



**CITY OF BRUNSWICK
MEDINA COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2004



**Auditor of State
Betty Montgomery**

CITY OF BRUNSWICK
MEDINA COUNTY

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**Auditor of State
Betty Montgomery**

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

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

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, (the City) as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 25, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the City's management dated April 25, 2005, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

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

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

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

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

Betty Montgomery
Auditor of State

April 25, 2005

City of Brunswick, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2004

Issued by:

City of Brunswick
Department of Finance

William M. White
Finance Director

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

MAYOR
DALE STRASSER

CITY MANAGER
ROBERT ZIENKOWSKI

CITY OF BRUNSWICK

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

April 25, 2005

Members of City Council and
Citizens of Brunswick:

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

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

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

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

Reporting Entity

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



4095 CENTER ROAD - BRUNSWICK, OHIO 44212

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

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

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

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

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

The City of Brunswick

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

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

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

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

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

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

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

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

Economic Condition, Outlook and Major Initiatives

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

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

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

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

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

New Businesses to Brunswick – 2004

Commercial / Retail

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

Industrial / Manufacturing

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

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

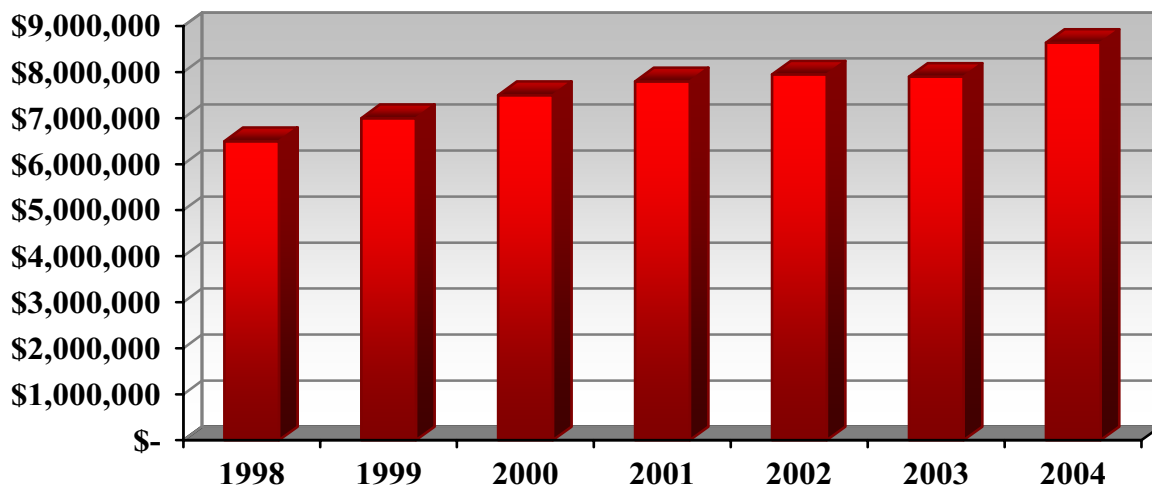
As the Town Center continues its build-out through full leasing of Phase I commercial and into the first Phase of the Southwest Neighborhood residential offerings, the City expects the spill-over of commercial development activity to be felt elsewhere on Center Road in the surrounding properties. When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

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

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

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

Income Tax Revenues (Modified Accrual)



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Accounting System and Budgetary Control

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

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

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

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

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

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

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

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

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

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

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

Cash Management

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

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

Risk Management

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

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

Independent Audit

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

Awards

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

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

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

Acknowledgments

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

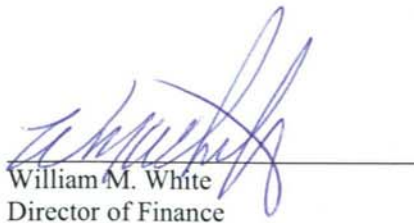
In addition, we would like to thank Brunswick City Council, whose leadership and encouragement, made the preparation of this report possible.

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

Respectfully submitted,



Robert A. Zienkowski
City Manager



William M. White
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brunswick,
Ohio

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

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



Nancy L. Zjella

President

Jeffrey R. Erwin

Executive Director

City of Brunswick, Ohio

City Officials

Mayor

Dale Strasser

Council Members

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

City Manager

Robert A. Zienkowski

Finance Director and Tax Administrator

William M. White

Parks and Recreation Director

Bob Martin

Law Director

Kenneth J. Fisher

Community Development Director

Sidney Welch

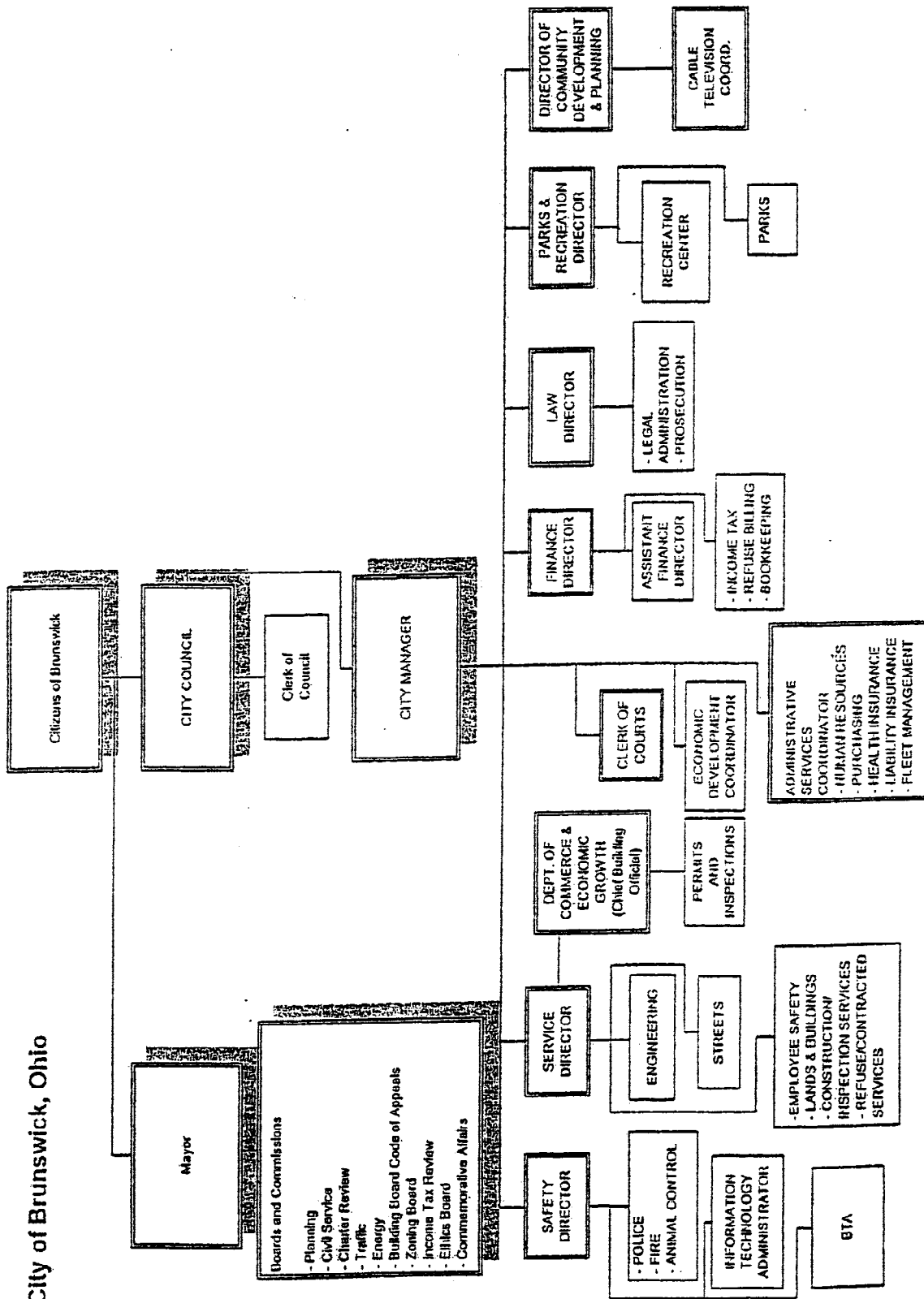
Safety Director

Pat Beyer

Service Director

Sam Scaffide

City of Brunswick, Ohio



Financial Section



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, (the City) as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina County, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General, Fire Department and Street Repair and Maintenance Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2005, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audit.

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

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

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

Betty Montgomery
Auditor of State

April 25, 2005

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

The management's discussion and analysis of the City of Brunswick's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2004. The intent of this discussion and analyses is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2004 are:

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

Using This Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the City of Brunswick as a Whole

Statement of Net Assets and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City do financially during 2004?" The *Statement of Net Assets* and the *Statement of Activities* answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

Reporting the City of Brunswick's Most Significant Funds

Fund Financial Statements

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

Government Funds

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

Proprietary Funds

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

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

The City as a Whole

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

Table 1
Net Assets

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

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

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

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

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

Table 2
Changes in Net Assets

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

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

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

GOVERNMENTAL ACTIVITIES

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

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

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

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

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

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

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

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

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

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

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

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

The City's Funds

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

Governmental Funds

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

Business-Type Funds

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

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

General Fund Budgeting Highlights

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

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

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

Capital Assets and Debt Administration

Capital Assets

Table 3
Capital Assets
(Net of Depreciation)

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

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

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

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

Debt

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

Table 4
Outstanding Debt at Year End

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

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

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

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

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

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

The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2004 was \$68,265,042. The aggregate outstanding debt after issuance of bonds subject to the ten and one-half percent limitation is \$9,167,028. The difference of \$59,098,014 between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one-half percent limitation. For additional information see Note 11 to the basic financial statements.

Current Financial Related Activities

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

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

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

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

Contacting the City's Finance Department

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

Basic Financial Statements

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

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

See accompanying notes to the basic financial statements

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

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

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

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

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

City of Brunswick, Ohio

Balance Sheet

Governmental Funds

December 31, 2004

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

See accompanying notes to the basic financial statements

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

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

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

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

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

See accompanying notes to the basic financial statements

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

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

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

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

Governmental funds report capital outlays as expenditures.

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

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

Governmental Funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.

(14,325)

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

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

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

538,717

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

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

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

(2,156,176)

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

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

Change in Net Assets of Governmental Activities (\$274,885)

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

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

See accompanying notes to the basic financial statements

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

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

See accompanying notes to the basic financial statements

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

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

See accompanying notes to the basic financial statements

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

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

See accompanying notes to the basic financial statements

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

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

See accompanying notes to the basic financial statements

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

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

See accompanying notes to the basic financial statements

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

Assets

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

Liabilities

Undistributed Assets	<u><u>\$613,427</u></u>
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See accompanying notes to the basic financial statements

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

Note 1 - Description of the City and Reporting Entity

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

Reporting Entity

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

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

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

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

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

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

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

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

B. Fund Accounting

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

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

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

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

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

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

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

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

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

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

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

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

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

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. The agency funds are used for performance bonds, collection and distribution of State monies, to accumulate employee contributions for future child care and health services and for expenditures for the local softball teams.

C. Measurement Focus

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

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

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

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

D. Basis of Accounting

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

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

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

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

Deferred Revenue Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2004, but which were levied to finance year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue.

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

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

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

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

E. Budgetary Process

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

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

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

F. Cash and Cash Equivalents

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

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

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

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

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

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

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

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2004.

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

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

G. Inventory

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

H. Assets Held for Resale

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

I. Capital Assets

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

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

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

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

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

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

J. Interfund Balances

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

K. Compensated Absences

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

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

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or

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

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

N. Operating Revenues and Expenses

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

O. Interfund Activity

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

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

P. Net Assets

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

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

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence.

R. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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

Note 3 – Fund Deficits

A. Fund Deficits

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

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

Note 4 - Budgetary Basis of Accounting

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

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

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

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

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

Note 5 - Deposits and Investments

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

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

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

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

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

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

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

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

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Historically, the City has not purchased these types of investments or issued these types of notes. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

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

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

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

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

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

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

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

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

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

Note 6 - Receivables

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

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

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

A. Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2004 for real and public utility property taxes represents collections of 2003 taxes. Property tax payments received during 2004 for tangible personal property (other than public utility property) are for 2004 taxes.

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

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

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

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

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

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

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

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

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

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

B. Income Tax

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

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

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

C. Intergovernmental Receivables

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

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

Note 7 – Contractual Commitments

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

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

Note 8 - Contingencies

A. Grants

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2004.

B. Litigation

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

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

Note 9 – Assets Held for Resale

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

Note 10 - Capital Assets

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

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

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

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

* Depreciation expense was charged to governmental functions as follows:

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

Note 11 - Long-Term Obligations

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

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
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A schedule of changes in bonds and other long-term obligations of the City during 2004 follows:

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

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

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

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

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

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

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

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

Note 12 – Conduit Debt Obligations

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

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

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

Note 13 – Notes Payable

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

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

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

Note 14 - Risk Management

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

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

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

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

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

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

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

Note 15 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System (OPERS)

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

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

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

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

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

B. Ohio Police and Fire Pension Fund

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

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

Note 16 - Postemployment Benefits

A. Ohio Public Employees Retirement System

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

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

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

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

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

available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

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

B. Ohio Police and Fire Pension Fund

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

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

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

Note 17 - Other Employee Benefits

A. Compensated Absences

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

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

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

B. Health and Life Insurance

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

Note 18 - Interfund Transfers and Balances

A. Transfers

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

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

Transfers are used to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations; and to segregate money for anticipated capital projects.

B. Balances

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

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

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

Note 19 - Jointly Governed Organizations

A. Ohio Telecommunications Network Council

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

B. Southwest Council of Governments

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions, and regional development. The board is comprised of one member from each of the sixteen participating entities. The board exercises total control over the operation of the Council including budgeting, appropriating, contracting, and designating management. Budgets are adopted by the board. Each city's degree of control is limited to its representation on the board. In 2004, the City contributed \$7,500 which represents 5.25 percent of total contributions.

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

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

C. Northeast Ohio Public Energy Council

The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 112 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Brunswick did not contribute to NOPEC during 2004. Financial information can be obtained by contacting Joseph Migliorini, Board Chairman, 175 South Main Street, Akron, Ohio 44308.

D. Medway Drug Enforcement Agency

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

Note 20 - Subsequent Event

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

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

Note 21 – Change in Accounting Principles

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

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

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

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

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

**Combining Statements and
Individual Fund Schedules**

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

Waterworks Improvement Fund To account for waterline maintenance fees.

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

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

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

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

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

Nonmajor Debt Service Fund

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

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

Nonmajor Capital Projects Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Fund Descriptions - Fiduciary Funds

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

Agency Funds

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

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

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

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

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

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

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

(continued)

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

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

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

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

(continued)

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

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

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

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Statistical Section

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

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

Source: City Financial Records

(1) Full Accrual Basis

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

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

Source: City Financial Records

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

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

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

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

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

Source: Medina County, Ohio; County Auditor

(1) The year represents collection year.

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

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

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

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

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

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

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

Source: Medina County, Ohio; County Auditor

- (1) Includes homestead/rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.
- (2) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

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

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

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

Source: City Financial Records

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

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

Source: Medina County, Ohio; County Auditor

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

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

Source: Medina County, Ohio; County Auditor

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

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

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

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

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

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

Sources: City building permits reports
Federal Reserve Bank of Cleveland

(1) Number of units include new construction only

(2) Represents total assessed value

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

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

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

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

Source: Medina County, Ohio; County Auditor

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

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

Source: City financial records

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

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

Source: Medina County, Ohio; County Auditor

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

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

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

Source: Medina County, Ohio; County Auditor

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

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

Source: Medina County, Ohio; County Auditor

City of Brunswick, Ohio

Demographic Statistics

Last Six Censuses

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

N/A - Information not available

Source: U.S. Bureau of the Census

City of Brunswick, Ohio

Miscellaneous Statistics

December 31, 2004

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

Source: City Records



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140
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800-282-0370
Facsimile 614-466-4490

CITY OF BRUNSWICK

MEDINA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 2, 2005**