i>	(193)	(193)	0	193
<i>Fund Balance Beginning of Year</i>	<u>193</u>	<u>193</u>	<u>193</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$193</u></u>	<u><u>\$193</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Memorial Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government - Legislative and Executive:				
Memorials:				
Materials and Supplies	16,493	16,493	0	16,493
<i>Net Change in Fund Balance</i>	(16,493)	(16,493)	0	16,493
<i>Fund Balance Beginning of Year</i>	16,493	16,493	16,493	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$16,493</u>	<u>\$16,493</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Obligation Bond Retirement Fund  
For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Taxes	\$220,068	\$220,068	\$221,508	\$1,440
Intergovernmental	26,000	26,000	33,775	7,775
<i>Total Revenues</i>	<u>246,068</u>	<u>246,068</u>	<u>255,283</u>	<u>9,215</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive:				
Other	314,999	314,999	2,035	312,964
Debt Service:				
Principal Retirement	390,000	390,000	390,000	0
Interest and Fiscal Charges	250,875	250,875	250,875	0
Total Debt Service	<u>640,875</u>	<u>640,875</u>	<u>640,875</u>	<u>0</u>
<i>Total Expenditures</i>	<u>955,874</u>	<u>955,874</u>	<u>642,910</u>	<u>312,964</u>
<i>Excess of Revenues Under Expenditures</i>	(709,806)	(709,806)	(387,627)	322,179
<b>Other Financing Sources</b>				
Transfers In	433,142	433,142	433,142	0
<i>Net Change in Fund Balance</i>	(276,664)	(276,664)	45,515	322,179
<i>Fund Balance Beginning of Year</i>	<u>276,664</u>	<u>276,664</u>	<u>276,664</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$322,179</u></u>	<u><u>\$322,179</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue II Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$17,139	\$24,495	\$24,495	\$0
Interest	8,326	11,899	6,004	(5,895)
<i>Total Revenues</i>	<u>25,465</u>	<u>36,394</u>	<u>30,499</u>	<u>(5,895)</u>
<b>Expenditures</b>				
Capital Outlay:				
Purchased Services	93,859	99,830	14,217	85,613
Capital Outlay	248,673	264,494	253,986	10,508
Total Capital Outlay	342,532	364,324	268,203	96,121
Debt Service:				
Principal Retirement	42,468	45,170	45,170	0
<i>Total Expenditures</i>	<u>385,000</u>	<u>409,494</u>	<u>313,373</u>	<u>96,121</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(359,535)	(373,100)	(282,874)	90,226
<b>Other Financing Sources</b>				
Transfers In	31,605	45,170	45,170	0
<i>Net Change in Fund Balance</i>	(327,930)	(327,930)	(237,704)	90,226
<i>Fund Balance Beginning of Year</i>	<u>327,930</u>	<u>327,930</u>	<u>327,930</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$90,226</u>	<u>\$90,226</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Improvement Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$271,288	\$192,000	\$192,000	\$0
Interest	72,391	51,234	11,562	(39,672)
<i>Total Revenues</i>	<u>343,679</u>	<u>243,234</u>	<u>203,562</u>	<u>(39,672)</u>
<b>Expenditures</b>				
Capital Outlay:				
Material and Supplies	402,134	362,117	0	362,117
Capital Outlay	747,198	639,670	356,559	283,111
<i>Total Expenditures</i>	<u>1,149,332</u>	<u>1,001,787</u>	<u>356,559</u>	<u>645,228</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(805,653)</u>	<u>(758,553)</u>	<u>(152,997)</u>	<u>605,556</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	169,555	120,000	120,000	0
Transfers Out	(24,669)	(22,214)	(22,214)	0
<i>Total Other Financing Sources (Uses)</i>	<u>144,886</u>	<u>97,786</u>	<u>97,786</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(660,767)	(660,767)	(55,211)	605,556
<i>Fund Balance Beginning of Year</i>	623,928	623,928	623,928	0
Prior Year Encumbrances Appropriated	36,839	36,839	36,839	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$605,556</u>	<u>\$605,556</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Equipment Replacement Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$3,131	\$3,131	\$1,541	(\$1,590)
<b>Expenditures</b>				
Capital Outlay:				
Capital Outlay	84,000	84,000	0	84,000
<i>Net Change in Fund Balance</i>	(80,869)	(80,869)	1,541	82,410
<i>Fund Balance Beginning of Year</i>	80,869	80,869	80,869	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$82,410</u>	<u>\$82,410</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Expansion Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses and Permits	\$29,000	\$29,000	\$23,440	(\$5,560)
Interest	1,793	1,793	1,299	(494)
<i>Total Revenues</i>	<u>30,793</u>	<u>30,793</u>	<u>24,739</u>	<u>(6,054)</u>
<b>Expenditures</b>				
Capital Outlay:				
Materials and Supplies	83,860	83,860	0	83,860
Capital Outlay	10,640	10,640	10,640	0
Other	500	500	270	230
<i>Total Expenditures</i>	<u>95,000</u>	<u>95,000</u>	<u>10,910</u>	<u>84,090</u>
<i>Net Change in Fund Balance</i>	(64,207)	(64,207)	13,829	78,036
<i>Fund Balance Beginning of Year</i>	<u>64,207</u>	<u>64,207</u>	<u>64,207</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$78,036</u>	<u>\$78,036</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Library Improvement Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$1,604	\$1,604	\$693	(\$911)
<b>Expenditures</b>				
Capital Outlay:				
Purchased Services	38,000	38,000	0	38,000
<i>Net Change in Fund Balance</i>	(36,396)	(36,396)	693	37,089
<i>Fund Balance Beginning of Year</i>	36,396	36,396	36,396	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$37,089</u>	<u>\$37,089</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Station Building Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses and Permits	\$0	\$0	\$4,050	\$4,050
Interest	6,001	6,001	17,379	11,378
<i>Total Revenues</i>	<u>6,001</u>	<u>6,001</u>	<u>21,429</u>	<u>15,428</u>
<b>Expenditures</b>				
Capital Outlay:				
Purchased Services	243,168	173,482	172,316	1,166
Materials and Supplies	767	800	596	204
Capital Outlay	<u>1,593,984</u>	<u>1,663,637</u>	<u>1,593,012</u>	<u>70,625</u>
<i>Total Expenditures</i>	<u>1,837,919</u>	<u>1,837,919</u>	<u>1,765,924</u>	<u>71,995</u>
<i>Excess of Revenues Under Expenditures</i>	(1,831,918)	(1,831,918)	(1,744,495)	87,423
<b>Other Financing Sources</b>				
Transfers In	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(531,918)	(531,918)	(444,495)	87,423
<i>Fund Balance Beginning of Year</i>	454,968	454,968	454,968	0
Prior Year Encumbrances Appropriated	<u>76,950</u>	<u>76,950</u>	<u>76,950</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$87,423</u>	<u>\$87,423</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Human Services Facilities Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$13,049	\$10,000	\$0	(\$10,000)
Interest	6,525	5,001	5,355	354
<i>Total Revenues</i>	<u>19,574</u>	<u>15,001</u>	<u>5,355</u>	<u>(9,646)</u>
<b>Expenditures</b>				
Capital Outlay:				
Purchased Services	382,152	177,744	177,744	0
Capital Outlay	2,066,766	1,771,174	0	1,771,174
<i>Total Expenditures</i>	<u>2,448,918</u>	<u>1,948,918</u>	<u>177,744</u>	<u>1,771,174</u>
<i>Excess of Revenues Under Expenditures</i>	(2,429,344)	(1,933,917)	(172,389)	1,761,528
<b>Other Financing Sources</b>				
Transfers In	2,120,427	1,625,000	0	(1,625,000)
<i>Net Change in Fund Balance</i>	(308,917)	(308,917)	(172,389)	136,528
<i>Fund Balance Beginning of Year</i>	134,173	134,173	134,173	0
Prior Year Encumbrances Appropriated	174,744	174,744	174,744	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$136,528</u>	<u>\$136,528</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sewer Improvement Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$3,987	\$3,987	\$1,955	(\$2,032)
<b>Expenditures</b>				
Capital Outlay:				
Purchased Services	66,600	66,600	0	66,600
Capital Outlay	40,000	40,000	0	40,000
<i>Total Expenditures</i>	<u>106,600</u>	<u>106,600</u>	<u>0</u>	<u>106,600</u>
<i>Net Change in Fund Balance</i>	(102,613)	(102,613)	1,955	104,568
<i>Fund Balance Beginning of Year</i>	<u>102,613</u>	<u>102,613</u>	<u>102,613</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$104,568</u></u>	<u><u>\$104,568</u></u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public Utility Improvement Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses and Permits	\$65,074	\$65,074	\$43,490	(\$21,584)
Interest	9,656	9,656	5,458	(4,198)
Miscellaneous	57,000	57,000	0	(57,000)
<i>Total Revenues</i>	<u>131,730</u>	<u>131,730</u>	<u>48,948</u>	<u>(82,782)</u>
<b>Expenditures</b>				
Capital Outlay:				
Capital Outlay	561,321	558,606	72,018	486,588
Other	1,049	1,100	1,100	0
<i>Total Expenditures</i>	<u>562,370</u>	<u>559,706</u>	<u>73,118</u>	<u>486,588</u>
<i>Excess of Revenues Under Expenditures</i>	(430,640)	(427,976)	(24,170)	403,806
<b>Other Financing Uses</b>				
Transfers Out	(54,060)	(56,724)	(11,224)	45,500
<i>Net Change in Fund Balance</i>	(484,700)	(484,700)	(35,394)	449,306
<i>Fund Balance Beginning of Year</i>	455,771	455,771	455,771	0
Prior Year Encumbrances Appropriated	28,929	28,929	28,929	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$449,306</u>	<u>\$449,306</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Self Insurance Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$1,041,667	\$1,209,300	\$1,213,712	\$4,412
Interest	4,124	4,788	968	(3,820)
Other	120,797	140,237	141,403	1,166
<i>Total Revenues</i>	<u>1,166,588</u>	<u>1,354,325</u>	<u>1,356,083</u>	<u>1,758</u>
<b>Expenses</b>				
Purchased Services	208,553	239,342	239,342	0
Claims	1,065,337	1,222,285	1,181,796	40,489
<i>Total Expenses</i>	<u>1,273,890</u>	<u>1,461,627</u>	<u>1,421,138</u>	<u>40,489</u>
<i>Net Change in Fund Balance</i>	(107,302)	(107,302)	(65,055)	42,247
<i>Fund Balance Beginning of Year</i>	107,012	107,012	107,012	0
Prior Year Encumbrances Appropriated	290	290	290	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$42,247</u>	<u>\$42,247</u>

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Endowment Fund*  
*For the Year Ended December 31, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$30	\$30	\$24	(\$6)
<b>Expenses</b>				
Materials and Supplies	596	596	192	404
Other	2,801	2,801	0	2,801
<i>Total Expenses</i>	<u>3,397</u>	<u>3,397</u>	<u>192</u>	<u>3,205</u>
<i>Net Change in Fund Balance</i>	(3,367)	(3,367)	(168)	3,199
<i>Fund Balance Beginning of Year</i>	<u>3,367</u>	<u>3,367</u>	<u>3,367</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$3,199</u></u>	<u><u>\$3,199</u></u>

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

	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Program Revenues</b>			
Charges for Services	\$1,389,736	\$1,401,161	\$1,370,499
Operating Grants and Contributions	778,363	515,523	653,787
Capital Grants and Contributions	1,507,521	2,431,667	0
<b>General Revenues</b>			
Taxes (1)	14,991,793	16,088,842	15,808,324
Intergovernmental	1,781,468	1,186,863	1,310,106
Investment Earnings	714,986	964,378	950,457
Gain on Sale of Capital Assets	18,321	1,915	0
Miscellaneous	332,884	676,866	248,960
<b>Total</b>	<b><u>\$21,515,072</u></b>	<b><u>\$23,267,215</u></b>	<b><u>\$20,342,133</u></b>
<b>Expenses</b>			
General Government:			
Legislative and Executive	\$4,088,405	\$3,793,512	\$3,478,288
Judicial System	158,683	125,666	154,482
Public Safety:			
Police	3,655,090	3,060,371	3,078,248
Fire	1,374,110	1,738,761	1,533,443
Public Health Services	145,378	54,214	96,675
Street Construction, Maintenance and Repair	2,784,828	2,760,673	4,486,001
Housing and Community Development	830,697	883,503	782,844
Basic Utility Services	1,701,700	1,659,828	2,019,430
Recreational Activities	1,522,030	1,437,308	1,343,632
Interest and Fiscal Charges	577,384	651,325	686,151
<b>Total</b>	<b><u>\$16,838,305</u></b>	<b><u>\$16,165,161</u></b>	<b><u>\$17,659,194</u></b>

Source: City financial records

(1) Includes All Taxes

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

	2002	2001	2000	1999
<b>Revenues</b>				
Taxes (2)	\$15,605,768	\$16,544,343	\$14,872,585	\$14,463,984
Charges for Services	621,980	640,568	569,601	532,604
Licenses and Permits	335,530	290,325	376,390	317,020
Fines and Forfeitures	353,697	394,319	356,597	375,327
Intergovernmental	3,496,062	1,869,874	1,898,138	2,087,824
Special Assessments	325,000	265,000	535,262	495,518
Interest	714,986	960,118	973,121	655,703
Sales	0	0	0	20,519
Donations	8,611	15,130	11,227	50,785
Rent	150,939	75,949	75,186	50,351
Miscellaneous	415,384	641,602	245,914	200,843
<b>Total</b>	<b>\$22,027,957</b>	<b>\$21,697,228</b>	<b>\$19,914,021</b>	<b>\$19,250,478</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government: (3)				\$3,369,331
Legislative and Executive	\$3,490,750	\$3,606,295	\$3,393,415	N/A
Judicial System	154,019	132,114	156,667	N/A
Public Safety: (3)				4,457,722
Police	3,419,938	3,250,985	3,111,668	N/A
Fire	1,641,677	1,521,449	1,505,903	N/A
Public Health Services	142,703	103,780	93,325	103,603
Street Construction, Maintenance and Repair	2,568,880	2,299,218	2,478,337	2,313,386
Housing and Community Development	963,679	761,285	646,989	606,612
Basic Utility Services	1,324,054	1,246,551	1,289,244	1,182,446
Recreational Activities	1,492,749	1,264,053	1,151,375	1,122,847
Capital Outlay	4,825,124	2,959,846	5,369,478	4,278,188
Debt Service				
Principal Retirement	760,170	685,170	660,170	624,558
Interest and Fiscal Charges	584,633	617,742	689,069	646,856
<b>Total</b>	<b>\$21,368,376</b>	<b>\$18,448,488</b>	<b>\$20,545,640</b>	<b>\$18,705,549</b>

Source: City financial records

(1) Information is based on modified accrual.

(2) Includes All Taxes

1998	1997	1996	1995	1994	1993
\$13,452,239	\$11,907,637	\$11,815,080	\$11,016,700	\$10,041,953	\$9,430,177
546,933	556,004	542,863	553,612	398,608	262,149
271,021	281,453	295,622	136,572	604,544	401,429
310,979	297,455	305,126	293,938	284,666	391,497
1,895,182	1,630,733	2,301,107	2,067,550	1,445,232	1,527,246
479,277	407,245	402,673	418,822	440,371	413,090
461,111	327,063	254,490	288,133	259,068	300,609
23,033	58,848	46,846	75,242	0	0
50,111	62,512	41,825	4,693	0	0
48,677	72,889	56,523	70,209	0	0
361,336	59,987	39,189	244,751	174,235	346,127
<u>\$17,899,899</u>	<u>\$15,661,826</u>	<u>\$16,101,344</u>	<u>\$15,170,222</u>	<u>\$13,648,677</u>	<u>\$13,072,324</u>
\$3,029,340	\$2,864,953	\$2,926,802	\$2,414,468	\$2,216,611	\$1,912,868
4,411,141	4,048,103	3,870,920	3,320,271	3,106,765	3,078,668
90,101	94,558	77,667	214,724	579,919	411,360
2,289,444	1,995,451	2,059,219	1,922,744	2,713,783	1,642,372
622,808	527,055	396,906	375,437	586,861	979,380
1,104,936	1,162,420	1,058,603	1,064,734	1,446,829	1,973,813
1,032,279	1,054,206	933,192	958,375	775,826	610,860
2,606,384	1,499,830	2,177,856	4,040,695	81	118
579,449	572,244	585,118	608,655	589,618	603,685
600,691	593,253	606,569	630,969	611,234	625,815
<u>\$16,366,573</u>	<u>\$14,412,073</u>	<u>\$14,692,852</u>	<u>\$15,551,072</u>	<u>\$12,627,527</u>	<u>\$11,838,939</u>

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

Year	Current Tax Levy (1)	Delinquent Tax Levy	Total Tax Levy	Current Collection (1)	Percent of Current Collections To Current Tax Levy
2002	\$4,196,571	\$139,812	\$4,336,383	\$4,056,919	96.67%
2001	4,190,263	119,956	4,310,219	4,000,610	95.47
2000	3,707,702	93,935	3,801,637	3,579,270	96.54
1999	3,668,131	146,678	3,814,809	3,622,337	98.75
1998	3,622,243	132,168	3,754,411	3,557,785	98.22
1997	3,282,149	107,427	3,389,576	3,205,601	97.67
1996	3,225,251	99,787	3,325,038	3,187,376	98.83
1995	3,201,707	93,531	3,295,238	3,136,991	97.98
1994	2,770,327	144,057	2,914,384	2,731,058	98.58
1993	2,720,469	156,896	2,877,365	2,680,478	98.53

Source: Cuyahoga County, Ohio; County Auditor

- (1) Includes homestead/rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.
- (2) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

<u>Delinquent Collection</u>	<u>Total Collections</u>	<u>Percent of Total Collections To Current Tax Levy</u>	<u>Outstanding Delinquent Taxes (2)</u>	<u>Percent of Delinquent Taxes to Total Tax Levy</u>
\$92,795	\$4,149,714	98.88%	\$175,470	4.05 %
83,419	4,084,029	97.46	123,141	2.86
62,076	3,641,346	98.21	108,391	2.85
102,732	3,725,069	101.55	88,473	2.32
48,326	3,606,111	99.55	135,538	3.61
35,202	3,240,803	98.74	124,759	3.68
39,854	3,227,230	100.06	94,938	2.86
34,246	3,171,237	99.05	93,531	2.84
60,180	2,791,238	100.75	106,228	3.64
54,544	2,735,022	100.53	129,404	4.50

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

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Year	Current Tax Levy	Delinquent Tax Levy	Total Tax Levy	Current Collections
2002	\$256,856	\$21,078	\$277,934	\$250,419
2001	261,601	71,664	333,265	258,309
2000	237,359	67,348	304,707	224,473
1999	243,380	62,049	305,429	242,928
1998	244,544	71,865	316,409	241,094
1997	282,281	80,182	362,463	281,275
1996	233,678	100,571	334,249	230,660
1995	213,790	103,474	317,264	209,496
1994	182,864	113,006	295,870	174,659
1993	174,912	99,613	274,525	169,924

Source: Cuyahoga County, Ohio; County Auditor

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

<u>Percent of Current Collections To Current Tax Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent of Total Collections to Current Tax Levy</u>	<u>Outstanding Delinquent Taxes (1)</u>	<u>Percent of Delinquent Taxes to Total Tax Levy</u>
97.49 %	\$10,669	\$261,088	101.65 %	\$16,976	6.11 %
98.74	18,873	277,182	105.96	55,465	16.64
94.57	12,668	237,141	99.91	71,591	23.50
99.81	6,282	249,210	102.40	55,615	18.21
98.59	8,637	249,731	102.12	66,428	20.99
99.64	6,556	287,831	101.97	61,562	16.98
98.71	3,018	233,678	100.00	63,137	18.89
97.99	4,293	213,789	100.00	103,474	32.61
95.51	10,303	184,962	101.15	110,062	37.20
97.15	6,210	176,134	100.70	98,379	35.84

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

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2002	\$460,952,210	\$1,317,006,314	\$21,668,560	\$24,623,364
2001	447,218,260	1,277,766,457	33,447,710	38,008,761
2000	391,765,310	1,119,329,457	34,466,070	39,165,989
1999	386,598,490	1,104,567,114	35,334,490	40,152,830
1998	376,944,390	1,076,983,971	35,441,760	40,274,727
1997	346,920,010	991,200,029	25,843,020	29,367,068
1996	340,516,200	972,903,429	26,291,450	29,876,648
1995	332,150,090	949,000,257	28,182,460	32,025,523
1994	284,504,820	812,870,914	26,788,860	30,441,886
1993	275,188,720	786,253,486	27,223,570	30,935,875

Source: Cuyahoga County, Ohio; County Auditor

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

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

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

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

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

Tangible Personal Property		Total		Ratio
Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
\$30,013,647	\$120,054,588	\$512,634,417	\$1,461,684,266	35.07 %
27,244,402	108,977,608	507,910,372	1,424,752,827	35.65
27,974,748	111,898,992	454,206,128	1,270,394,438	35.75
27,789,077	111,156,308	449,722,057	1,255,876,252	35.81
32,077,445	128,309,780	444,463,595	1,245,568,479	35.68
26,554,299	106,217,196	399,317,329	1,126,784,293	35.44
24,021,325	96,085,300	390,828,975	1,098,865,376	35.57
20,546,575	82,186,300	380,879,125	1,063,212,080	35.82
19,434,765	77,739,060	330,728,445	921,051,861	35.91
19,729,423	78,917,692	322,141,713	896,107,053	35.95

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

City of Brecksville							
Year	General	Bond Retirement	Police Pension	Fire Levy	Road Improvement Levy	Library Levy	Total City
2002	\$3.51	\$0.00	\$0.30	\$3.40	\$1.00	\$0.49	\$8.70
2001	3.51	0.00	0.30	3.40	1.00	0.49	8.70
2000	3.51	0.00	0.30	3.40	1.00	0.49	8.70
1999	3.51	0.00	0.30	3.40	1.00	0.49	8.70
1998	3.51	0.00	0.30	3.40	1.00	0.59	8.80
1997	3.51	0.00	0.30	3.40	1.00	0.59	8.80
1996	3.51	0.00	0.30	3.40	1.00	0.59	8.80
1995	3.51	0.00	0.30	3.40	1.00	0.69	8.90
1994	3.51	0.00	0.30	3.40	1.00	0.69	8.90
1993	3.37	0.14	0.30	3.40	1.00	0.79	9.00

Source: Cuyahoga County, Ohio; County Auditor

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Library and County	School	Joint Vocational School	Total
\$17.60	\$71.50	\$2.00	\$99.80
17.60	64.80	2.00	93.10
16.70	65.30	2.00	92.70
16.70	65.30	2.00	92.70
16.70	65.40	2.00	92.90
18.00	60.80	0.00	87.60
18.00	62.50	0.00	89.30
18.20	61.90	0.00	89.00
17.80	57.90	0.00	84.60
17.80	57.90	0.00	84.70

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

Year	Current Assessments Levied	Current Assessments Collected (3)	Percentage of Current Assessments Collected to Levy	Delinquent Assessments Collected	Percentage of Delinquent Assessments Collected to Current Levy
2002	\$339,062	\$318,010	93.79 %	\$6,990	2.06 %
2001	276,963	260,484	94.05	4,516	1.63
2000	488,065	473,800	97.08	36,818	7.54
1999	488,692	444,991	91.06	50,527	10.34
1998	489,415	468,977	95.82	10,300	2.10
1997	392,505	392,481	99.99	14,764	3.76
1996	393,724	385,808	97.99	16,865	4.28
1995	393,132	384,076	97.70	9,530	2.42
1994	393,880	386,937	98.24	4,315	1.10
1993	395,834	392,873	99.25	21,829	5.51

Source: Cuyahoga County, Ohio; County Auditor

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

Total Assessments Collected	Percentage of Total Collections to Current Levy	Accumulative Delinquency (2)
\$325,000	95.85 %	\$29,321
265,000	95.68	18,014
510,618	104.62	14,639
495,518	101.40	55,959
479,277	97.93	52,809
407,245	103.76	31,060
402,673	102.27	42,381
393,606	100.12	44,868
391,252	99.33	67,326
414,702	104.77	63,120

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

Year	Population	Net General Obligation Bonded Debt	Assessed Value	Ratio of Net Bonded Debt to Assessed Value	Net General Obligation Bonded Debt Per Capita
2002	13,382	\$4,552,221	\$512,634,417	0.89 %	\$340.17
2001	13,382	4,951,838	507,910,372	0.97	370.04
2000	13,382	5,339,386	454,206,128	1.18	399.00
1999	12,535	5,685,488	449,722,057	1.26	453.57
1998	12,535	6,010,299	444,463,595	1.35	479.48
1997	12,535	6,154,184	399,317,329	1.54	490.96
1996	12,535	6,339,162	390,828,975	1.62	505.72
1995	12,061	6,502,696	380,879,125	1.71	539.15
1994	12,061	6,759,858	330,728,445	2.04	560.47
1993	12,061	6,955,821	322,141,713	2.16	576.72

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

**City of Brecksville, Ohio**  
*Computation of Legal Debt Margin*  
*December 31, 2002*

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Total Assessed Property Value	<u>\$512,634,417</u>
Overall Debt Limitation (10 ½ % of Assessed Valuation)	<u>\$53,826,614</u>
Gross Indebtedness	10,653,624
Less: Special Assessments Bonds	(4,772,000)
OPWC Loans	(561,624)
General Obligation Bond Retirement Fund Balance	<u>(322,179)</u>
Net Debt Within 10 1/2% Limitations	<u>4,997,821</u>
<i>Overall Legal Debt Margin Within 10 1/2% Limitations</i>	<u>\$48,828,793</u>
Unvoted Debt Limitation (5 1/2% of Assessed Valuation)	<u>\$28,194,893</u>
Gross Indebtedness	10,653,624
Less: Special Assessments Bonds	(4,772,000)
OPWC Loans	(561,624)
General Obligation Bond Retirement Fund Balance	<u>(322,179)</u>
Net Debt Within 5 1/2% Limitations	<u>4,997,821</u>
<i>Unvoted Legal Debt Margin Within 5 1/2% Limitations</i>	<u>\$23,197,072</u>

Source: Cuyahoga County, Ohio; County Auditor

**City of Brecksville, Ohio**  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*December 31, 2002*

	General Obligation Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Brecksville
<u>Direct:</u>			
City of Brecksville	\$4,874,400	100.00%	\$4,874,400
<u>Overlapping:</u>			
Cuyahoga County	200,162,636	1.85	3,703,009
Brecksville City Schools	32,595,000	59.36	19,348,392
RTA	136,310,000	1.85	2,521,735
<i>Total Overlapping</i>	369,067,636		25,573,136
Total	\$373,942,036		\$30,447,536

Source: Cuyahoga County, Ohio; County Auditor

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

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

Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service To Total General Governmental Expenditures
2002	\$390,000	\$250,875	\$640,875	\$21,368,376	3.00 %
2001	375,000	269,455	644,455	18,448,488	3.49
2000	355,000	286,637	641,637	20,545,640	3.12
1999	330,000	304,355	634,355	18,705,549	3.39
1998	320,000	321,020	641,020	16,366,573	3.92
1997	340,000	323,422	663,422	14,412,073	4.60
1996	235,000	430,445	665,445	14,692,852	4.53
1995	220,000	448,455	668,455	15,551,072	4.30
1994	205,000	465,155	670,155	12,627,527	5.31
1993	205,000	519,412	724,412	11,838,939	6.12

Source: City financial records

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

Year	Property Value (1)	Number of Building Permits	Dollar Value of Building Permits	Bank Deposits (in thousands)(2)
2002	\$460,952,210	1,117	\$22,806,516	\$95,761,917
2001	447,218,260	926	33,899,565	63,893,769
2000	391,765,310	929	32,891,302	61,942,764
1999	386,598,490	940	26,148,699	57,816,942
1998	376,944,390	982	18,849,006	58,904,596
1997	346,920,010	728	23,015,569	53,941,971
1996	340,516,200	780	23,649,978	27,068,211
1995	332,150,090	703	18,064,783	22,458,573
1994	284,504,820	740	25,313,314	20,885,453
1993	275,188,720	634	17,136,456	21,009,421

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

- (1) Represents total real property assessed value for the City  
(2) In 1997 Key Bank adopted a single charter causing a significant increase in recorded bank deposits

**City of Brecksville, Ohio**  
*Principal Taxpayers - Real and Tangible Personal Property*  
*December 31, 2002*

Taxpayer	Assessed Value	Percent of Assessed Value
Ohio Bell Telephone	\$8,958,500	1.82 %
PMD Group, Inc.	7,692,300	1.57
Grand Bay of Brecksville	6,894,130	1.40
Treeline, Inc.	3,349,440	0.68
Gateway Association III & IV	3,165,510	0.64
Cleveland Electric Illuminating Company	2,769,660	0.56
Brecksville Corporate Center	2,096,080	0.43
FOGG - Snowville	1,959,020	0.40
Brecksville Shopping Center	1,870,960	0.38
Brecksville Land Development, LLC	1,664,010	0.34
<i>Totals</i>	<u>\$40,419,610</u>	<u>8.23 %</u>
Real Property Assessed Valuation	\$460,952,210	
Tangible Personal Property Assessed Valuation	<u>30,013,647</u>	
Assessed Valuation	<u>\$490,965,857</u>	

Source: Cuyahoga County, Ohio; County Auditor

**City of Brecksville, Ohio**  
*Principal Taxpayers - Public Utility Property*  
*December 31, 2002*

Taxpayer	Assessed Value	Percent of Assessed Value
Cleveland Electric Illuminating Company	\$13,393,150	61.81 %
Ohio Bell Telephone	2,779,780	12.83
East Ohio Gas Company	988,420	4.56
Ameritech Advanced	902,790	4.17
Qwest Communications Corporation	614,860	2.84
American Transmission System	600,330	2.77
AT&T Wireless	313,510	1.45
North Coast Gas Transmission	267,940	1.24
Sprint Communications	234,670	1.08
<i>Totals</i>	<u>\$20,095,450</u>	<u>92.74 %</u>
Assessed Valuation	<u>\$21,668,560</u>	

Source: Cuyahoga County, Ohio; County Auditor

**City of Brecksville, Ohio**  
*Demographic Statistics*

Last Six Census		December 31, 2002	
Year	Population		
		Sex:	
		Male	6,675
2000	13,382	Female	6,707
1990	11,818	Median Age	44.1
1980	10,132	Total Households	5,033
1970	9,137	Persons Per Household	2.55
1960	5,435	Median Income	
		Household	\$76,159
1950	2,664	Family	\$86,848
		Median Dollar Value of Housing Units	\$215,800

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

**City of Brecksville, Ohio**

*Miscellaneous Statistics*

*December 31, 2002*

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Year Founded	1811
Year of Incorporation	1921
Year Became a City	1960
Year of Adoption of Original City Charter	1956
Form of Government	Mayor and Seven Councilmen
Area-Square Miles	19.54
Election of November 2002:	
Number of Registered Voters - Last General Election	9,951
Number of Votes Cast - Last General Election	4,684
Percentage of Registered Votes Cast	47.07%
Fire Department:	
Number of Stations	1
Number of Uniformed Employees:	
Full-Time	15
Part-Time	27
Number of Paramedics:	
Full-Time	13
Part-Time	9
Police Department:	
Number of Stations	1
Number of Uniformed Employees:	
Full-Time	31
Part-Time	10
Number of Full-Time Dispatchers	5
Buildings:	
Permits Issued	1,117
Estimated Cost of Construction	\$22,806,516
Parks and Recreation:	
Number of Parks	3
Number of Ball Diamonds	10
Number of Running Tracks	3
Total Number of Playgrounds	8
Number of Golf Courses	2
Number of Tennis Courts	3
Number of Football Stadiums	1
Number of Full Size Soccer Fields	2

Source: City Records



**Auditor of State  
Betty Montgomery**

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Facsimile 614-466-4490

**CITY OF BRECKSVILLE**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 4, 2003**