



**Auditor of State
Betty Montgomery**

CITY OF BRUNSWICK
MEDINA COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	1
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	3
Schedule of Receipts and Expenditures of Federal Awards.....	5
Notes to the Schedule of Receipts and Expenditures of Federal Awards	6
Schedule of Findings.....	7

This page intentionally left blank.



**Auditor of State
Betty Montgomery**

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

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

To the City Council:

We have audited the basic financial statements of the City of Brunswick, Medina County, Ohio, (the City) as of and for the year ended December 31, 2003, and have issued our report thereon dated April 8, 2004 wherein we noted the City restated beginning balances for its General, Fire Department, Street Repair and Maintenance, Brunswick Lake Construction, the Nonmajor Funds, and the Governmental Activities. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated April 8, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated April 8, 2004.

111 Second St., NW / Fourth Floor / Canton, OH 44702
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

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

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

Betty Montgomery
Auditor of State

April 8, 2004



**Auditor of State
Betty Montgomery**

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

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

To the City Council:

Compliance

We have audited the compliance of the City of Brunswick, Medina County, Ohio, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each major federal program for the year ended December 31, 2003. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003.

Internal Control Over Compliance

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

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

Schedule of Receipts and Expenditures of Federal Awards

We have audited the basic financial statements of the governmental activities, business type activities, each major fund and the aggregate remaining fund information of the City as of and for the year ended December 31, 2003, and have issued our report thereon dated April 8, 2004, wherein we noted the City restated beginning balances for its General, Fire Department, Street Repair and Maintenance, Brunswick Lake Construction, the Nonmajor Funds, and the Governmental Activities. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, it is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

April 8, 2004

**CITY OF BRUNSWICK
MEDINA COUNTY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through or Grantor's Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<i>Passed Through Ohio Department of Development:</i>			
Community Development Block Grant - Small Cities Grant	14.228	A-F-02-097-1	\$ 88,586
Total U.S. Department of Housing and Urban Development			<u>88,586</u>
<u>U.S. Department of Transportation</u>			
<i>Passed Through Ohio Department of Transportation:</i>			
<i>Highway Planning and Construction Cluster:</i>			
Highway Planning and Construction Grants	20.205	MED-STP-2	37,180
	20.205	MED-STP-1	3,138
	20.205	SJN-032920	<u>73,653</u>
Total Highway Planning and Construction Cluster			113,971
<i>Passed Through Ohio Department of Public Safety:</i>			
Selective Traffic Enforcement Program	20.600	2003-PTM-N / 1	32,479
<i>Passed Through Ohio Greater Cleveland Regional Transit Authority:</i>			
Federal Transit Capital and Operating Assistance Formula Grants	20.507	OH-03-0210	320,000
Capital Assistance Program for Elderly Persons with Disabilities	20.513	EHTA-0052-003-032	<u>1,674</u>
Total U.S. Department of Transportation			<u>468,124</u>
<u>U.S. Federal Emergency Management Agency</u>			
<i>Passed Through Ohio Department of Public Safety:</i>			
Major Disaster Designation Public Assistance Program	83.544	FEMA-1484-DR-103-09680	<u>3,924</u>
Total U.S. Federal Emergency Management Agency			<u>3,924</u>
Total			<u><u>\$560,634</u></u>

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF BRUNSWICK
MEDINA COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Receipts and Expenditures of Federal Awards (Schedule) is a summary of the activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**CITY OF BRUNSWICK
MEDINA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505
DECEMBER 31, 2003**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Federal Transit Capital and Operating Assistance Formula Grants – CFDA# 20.507
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

This Page is Intentionally Left Blank.

City of Brunswick, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2003

Issued by:

City of Brunswick
Department of Finance

William M. White
Finance Director

Introductory Section

City of Brunswick, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2003
Table of Contents

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

Combining Statements and Individual Fund Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions.....	56
Combining Balance Sheet – Nonmajor Governmental Funds.....	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	59
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	62
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	66

Combining Statements - Agency Funds:

Fund Descriptions.....	68
Combining Statement of Assets and Liabilities – Agency Funds.....	69
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	71

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

Major Funds:

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

Nonmajor Funds:

Court Computerization Fund.....	86
FEMA Grant Fund.....	87
Police Fund.....	88
Drug Enforcement Fund.....	89
State Highway Fund.....	90
Law Enforcement Fund.....	91
Brunswick Transit Alternative Fund.....	92
Waterworks Improvement Fund.....	93
Cable TV Fund.....	94
Parks Fund.....	95
Enforcement and Education Fund.....	96
Community Recreation Center Fund.....	97

General Obligation Bond Retirement Fund	98
Community Development Block Grant Fund	99
Fire Station Improvement Fund	100
Capital Projects Fund	101
Traffic Control Equipment Fund	102
Park Development Fund	103
City Hall Expansion Fund	104
Fireside Culverts Fund	105
Road Improvement Fund	106
Boston/Carpenter Fund	107
Sanitary Storm Sewer Fund	108

III. Statistical Section

Governmental Activities Revenues by Source and Expenses by Function – Last Two Years	S1
General Governmental Revenues by Source and Expenditures by Function - Last Ten Years	S2
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years	S4
Real Property Tax Levies and Collections - Last Ten Years	S6
Computation of Legal Debt Margin	S8
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years	S9
Special Assessments Collections - Last Ten Years.....	S10
Property Value, Construction and Bank Deposits - Last Ten Years	S12
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Last Ten Years	S14
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Governmental Expenditures - Last Ten Years.....	S15
Computation of Direct and Overlapping General Obligation Bonded Debt	S16
Principal Taxpayers - Real and Public Utility Property Tax.....	S17
Principal Taxpayers - Tangible Personal Property Tax	S18
Demographic Statistics - Last Six Censuses	S19
Miscellaneous Statistics	S20

MAYOR
DALE STRASSER

CITY MANAGER
ROBERT A. ZIENKOWSKI

CITY OF BRUNSWICK

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

April 8, 2004

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, 2003, 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 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:

1. The Introductory Section, which contains a Table of Contents, the Letter of Transmittal, the GFOA Certificate of Achievement, 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 the 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 nonmajor funds and other Schedules that provide detailed information relative to the Basic Financial Statements.

3. The Statistical Section, which presents various tables reflecting social and economic information, financial trends and the fiscal capacity of the City of Brunswick.

Reporting Entity

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



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>

(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 either remove members of the governing board at will, modify or approve the organization's budget, modify or approve rates or fees, modify or overrule decisions of 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.

Brunswick City School District and 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 a 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 Court's revenue has no bearing on the amount budgeted for expenses and salaries.

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 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 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 improvements, and general administration services for all of its citizens. Water and sewer services are provided by Cleveland and Medina, respectively, and except for refuse collection, the private sector provides other major utilities for the City. The City contracts for the 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 Medina.

The City has over 300 acres of land set aside for parks and open spaces. Included in this land are four community parks and eight neighborhood parks. 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 addition, the City currently has "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 center, recreational program center and social center for public use, which includes the operation center for the local senior citizen population. 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

The year 2003 saw a continuation of challenging economic conditions as businesses everywhere were struggling to maintain business. Economically for the third year in a row, 2003 presented the Country, the State and the City of Brunswick with a serious reality check as all struggled with a sagging national economy. New housing starts continued to fall since 2001 and the number of commercial projects continue to be substantially less than our banner year in 2000. The City has worked hard to offset the effects of the sagging economy through its strong commitment and drive to develop the new Brunswick Lake Development.

The City has shifted philosophies to a service oriented atmosphere to help shift the local economy back upwards. The Council and Administration have begun to develop creative ways of opening dialog between the business owners and the City. Such communications will allow the businesses to voice their opinions and allow the City to interact with those opinions. The City Council and Administration have teamed up with the City Chamber of Commerce and will look to create additional mediums for businesses to interact with the City. The goal will be to maintain the businesses that are already here by creating a mutually positive working relationship as well as to attract new business by promoting the City as a wonderful place to conduct business.

One project in particular that shows the mutual working relationships being developed is the plan to replace sections of the industrial parkway road by the City with the assistance and mutual efforts of local businesses. The project will begin in 2004. In conjunction with the new developments beginning in the Brunswick Lake project, this plan will help to give Brunswick businesses the look and feel of a home-town shopping city while maintaining a high standard and quality of the surrounding infrastructure. Another project is the City's strong commitment to assist the local businesses in gaining access to high speed voice and data transmission opportunities. With no in-ground fiber infrastructure either in place or being provided by the private sector, the City began a search of wireless internet providers who could, on a relatively short lead time, service the industrial users with this technology. As of December 31, 2003, the City had five possible providers listed on the City's website for local businesses to contact. These are just two of several business related projects that the City is currently and actively working to complete. The City Council and Administration will do its best to assure local businesses that Brunswick is a great place to conduct business.

During 1998 and 2001 the City purchased approximately 144 acres of land located on the south side of Center Road, approximately one mile from Interstate 71 for the Brunswick Lake project. Approximately 77 acres of the 144 acres 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 2003 the first phase of development began and included the construction of Home Depot and Giant Eagle. Future phases will include the construction of residential housing and additional commercial development with some tenants to be named later. As of December 31, 2003, the following businesses have a commitment to a position in Phase I of the Brunswick Town Center: *Home Depot, Giant Eagle, Starbucks Coffee, Carvel Ice Cream, Ci Ci's Pizza, Tony Roma's, Buckeye Bread & Bagel, Great Clips, GNC, My Salon & Spa, Q Nails* and *Gamestop*. Furthermore, the City had sold approximately 26 acres of the 77 acres available for resale and construction began for several new businesses in the area. In January 2004, Home Depot had their grand opening and was the first new business to open in the Brunswick Lake Town Center. City

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

The year saw the development of the last 20-acres in the Nationwide Industrial Park, culminating in a new facility for *All Construction Services*, which opened its new building in May. Under *All Construction's* ownership, two ready-to-build lots are now in our stock of available new industrial sites (approximately 5 acres each) which were not buildable and marketable previously. Additional new industrial construction started new facilities for *Champion Construction* (24,000 sf office & warehouse), *Danico* (30,000 sf warehouse), *Wolverton* (a 49,000 sf distribution facility), *Columbia Chemical* (a second 6,300 sf facility next door to their existing facility) and an industrial multi-tenant facility for *MAS Industries* (34,000 sf). Significant industrial expansions were started for *Fremar Industries* (9,000 sf additional production capacity), *Inflatable Images* (25,200 sf additional production capacity), *Alpine Power Systems* (3,000 sf new production facility in an existing multi-tenant), *Rockstedt Tool & Die* (42,000 sf expanded production capacity in a \$7.1 million project) and *Media Integration* (5,000 sf new production facility in an existing multi-tenant). Likewise, it appears at year end that we have been successful at attracting a new business to occupy the two-year vacant 58,000 sf Tanner Building on Center Road. This nationally known Fortune 500 company has agreed to terms and should be occupying the facility in early 2004. A formal announcement will be forthcoming by the City and the company.

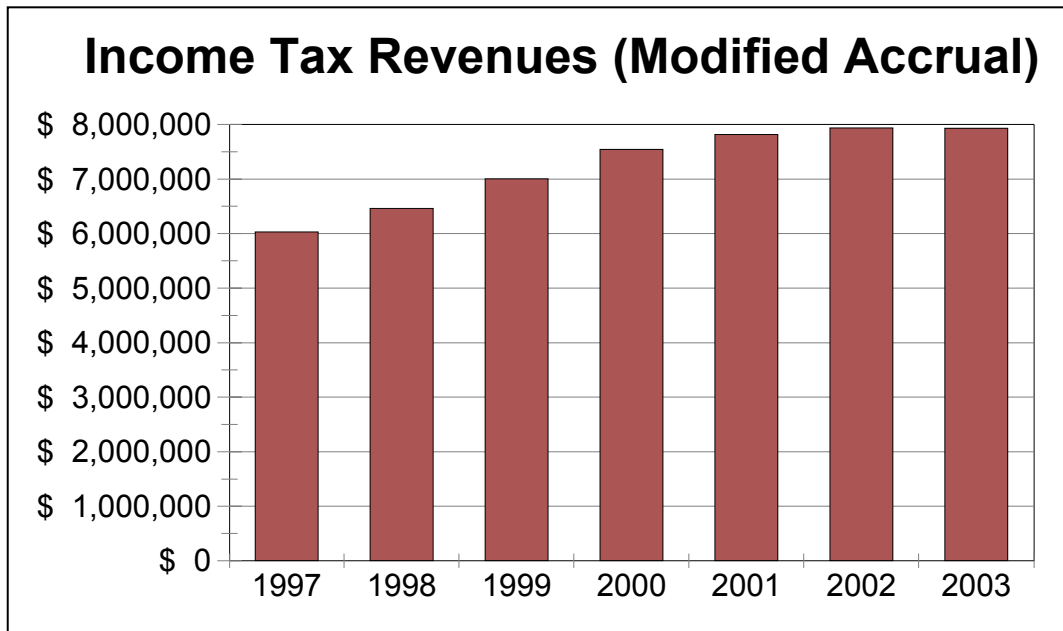
It is in the commercial area that the most dramatic changes have come about during 2003. New commercial buildings were started for *Home Depot*, *Giant Eagle*, *Brunswick Tax Service*, *Kids Town Development Center*, *Boston Road Laser Wash* and *Go Go Convenience Store* and all five of the first in-line buildings for the Brunswick Town Center. The year started with five vacant commercial buildings and ended with all of those either occupied or under redevelopment by new owners. Specifically, the former East of Chicago Pizza building on Pearl Road was redeveloped and re-opened by *East Coast Original Frozen Custard*, the former Arabic Coffee building on Pearl Road was redeveloped and ready to be reopened by *Hop Hing Chinese Restaurant*, the former Miller Tool building on Pearl Road was under redevelopment by *Brunswick Cycle*, the former McDonalds Restaurant on Pearl Road was under redevelopment for new *Balski Dental* offices transferring in from the Township and the former Pearl Road First Merit/Old Phoenix building on the north end had been purchased by *Stepping Stone Preschool* who will begin redevelopment in 2004.

Other significant commercial projects included a *Schades Auto Body* expansion, a substantial renovation of the former Big Lots unit in Hickory Ridge Plaza to house a new *UXL Sports Fitness Center and Enterprise Rent-A-Car* reoccupying the former Center Road Dairy Mart unit, a new *Food King Chinese Restaurant* in Laurel Square, new offices for *Galaxy Title* in the Highland Square building on Pearl Road as well as expanded offices for *Miklos Chiropractic*. Additionally, two churches became involved in commercial reclamation when *Freedom Chapel* took over formerly empty tenant space in Hickory Ridge Plaza and *Polaris Christian Church* leased and renovated the vacant former Brunswick Cinema.

It should prove useful in the coming years to be able to display our designation as a “**Business Friendly Community**” on all our letterhead and marketing materials. The City was successful at earning this designation late in 2003 and the award will be officially presented during early 2004. The award is made by the *Business Friendly Community Partnership* which represents economic development agencies in seven Northeast Ohio counties. At the close of 2003, there were only 16 cities in this 7-county area which had earned the designation.

Statistically, the commercial/industrial building activity in Brunswick during 2003 was approximately \$14.1 million in total building activity and represented a 315 percent increase from last year. While the value of new commercial/industrial construction increased, the number of new residential units continued to decrease slightly. The City expects the residential units will increase significantly in the later part of 2004 and 2005 when the next phase of the Brunswick Lake project begins. These homes will be constructed in the southwest portion of the Brunswick Lake area.

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 has experienced over the past seven years with a leveling out during these times of a slowing economy. Based on approved development in the Brunswick Lake area as well as several new housing developments beginning in 2004 or 2005, the City's Income Tax base is expected to increase slightly.



The City's income tax base is made up of an even mix between residential (family) and businesses. In 2003, the biggest contributing group for income tax collections were the residents, contributing \$4,131,059 which represents 51.46 percent of total collections. The other major portion of the City's income tax are the business withholdings, which represent 43.66 percent. Those two categories have historically increased from year to year with 2002 and 2003 being the exceptions where they remained relatively stable. The remaining 4.88 percent represents the net income collections from businesses. The current economic situations have created new, more challenging scenarios. 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/or looks to create services through better management of its current resources.

To aid in growth and expansion, the Office of Economic Development (OED) was established in 1992. This office serves as the business development information center for the City. The OED builds, defines, and represents the City to qualifying industrial and commercial interest in the locations of assets of 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 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 where costs will be reimbursed at eighty-five percent up to a maximum of \$693,834. Right-of-way and construction for Boston Road are expected to take place over the next four years.

North Carpenter Road engineering and right of ways are near completion. We anticipate construction on North Carpenter Road to begin early in 2005 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 anticipates to pay ODOT a portion of the total planned 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 Northeast Ohio Areawide Coordinating Agency (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 will not be until mid 2004.

The Applewood/Fernwood Storm Sewer project was segmented into five phases and all phases with the exception of the last phase has been completed or is near completion. The final phase on Applewood is expected to begin in mid 2004. The City has or will receive State Issue II funding to fund a portion of each phase. The remainder of the costs of each phase will be paid for by the City and none of the benefitted property owners will be assessed for these projects.

On November 24, 2003, the City awarded the Waterline South of Center Replacement Project to Don Wartko Construction, Inc for \$1,179,059. The project was necessary due to the inadequacy of the water mains south of Center Road between Andrea and Princeton Drives. Construction is scheduled to begin in 2004.

Starting in mid 2003 the City's Fire Department took over their own billing system for emergency medical services. The billing was handled through a third party administrator, Great Lakes Billing Associates, at a cost of 9 percent of collections. Performing the billing process in-house is estimated to bring the City an additional \$130,000 in rescue fee revenues in 2004. The City will look to expand these services to surrounding communities in the future for additional revenue for the City's Fire Department operation.

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 of trails linking parks, schools and other public areas via a trail system. 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 areas within the City with the east and west. This master plan enables the City to work with developers, homeowner groups and schools to ensure that the trail areas are plotted as development occurs.

The installation of the first "talking traffic signal" for the visually impaired was completed during the summer of 2001 at State Route 303 and Warren Drive. This installation will be the first of many changes to the traffic signal control system in the City. We are in the process of developing budget requests and plans for the entire traffic signal system control upgrade and are currently researching federal/state funding to upgrade signals in the near future. This will allow for the synchronization of all traffic signals on Route 303 and also lay out a plan for other surrounding areas within the City.

The City is also in the process of installing approximately thirty handicap accessible ramps throughout the City. This project is being funded by community development block grant (CDBG) funds.

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 on an 80 percent federal and 10 to 20 percent state and/or local funding. The City also receives local funding of approximately sixty-five percent for administrative and daily operation costs. The remaining administrative and daily operation costs are borne by the City using fare box receipts and 1.75 percent of net monthly income tax collections.

In 2003 the City received two additional transit busses. 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 two new busses was \$404,214. The City applied and received reimbursement in federal grants at \$320,000, State grants at \$80,000 and \$4,214 from the local administrative fund of the Ohio Greater Cleveland Regional Transit Authority. The City is also expecting to purchase a new bus in 2004 which will also be fully funded through outside parties at no cost to the City.

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 Right-of-way acquisitions are planned for Boston Road in late 2004 or 2005 and construction is planned to take place in 2007. North Carpenter Road construction is anticipated to begin in early 2005. The City anticipates securing 50 to 85 percent in federal funding for the right-of-way and construction costs for these projects. For the Boston Road project any remaining costs will be paid for by the City of Strongsville, Medina County, and the City of Brunswick at 50 percent, 10 percent and 40 percent, respectively.

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 Northeastern Ohio Area Coordinating Agency (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 also repair the existing City Hall roof in 2004. The roof has been deteriorating over the last several years and a new roof will protect and ensure the safety of our residents and workforce.

The City Administration is currently looking into a joint fire station project with surrounding communities. This 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 of 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 dollars set-aside for the prospect of renovating and equipping the existing fire stations.

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 provisions 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.

Financial Condition This is the second 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 use 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 2003.

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 executive and officers coverage and faithful performance bonds on all employees. The City also insures the City buildings, furniture, fixtures, and contents at \$18,733,363.

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, 2003. 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, 2002. A copy of this certificate is contained within this report. This is the 20th award the City has received.

A Certificate of Achievement is valid for a period of one year. The City of Brunswick believes the 2003 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.

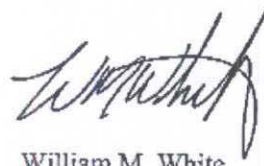
In addition, we would like to thank Brunswick City Council, whose leadership and encouragement, made the preparation of this report possible.

We would like to take this opportunity to thank the residents 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, 2002

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.



President

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

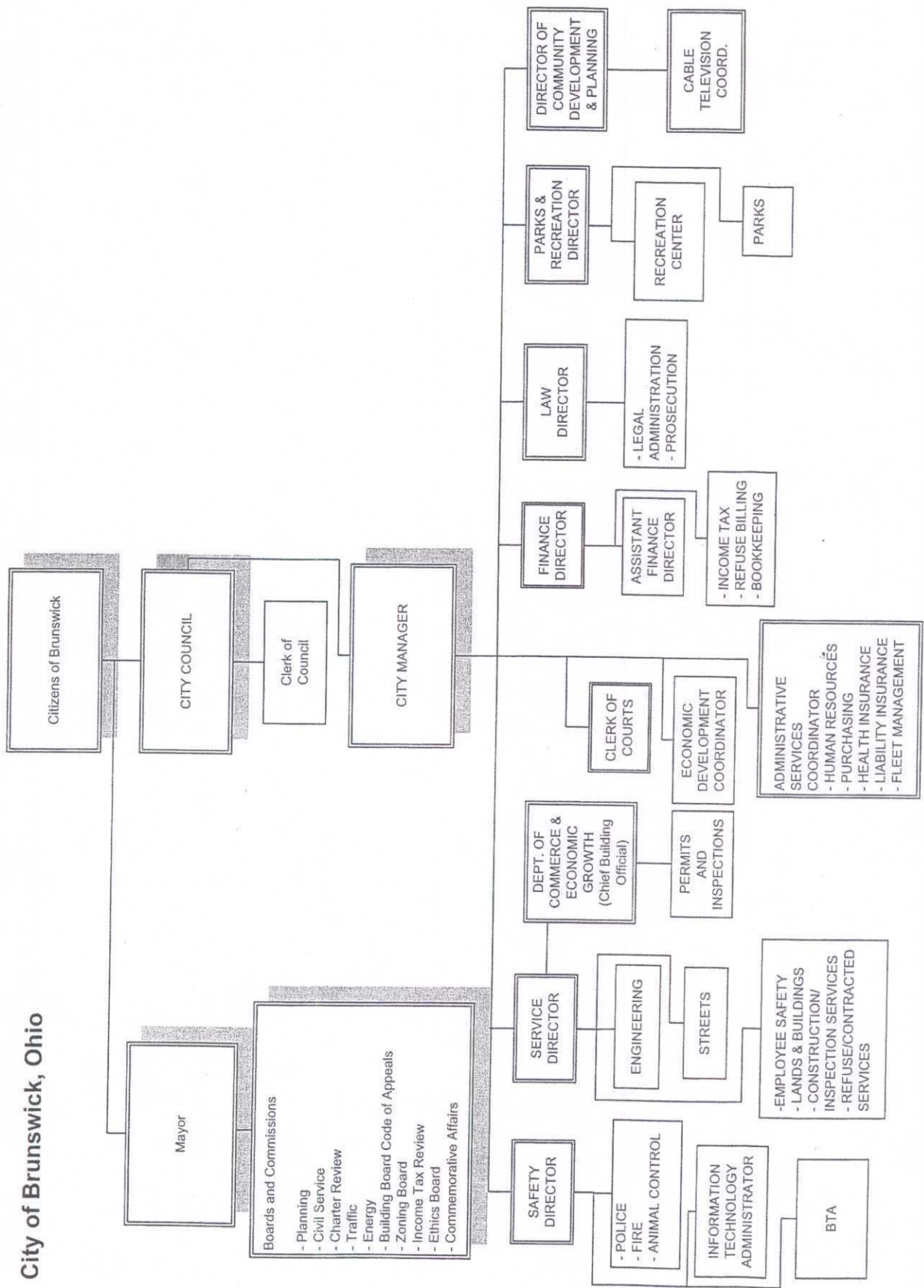
Safety Director

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, 2003, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General, Fire Department, and the Street Repair and Maintenance Funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the City corrected certain errors related to assets held for resale, loans receivable and, unrestricted cable settlement monies, and it eliminated the Capital Replacement Fund. As a result of these changes the City restated beginning balances for its General, Fire Department, Street Repair and Maintenance, Brunswick Lake Construction, and the Nonmajor Funds. In addition, the City restated Net Assets of the Governmental Activities for 2002 to include the items mentioned above except for cable settlement, and also included adjustments to Income Tax receivable and Capital Assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2004 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

111 Second St., NW / Fourth Floor / Canton, OH 44702
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

Betty Montgomery
Auditor of State

April 8, 2004

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
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, 2003. 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 2003 are:

- City income tax totaled \$8,065,065 in governmental activities, an increase of 2.20 percent over 2002. City income tax revenue has remained relatively stable with the exception of the New Brunswick Lake Development which has been estimated to bring the City an additional 2 percent in income tax revenues.
- Total assets increased by \$2,362,570, a 3.18 percent increase over 2002.
- Total net assets increased by \$2,101,114, or 3.45 percent over 2002.
- Total capital assets increased \$79,994, or .18 percent over 2002.
- Total outstanding long term liabilities decreased \$3,666,918 over 2002, a decrease of 39.49 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 2003?" 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

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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, waterline construction 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
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

The City as a Whole

The Statement of Net Assets looks at the City as a whole. Table I provides a summary of the City's net assets for 2003 compared to 2002.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Assets						
Current and Other Assets	\$31,377,279	\$29,161,615	\$787,111	\$720,199	\$32,164,390	\$29,881,814
Capital Assets, Net	44,545,683	44,461,804	13,540	17,425	44,559,223	44,479,229
<i>Total Assets</i>	<u>75,922,962</u>	<u>73,623,419</u>	<u>800,651</u>	<u>737,624</u>	<u>76,723,613</u>	<u>74,361,043</u>
Liabilities						
Current and Other Liabilities	7,887,567	3,970,503	131,867	120,557	8,019,434	4,091,060
Long-Term Liabilities:						
Due Within One Year	588,009	1,016,396	0	0	588,009	1,016,396
Due in More than One Year	5,030,613	8,267,761	45	1,428	5,030,658	8,269,189
<i>Total Liabilities</i>	<u>13,506,189</u>	<u>13,254,660</u>	<u>131,912</u>	<u>121,985</u>	<u>13,638,101</u>	<u>13,376,645</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	39,092,189	38,701,256	13,540	17,425	39,105,729	38,718,681
Restricted:						
Capital Projects	5,997,234	4,723,604	0	0	5,997,234	4,723,604
Debt Service	2,801,717	3,777,175	0	0	2,801,717	3,777,175
Other Purposes	6,406,611	5,934,063	0	0	6,406,611	5,934,063
Unrestricted	8,119,022	7,232,661	655,199	598,214	8,774,221	7,830,875
<i>Total Net Assets</i>	<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>

Total assets increased by \$2,362,570 from 2002 to 2003. The increase was mainly related to an increase in equity in pooled cash and cash equivalents for unspent note proceeds associated with pending construction projects for Laurel Road and waterline and storm sewer replacements. The increase was also offset by the sale of land held for resale associated with the Brunswick Lake Development.

Total liabilities increased by \$261,456, mainly due to an increase of notes payable for the Laurel Road and waterline and storm sewer replacements. The increase was offset by the retirement of the Brunswick Lake Industrial Development Bonds and portions of other related debt issuances during fiscal year 2003.

Total net assets increased \$2,101,114 with governmental net assets comprising \$2,048,014 and business-type activities comprising \$53,100 of that amount. Net assets increased mainly due to the recognition of the gain on the sale of land for the Brunswick Lake Development.

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

Table 2 shows the changes in net assets for the year ended December 31, 2003. Total revenues increased \$332,910 or 1.76 percent. Total expenses decreased \$425,446 or 2.14 percent.

Table 2
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total Activities	
	2003	2002	2003	2002	2003	2002
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$2,844,016	\$2,850,287	\$1,581,360	\$1,515,591	\$4,425,376	\$4,365,878
Operating Grants and Contributions	1,550,608	1,638,566	0	0	1,550,608	1,638,566
Capital Grants	1,051,604	755,058	0	0	1,051,604	755,058
<i>Total Program Revenues</i>	<u>5,446,228</u>	<u>5,243,911</u>	<u>1,581,360</u>	<u>1,515,591</u>	<u>7,027,588</u>	<u>6,759,502</u>
<i>General Revenues:</i>						
Property Taxes	1,895,291	1,838,865	0	0	1,895,291	1,838,865
Income Tax	8,065,065	7,891,165	0	0	8,065,065	7,891,165
Grants and Entitlements	1,861,276	1,677,622	0	0	1,861,276	1,677,622
Gain on Sale of Capital Assets	17,511	0	0	0	17,511	0
Interest	294,165	647,790	0	0	294,165	647,790
Other	117,014	129,896	0	160	117,014	130,056
<i>Total General Revenues</i>	<u>12,250,322</u>	<u>12,185,338</u>	<u>0</u>	<u>160</u>	<u>12,250,322</u>	<u>12,185,498</u>
<i>Total Revenues</i>	<u>17,696,550</u>	<u>17,429,249</u>	<u>1,581,360</u>	<u>1,515,751</u>	<u>19,277,910</u>	<u>18,945,000</u>
<i>Program Expenses:</i>						
General Government	3,604,869	3,546,194	0	0	3,604,869	3,546,194
Security of Persons and Property	6,940,757	6,907,858	0	0	6,940,757	6,907,858
Transportation	3,298,189	3,805,430	0	0	3,298,189	3,805,430
Community Environment	1,248,223	1,247,678	0	0	1,248,223	1,247,678
Public Health Services	382,577	379,241	0	0	382,577	379,241
Leisure Time Activities	2,033,068	2,033,892	0	0	2,033,068	2,033,892
Refuse	0	0	1,528,260	1,519,801	1,528,260	1,519,801
Interest and Fiscal Charges	409,492	430,787	0	0	409,492	430,787
<i>Total Program Expenses</i>	<u>17,917,175</u>	<u>18,351,080</u>	<u>1,528,260</u>	<u>1,519,801</u>	<u>19,445,435</u>	<u>19,870,881</u>
<i>Special Item:</i>						
Gain on Sale of Assets Held for Resale	2,268,639	0	0	0	2,268,639	0
Increase (Decrease) in Net Assets	<u>\$2,048,014</u>	<u>(\$921,831)</u>	<u>\$53,100</u>	<u>(\$4,050)</u>	<u>\$2,101,114</u>	<u>(\$925,881)</u>

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

The overall financial strength of the City improved in 2003. For governmental activities, the City experienced a growth in federal grant revenues and 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. Interest revenue also declined in 2003 due to the reductions in overall interest rates set by the Federal Reserve Bank. Furthermore, the City Administration has been evaluating the City road conditions during 2003 resulting in less maintenance and patching expenditures. For the business-type activity the City had an increase in net assets which will allow the City to set aside more money for capital expenses.

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 2003 was \$8,065,065. 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. Furthermore, the City has developed some cash reserves and have taken 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 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 in 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. City income tax revenues of \$8,065,065 were distributed to the following funds by the council approved ordinance: General Fund (36.20 percent), Fire Department Fund (29.75 percent), Brunswick Transit Alternative Fund (1.25 percent), Parks Fund (6.00 percent), Street Repair and Maintenance Fund (13.00 percent), General Obligation Debt Retirement Fund (.40 percent) and the Police Fund (13.4 percent).

Total governmental activities revenues for 2003 were \$17,696,550. Income tax made up 45.57 percent of total revenues for governmental activities for the City. Charges for services accounted for 16.07 percent, property taxes accounted for 10.71 percent, grants and entitlements accounted for 10.52 percent, operating grants and contributions accounted for 8.76 percent and the remaining 8.37 percent consists of capital grants and contributions, interest, and other revenues. Charges for services represents receipts from the Mayor's Court, cable fees, building permits, park development fees, recreation center fees, emergency rescue fees, county health fees, contractor registration, retention fees, and rental fees.

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

Total governmental program expenses for 2003 were \$17,917,175. Security of persons and property represents the highest program expense at \$6,940,757 or 38.74 percent, followed by general government expenses at \$3,604,869 or 20.12 percent and transportation expenses at \$3,298,189 or 18.41 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 11.35 percent and 6.96 percent, respectively, of the 2003 City governmental program expenses. Interest and fiscal charges and public health services make up the remaining 4.42 percent of the governmental program expenses.

The Police Department is efficient and continues to operate within its operating budget. The Police Department is funded primarily from revenues generated through the City's income tax 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 set aside operating money to purchase vehicle and equipment replacements. The capital replacement program will allow the Police Department to continue to provide the best possible services to our community.

In 2003, the Fire Department continues to operate as a full-time Fire Department and is funded with income tax collections and rescue billing collections. The department currently employs 25 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 \$3,298,189 or 18.41 percent of the 2003 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. The City takes great pride in maintaining its streets in above average condition and continues to set aside money towards future capital improvements within the Street Maintenance and Repair fund as well as the capital replacement fund. During 2003 the City Administration began re-evaluating 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 2003 the City was reimbursed for 85.92 percent of all transit related expenses. Included in the reimbursement was \$404,214 for the purchase of two new transit busses. The City has also been awarded a grant totaling \$211,745 for the purchase of an additional new transit bus, however, has not yet received delivery of the bus.

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
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 \$17,448,210 and expenditures of \$23,538,756. The most significant fund is the general fund with a year-end balance of \$7,121,457, which included an unreserved fund balance of \$3,805,381, compared to annual expenditures of \$7,524,455. Expenditures exceeded revenues by \$54,417 and a portion of the prior year fund balance totaling \$1,502,421 was transferred to other funds. These transferred funds enabled the City to fund roads, culverts and storm sewer projects, City Hall improvements and the Fire Department equipment and recreation activities not covered by charges for services or income tax revenue. The Brunswick Lake Construction capital projects fund has an excess of expenditures over revenues and special item of \$1,117,636. This is a result of the retirement of debt and the gain on the sale of the assets held for resale.

Business-Type Funds

As mentioned earlier, the City's lone business-type activity is the refuse fund. Total assets increased by \$63,027 from 2002 to 2003. Ending cash balance increased by \$54,657 or 9.86 percent from \$554,257 in 2002 to \$608,914 in 2003 and accounts receivable increased by \$12,255 or 7.39 percent from \$165,942 in 2002 to \$178,197 in 2003.

Charges for services revenue increased by \$65,769 or 4.34 percent from \$1,515,591 in 2002 to \$1,581,360 in 2003. The increase is a result of an approximate 150 additional accounts added during 2003 from 2002. This increase in accounts demonstrates the City is continuing to grow with new homes and businesses being built. The refuse collection billing is a very accurate indicator to the progress of new housing developments and as such, the administration monitors fluctuations in charges for services revenue in the refuse fund.

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 2003, the City amended its general fund budget one time for a total increase in estimated revenues of \$790,249. 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 have *all* appropriation changes reviewed by Council.

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

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

original budgeted revenues were \$7,338,815 and the final budgeted amount was \$8,129,064. Of this \$790,249 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 51.17 percent of those revenues.

Capital Assets and Debt Administration

Capital Assets

Table 3
Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$3,625,039	\$3,625,019	\$0	\$0	\$3,625,039	\$3,625,019
Land Improvements	8,971	9,480	0	0	8,971	9,480
Buildings and Improvements	7,565,745	7,800,324	0	0	7,565,745	7,800,324
Machinery, Equipment and Vehicles	3,523,824	3,110,812	13,540	17,425	3,537,364	3,128,237
Furniture and Fixtures	213,055	227,526	0	0	213,055	227,526
Infrastructure						
Roads	7,884,867	8,280,654	0	0	7,884,867	8,280,654
Sidewalks	674,668	708,342	0	0	674,668	708,342
Storm Sewers	10,463,903	10,724,646	0	0	10,463,903	10,724,646
Waterlines	7,996,390	8,196,354	0	0	7,996,390	8,196,354
Bridges	215,580	222,176	0	0	215,580	222,176
Culverts	1,510,929	1,556,471	0	0	1,510,929	1,556,471
Construction in Progress	862,712	0	0	0	862,712	0
Totals	\$44,545,683	\$44,461,804	\$13,540	\$17,425	\$44,559,223	\$44,479,229

Total capital assets for the City of Brunswick as of December 31, 2003 were \$44,559,223. The most significant addition in capital assets came in the area of construction in progress of \$862,712. The construction in progress additions were mainly related to infrastructure projects which were not completed as of December 31, 2003. For additional information see Note 11 to the basic financial statements.

The Administration continues to seek grants for infrastructure projects as well as improving City facilities and services. In 2003, the City received federal grants awarded by the United States Department of Housing Urban Development, United States Department of Transportation and the United States Federal Emergency Management Agency for community development, improvements and widening of North Carpenter and Boston Roads, public safety and traffic enforcement, bus purchases and operation subsidy for the elderly relating to our bus transit system and for emergency flooding relief. The City also receives Issue II state grant monies for our Applewood and Fernwood storm sewer improvements. It is through these grants, capital replacement program and Councilmatic notes that we are able to improve upon our capital assets and at the same time maintain our revenue level which enables us to pay cash or to pay off any indebtedness on capital assets in the very short term.

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

Debt

On December 31, 2003, the City of Brunswick had \$9,488,177 in general obligation bonds and unamortized premium, special assessment bonds and unamortized premium, 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	
	2003	2002
General Obligation Bonds	\$3,414,695	\$3,752,085
Special Assessment Bonds	1,863,482	1,958,463
Brunswick Lake Industrial Development Bonds	0	3,260,000
Notes	4,175,000	0
OPWC Loan	35,000	50,000
Totals	\$9,488,177	\$9,020,548

The general obligation bonds outstanding are composed of a voter-approved Recreation Center Refunding Bonds of \$2,470,000, City Hall Expansion Bond of \$917,428, and a Center Road Improvement Bond of \$27,267. 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 Laurel Road, 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) Waterline Replacement Notes of \$2,100,000 to be repaid with general revenues and waterline maintenance fees; (2) Storm Sewer Replacement Notes of \$1,500,000 to be repaid 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) Laurel Road Notes of \$575,000 to 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 Storm Sewer Project. The loan will be repaid with municipal income tax monies.

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2003 was \$66,910,128. The aggregate outstanding debt after issuance of bonds subject to the ten and one-half percent limitation is \$7,069,072. The difference of \$59,841,056 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 12 to the basic financial statements.

Current Financial Related Activities

The City of Brunswick is financially strong. Over the past nine 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 led to a strong healthy community that has a bond rating of A1 by Moody's.

The City has purchased approximately 144 acres of land located on the south side of Center Road, approximately one mile from Interstate 71 for the Brunswick Lake project. Approximately 77 acres of the 144 acres 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 2003 the first phase of development began and included the construction of Home Depot and Giant Eagle. Future phases will include the construction of residential housing and additional commercial development with tenants to be named later. As of December 31, 2003 the City had sold approximately 26 acres of the 77 acres available for resale and construction began for several new businesses in the area. In January 2004, Home Depot had their grand opening and was the first new business to open in the Brunswick Lake Town Center. 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 debt obligations at a minimum. 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 live within our means and plan ahead knowing that responsible leadership commands that we observe and monitor the budget. We manage our assets and our annual budget by monthly reviews by Council, 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 where we believe we meet the needs of our residents.

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.

City of Brunswick
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

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
Statement of Net Assets
December 31, 2003

	Governmental Activities	Business-Type Activity	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$19,630,791	\$608,914	\$20,239,705
Cash and Cash Equivalents:			
In Segregated Accounts	2,041	0	2,041
With Fiscal Agents	647	0	647
Investments	39,833	0	39,833
Accounts Receivable	52,262	178,197	230,459
Accrued Interest Receivable	10,776	0	10,776
Intergovernmental Receivable	1,581,220	0	1,581,220
Materials and Supplies Inventory	94,148	0	94,148
Taxes Receivable	5,567,575	0	5,567,575
Special Assessment Receivable	1,889,934	0	1,889,934
Loans Receivable	2,647	0	2,647
Deferred Charges	46,767	0	46,767
Assets Held for Resale	2,458,638	0	2,458,638
Nondepreciable Capital Assets	4,487,751	0	4,487,751
Depreciable Capital Assets	40,057,932	13,540	40,071,472
<i>Total Assets</i>	<u>75,922,962</u>	<u>800,651</u>	<u>76,723,613</u>
Liabilities			
Accounts Payable	364,255	127,310	491,565
Contracts Payable	344,638	0	344,638
Accrued Wages and Benefits	390,673	1,774	392,447
Notes Payable	4,175,000	0	4,175,000
Deferred Revenue	1,795,687	0	1,795,687
Pension Obligation Payable	297,352	827	298,179
Vacation Benefits Payable	469,115	1,956	471,071
Matured Interest Payable	647	0	647
Accrued Interest Payable	50,200	0	50,200
Long-Term Liabilities:			
Due Within One Year	588,009	0	588,009
Due in More Than One Year	5,030,613	45	5,030,658
<i>Total Liabilities</i>	<u>13,506,189</u>	<u>131,912</u>	<u>13,638,101</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	39,092,189	13,540	39,105,729
Restricted for:			
Capital Projects	5,997,234	0	5,997,234
Debt Service	2,801,717	0	2,801,717
Other Purposes	6,406,611	0	6,406,611
Unrestricted	8,119,022	655,199	8,774,221
<i>Total Net Assets</i>	<u>\$62,416,773</u>	<u>\$668,739</u>	<u>\$63,085,512</u>

See accompanying notes to the basic financial statements

City of Brunswick
Statement of Activities
For the Year Ended December 31, 2003

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$3,604,869	\$553,006	\$24,223	\$0
Security of Persons and Property	6,940,757	417,003	183,694	0
Transportation	3,298,189	7,214	1,342,691	817,309
Community Environment	1,248,223	594,144	0	234,295
Public Health Services	382,577	149,326	0	0
Leisure Time Activities	2,033,068	1,123,323	0	0
Interest and Fiscal Charges	409,492	0	0	0
<i>Total Governmental Activities</i>	17,917,175	2,844,016	1,550,608	1,051,604
Business-Type Activity				
Refuse	1,528,260	1,581,360	0	0
<i>Totals</i>	<u>\$19,445,435</u>	<u>\$4,425,376</u>	<u>\$1,550,608</u>	<u>\$1,051,604</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 Capital Assets

Interest

Other

Total General Revenues

Special Item

Gain on Sale of Assets Held for Resale

Total General Revenues and Special Items

Change in Net Assets

Net Assets Beginning of Year
(Restated See Note 3)

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
(\$3,027,640)	\$0	(3,027,640)
(6,340,060)	0	(6,340,060)
(1,130,975)	0	(1,130,975)
(419,784)	0	(419,784)
(233,251)	0	(233,251)
(909,745)	0	(909,745)
(409,492)	0	(409,492)
(12,470,947)	0	(12,470,947)
0	53,100	53,100
(12,470,947)	53,100	(12,417,847)
1,467,490	0	1,467,490
427,801	0	427,801
3,088,345	0	3,088,345
71,420	0	71,420
2,301,777	0	2,301,777
1,005,818	0	1,005,818
1,036,767	0	1,036,767
96,714	0	96,714
464,224	0	464,224
1,861,276	0	1,861,276
17,511	0	17,511
294,165	0	294,165
117,014	0	117,014
12,250,322	0	12,250,322
2,268,639	0	2,268,639
14,518,961	0	14,518,961
2,048,014	53,100	2,101,114
60,368,759	615,639	60,984,398
\$62,416,773	\$668,739	\$63,085,512

City of Brunswick
Balance Sheet
Governmental Funds
December 31, 2003

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement	Brunswick Lake Construction
Assets					
Equity in Pooled Cash and Cash Equivalents	\$3,988,534	\$643,945	\$1,045,119	\$349,047	\$227,363
Cash and Cash Equivalents:					
in Segregated Accounts	2,041	0	0	0	0
With Fiscal Agents	0	0	0	0	0
Investments	0	0	0	0	0
Receivables:					
Taxes	2,788,794	1,100,727	480,990	0	0
Accounts	0	38,239	0	0	0
Interfund	472,949	0	0	0	0
Loans to Other Funds	2,957,000	0	0	0	0
Intergovernmental	670,009	0	536,960	0	0
Accrued Interest	9,960	0	0	0	0
Special Assessments	0	0	0	1,889,934	0
Loans	0	0	0	0	0
Materials and Supplies Inventory	12,576	1,379	59,775	0	0
Assets Held for Resale	0	0	0	0	2,458,638
Total Assets	\$10,901,863	\$1,784,290	\$2,122,844	\$2,238,981	\$2,686,001
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$188,481	\$51,316	\$51,091	\$0	\$0
Contracts Payable	0	0	0	0	0
Accrued Wages and Benefits	246,024	78,041	31,500	0	0
Pension Obligation Payable	161,629	104,747	17,248	0	0
Notes Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Loans from Other Funds	0	0	0	0	2,957,000
Accrued Interest Payable	0	0	0	0	0
Deferred Revenue	3,184,272	886,748	838,592	1,889,934	0
Matured Interest Payable	0	0	0	0	0
Total Liabilities	3,780,406	1,120,852	938,431	1,889,934	2,957,000
Fund Balances (Deficit)					
Reserved for Encumbrances	132,958	5,222	35,241	0	10,997
Reserved for Unclaimed Money	226,118	0	0	0	0
Reserved for Loans	0	0	0	0	0
Reserved for Loans to Other Funds	2,957,000	0	0	0	0
Reserved for Assets Held for Resale	0	0	0	0	2,458,638
Unreserved, Undesignated, Reported in:					
General Fund	3,805,381	0	0	0	0
Special Revenue Funds	0	658,216	1,149,172	0	0
Debt Service Funds	0	0	0	349,047	0
Capital Projects Funds	0	0	0	0	(2,740,634)
Total Fund Balances (Deficit)	7,121,457	663,438	1,184,413	349,047	(270,999)
Total Liabilities and Fund Balances	\$10,901,863	\$1,784,290	\$2,122,844	\$2,238,981	\$2,686,001

See accompanying notes to the basic financial statements

City of Brunswick
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2003*

Waterline Construction	Other Governmental Funds	Total Governmental Funds
\$2,099,476	\$11,277,307	\$19,630,791
0	0	2,041
0	647	647
0	39,833	39,833
0	1,197,064	5,567,575
0	14,023	52,262
0	12,500	485,449
0	0	2,957,000
0	374,251	1,581,220
0	816	10,776
0	0	1,889,934
0	2,647	2,647
0	20,418	94,148
0	0	2,458,638
<u>\$2,099,476</u>	<u>\$12,939,506</u>	<u>\$34,772,961</u>
\$0	\$73,367	\$364,255
0	344,638	344,638
0	35,108	390,673
0	13,728	297,352
2,100,000	2,075,000	4,175,000
0	485,449	485,449
0	0	2,957,000
15,606	11,147	26,753
0	1,341,249	8,140,795
0	647	647
<u>2,115,606</u>	<u>4,380,333</u>	<u>17,182,562</u>
1,179,059	914,972	2,278,449
0	0	226,118
0	2,647	2,647
0	0	2,957,000
0	0	2,458,638
0	0	3,805,381
0	2,415,688	4,223,076
0	520,623	869,670
(1,195,189)	4,705,243	769,420
<u>(16,130)</u>	<u>8,559,173</u>	<u>17,590,399</u>
<u>\$2,099,476</u>	<u>\$12,939,506</u>	<u>\$34,772,961</u>

Total Governmental Fund Balances	\$17,590,399
<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.	44,545,683
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Delinquent Property Taxes	58,800
Income Tax	3,021,139
Special Assessments	1,889,934
Grants	1,366,574
Interest	<u>8,661</u>
Total	6,345,108
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	(23,447)
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	(469,115)
Bond issuance costs reported as an expenditure in the funds are allocated as an expense over the life of the debt on a full accrual basis.	
Issuance costs	50,657
Amount expensed	<u>(3,890)</u>
Total	46,767
Long-term liabilities, including 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	(3,335,267)
General Obligation Bond Premium	(79,428)
Special Assessment Bonds	(1,822,564)
Special Assessment Bond Premium	(40,918)
OPWC Loan	(35,000)
Compensated Absences	<u>(305,445)</u>
Total	<u>(5,618,622)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>\$62,416,773</u></u>

City of Brunswick
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2003

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement	Brunswick Lake Construction
Revenues					
Property and Other Taxes	\$1,457,386	\$0	\$0	\$0	\$0
Municipal Income Tax	3,052,905	2,272,652	993,091	0	0
Charges for Services	157,652	360,726	0	0	0
Special Assessments	0	0	0	135,899	0
Licenses, Permits and Fees	432,440	0	0	0	0
Fines and Forfeitures	498,937	0	0	0	0
Intergovernmental	1,617,843	10,233	1,085,467	0	0
Sales	0	0	0	0	0
Interest	199,736	0	0	90,824	2,731
Other	53,139	3,858	12,659	0	0
<i>Total Revenues</i>	<u>7,470,038</u>	<u>2,647,469</u>	<u>2,091,217</u>	<u>226,723</u>	<u>2,731</u>
Expenditures					
Current:					
General Government	3,469,577	0	0	4,388	0
Security of Persons and Property	3,179,226	3,064,686	0	0	0
Transportation	0	0	2,229,989	0	0
Community Environment	666,501	0	0	0	0
Public Health Services	12,680	0	0	0	0
Leisure Time Activities	196,471	0	0	0	0
Capital Outlay	0	0	0	0	93,704
Debt Service:					
Principal Retirement	0	0	15,000	610,899	3,260,000
Interest and Fiscal Charges	0	0	0	127,682	35,302
Issuance Costs	0	0	0	17,065	0
<i>Total Expenditures</i>	<u>7,524,455</u>	<u>3,064,686</u>	<u>2,244,989</u>	<u>760,034</u>	<u>3,389,006</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(54,417)</u>	<u>(417,217)</u>	<u>(153,772)</u>	<u>(533,311)</u>	<u>(3,386,275)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	17,161	50	0	0	0
Bonds Issued	0	0	0	475,000	0
Bond Premium	0	0	0	44,322	0
Transfers In	0	50,000	80,850	0	0
Transfers Out	(1,502,421)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,485,260)</u>	<u>50,050</u>	<u>80,850</u>	<u>519,322</u>	<u>0</u>
Special Item					
Sale of Assets Held for Resale	0	0	0	0	2,268,639
<i>Net Change in Fund Balances</i>	<u>(1,539,677)</u>	<u>(367,167)</u>	<u>(72,922)</u>	<u>(13,989)</u>	<u>(1,117,636)</u>
<i>Fund Balances Beginning of Year (Restated See Note 3)</i>	<u>8,661,134</u>	<u>1,030,605</u>	<u>1,257,335</u>	<u>363,036</u>	<u>846,637</u>
<i>Fund Balances (Deficit) End 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>

See accompanying notes to the basic financial statements

City of Brunswick
*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, 2003*

Waterline Construction	Other Governmental Funds	Total Governmental Funds		
			Net Change in Fund Balances -Total Governmental Funds	(\$2,264,038)
			<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
			Governmental funds report capital outlays as expenditures.	
			However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
			Capital Asset Additions	2,163,526
			Current Year Depreciation	(2,012,461)
			Total	151,065
			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.	
				(67,186)
			Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
			Delinquent Property Taxes	17,505
			Income Tax	138,374
			Special Assessment	(68,529)
			Grants	315,807
			Charges for Services	(62,755)
			Interest	(109,573)
			Total	230,829
			Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
				5,237,717
			In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	
			Accrued Interest	10,163
			Bond Premium	(120,346)
			Bond Issuance Costs	46,767
			Total	(63,416)
			Proceeds of bonds is an other financing source in the governmental funds, but increases liabilities in governmental activities.	
				(1,410,000)
			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	(41,836)
			Vacation Benefits Payable	(74,481)
			Pension Obligations	349,360
			Total	233,043
			<i>Change in Net Assets of Governmental Activities</i>	<u>\$2,048,014</u>
\$0	\$420,400	\$1,877,786		
0	1,608,043	7,926,691		
0	1,090,900	1,609,278		
0	0	135,899		
0	301,664	734,104		
0	47,007	545,944		
0	1,434,138	4,147,681		
0	17,445	17,445		
0	43,077	336,368		
0	47,358	117,014		
<u>0</u>	<u>5,010,032</u>	<u>17,448,210</u>		
0	51,415	3,525,380		
0	1,168,606	7,412,518		
0	814,186	3,044,175		
0	234,279	900,780		
0	130,093	142,773		
0	1,823,122	2,019,593		
12,524	673,158	779,386		
0	1,351,818	5,237,717		
15,606	247,187	425,777		
0	33,592	50,657		
<u>28,130</u>	<u>6,527,456</u>	<u>23,538,756</u>		
<u>(28,130)</u>	<u>(1,517,424)</u>	<u>(6,090,546)</u>		
0	300	17,511		
0	935,000	1,410,000		
0	86,036	130,358		
0	1,378,815	1,509,665		
0	(7,244)	(1,509,665)		
<u>0</u>	<u>2,392,907</u>	<u>1,557,869</u>		
<u>0</u>	<u>0</u>	<u>2,268,639</u>		
<u>(28,130)</u>	<u>875,483</u>	<u>(2,264,038)</u>		
<u>12,000</u>	<u>7,683,690</u>	<u>19,854,437</u>		
<u>(\$16,130)</u>	<u>\$8,559,173</u>	<u>\$17,590,399</u>		

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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$1,559,435	\$1,663,150	\$1,457,386	(\$205,764)
Municipal Income Tax	2,576,114	3,070,934	3,047,276	(23,658)
Charges for Services	176,586	167,000	157,652	(9,348)
Licenses, Permits and Fees	562,630	600,050	432,440	(167,610)
Fines and Forfeitures	493,198	526,000	500,047	(25,953)
Intergovernmental	1,481,820	1,580,373	1,604,658	24,285
Interest	442,877	472,332	243,367	(228,965)
Other	46,155	49,225	53,139	3,914
<i>Total Revenues</i>	7,338,815	8,129,064	7,495,965	(633,099)
Expenditures				
Current:				
General Government	3,453,424	3,715,092	3,470,847	244,245
Security of Persons and Property	2,983,207	3,218,567	3,127,843	90,724
Community Environment	687,440	741,676	694,503	47,173
Public Health Services	10,752	11,600	9,995	1,605
Leisure Time Activities	194,578	209,929	197,619	12,310
<i>Total Expenditures</i>	7,329,401	7,896,864	7,500,807	396,057
<i>Excess of Revenues Over (Under) Expenditures</i>	9,414	232,200	(4,842)	(237,042)
Other Financing Sources (Uses)				
Sale of Capital Assets	15,863	17,161	17,161	0
Advances In	105,380	114,000	114,000	0
Advances Out	(408,705)	(440,949)	(440,949)	0
Transfers Out	(1,133,098)	(1,604,989)	(1,502,421)	102,568
<i>Total Other Financing Sources (Uses)</i>	(1,420,560)	(1,914,777)	(1,812,209)	102,568
<i>Net Change in Fund Balance</i>	(1,411,146)	(1,682,577)	(1,817,051)	(134,474)
<i>Fund Balance Beginning of Year</i>	5,550,013	5,550,013	5,550,013	0
Prior Year Encumbrances Appropriated	102,472	102,472	102,472	0
<i>Fund Balance End of Year</i>	\$4,241,339	\$3,969,908	\$3,835,434	(\$134,474)

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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Tax	\$2,267,250	\$2,267,250	\$2,268,026	\$776
Charges for Services	307,226	330,000	322,487	(7,513)
Intergovernmental	68,241	73,300	11,070	(62,230)
Other	7,825	8,405	3,858	(4,547)
<i>Total Revenues</i>	<u>2,650,542</u>	<u>2,678,955</u>	<u>2,605,441</u>	<u>(73,514)</u>
Expenditures				
Current:				
Security of Persons and Property	<u>2,624,075</u>	<u>3,008,849</u>	<u>3,002,553</u>	<u>6,296</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>26,467</u>	<u>(329,894)</u>	<u>(397,112)</u>	<u>(67,218)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	47	50	50	0
Transfers In	73,211	50,000	50,000	0
Transfers Out	<u>(180,763)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(107,505)</u>	<u>50,050</u>	<u>50,050</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(81,038)	(279,844)	(347,062)	(67,218)
<i>Fund Balance Beginning of Year</i>	969,034	969,034	969,034	0
Prior Year Encumbrances Appropriated	<u>16,030</u>	<u>16,030</u>	<u>16,030</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$904,026</u></u>	<u><u>\$705,220</u></u>	<u><u>\$638,002</u></u>	<u><u>(\$67,218)</u></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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Tax	\$988,600	\$988,600	\$991,070	\$2,470
Intergovernmental	988,082	1,069,000	1,073,920	4,920
Other	11,230	12,150	12,659	509
<i>Total Revenues</i>	<u>1,987,912</u>	<u>2,069,750</u>	<u>2,077,649</u>	<u>7,899</u>
Expenditures				
Current:				
Transportation	2,153,698	2,318,737	2,238,977	79,760
Debt Service:				
Principal Retirement	9,288	10,000	15,000	(5,000)
<i>Total Expenditures</i>	<u>2,162,986</u>	<u>2,328,737</u>	<u>2,253,977</u>	<u>74,760</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(175,074)</u>	<u>(258,987)</u>	<u>(176,328)</u>	<u>82,659</u>
Other Financing Sources (Uses)				
Transfers In	0	80,850	80,850	0
Transfers Out	(23,896)	(25,106)	0	25,106
<i>Total Other Financing Sources (Uses)</i>	<u>(23,896)</u>	<u>55,744</u>	<u>80,850</u>	<u>25,106</u>
<i>Net Change in Fund Balance</i>	(198,970)	(203,243)	(95,478)	107,765
<i>Fund Balance Beginning of Year</i>	1,059,889	1,059,889	1,059,889	0
Prior Year Encumbrances Appropriated	17,641	17,641	17,641	0
<i>Fund Balance End of Year</i>	<u>\$878,560</u>	<u>\$874,287</u>	<u>\$982,052</u>	<u>\$107,765</u>

See accompanying notes to the basic financial statements

City of Brunswick
Statement of Fund Net Assets
Proprietary Fund
December 31, 2003

	Refuse
Assets	
<i>Current Assets</i>	
Equity in Pooled Cash and Cash Equivalents	\$608,914
Accounts Receivable	178,197
Total Current Assets	787,111
<i>Noncurrent Assets</i>	
Depreciable Capital Assets, Net	13,540
<i>Total Assets</i>	800,651
Liabilities	
<i>Current Liabilities</i>	
Accounts Payable	127,310
Accrued Wages and Benefits	1,774
Pension Obligation Payable	827
Vacation Benefits Payable	1,956
<i>Total Current Liabilities</i>	131,867
<i>Long-Term Liabilities</i>	
Compensated Absences Payable	45
<i>Total Liabilities</i>	131,912
Net Assets	
Invested in Capital Assets	13,540
Unrestricted	655,199
<i>Total Net Assets</i>	\$668,739

See accompanying notes to the basic financial statements

City of Brunswick
*Statement of Revenues, Expenses
and Changes in Fund Net Assets
Proprietary Fund
For the Year Ended December 31, 2003*

	Refuse
Operating Revenues	
Charges for Services	\$1,581,360
Operating Expenses	
Salaries and Wages	48,281
Fringe Benefits	20,905
Purchased Services	1,452,667
Materials and Supplies	2,522
Depreciation	3,885
<i>Total Operating Expenses</i>	1,528,260
<i>Operating Income</i>	53,100
<i>Net Assets Beginning of Year (Restated See Note 3)</i>	615,639
<i>Net Assets End of Year</i>	\$668,739

See accompanying notes to the basic financial statements

City of Brunswick
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2003

	Refuse
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received From Customers	\$1,569,105
Cash Payments to Suppliers for Goods and Services	(1,443,627)
Cash Payments for Employee Services	(49,294)
Cash Payments for Employee Benefits	(21,527)
<i>Net Increase in Cash and Cash Equivalents</i>	54,657
Cash and Cash Equivalents Beginning of Year	554,257
Cash and Cash Equivalents End of Year	\$608,914
 Reconciliation of Operating Income	
to Net Cash Provided by Operating Activities	
<i>Operating Income</i>	\$53,100
Adjustment:	
Depreciation	3,885
<i>(Increase)/Decrease in Assets:</i>	
Accounts Receivable	(12,255)
<i>Increase/(Decrease) in Liabilities:</i>	
Accounts Payable	12,079
Accrued Wages and Benefits	1,046
Vacation Benefits Payable	(103)
Compensated Absences Payable	(1,383)
Pension Obligation Payable	(1,712)
<i>Total Adjustments</i>	1,557
<i>Net Cash Provided by Operating Activities</i>	\$54,657

See accompanying notes to the basic financial statements

City of Brunswick
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2003

Assets

Equity in Pooled Cash and Cash Equivalents	\$679,326
Cash and Cash Equivalents in Segregated Accounts	<u>162,893</u>
	<u><u>\$842,219</u></u>

Liabilities

Undistributed Assets	<u><u>\$842,219</u></u>
----------------------	-------------------------

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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 20.

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 proprietary funds 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 funds. 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, 2003

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 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.

Waterline Construction Capital Projects Fund The waterline construction fund accounts for the transfers and grant monies used for the construction and improvement of waterlines.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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.

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 7) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2003, but which were levied to finance year 2004 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.

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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 resolution 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 2003.

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 2003, 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.

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, 2003.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to the general fund, debt service funds and certain capital projects funds. Interest revenue

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

credited to the general fund during 2003 amounted to \$199,736, which includes \$78,601 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. 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:

<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.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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.

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 expenditure. Fund balance reserves have been established for encumbrances, unclaimed monies, loans receivable, 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.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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 operations of the fire department, street repair and maintenance department, police department, Brunswick Transit Authority, cable t.v., parks, and revolving loan programs.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net asset 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. During fiscal year 2003, the City sold approximately 26 acres of the designated 77 acres of the Brunswick Lake land which resulted in a gain on sale of assets held for resale of \$2,268,639.

R. Estimates

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

Note 3 – Restatement of Prior Year Balances

The Capital Replacement fund was eliminated as a result of a change in policy for replacing City assets. All remaining monies were returned to the originating funds. This Capital Replacement fund elimination, along with the understatement of the Brunswick Lake assets held for resale as a result of a change in estimate, the overstatement of loans receivable and the unrestricted cable settlement monies that were receipted into the incorrect fund had the following effects on fund balance/net assets of the major and nonmajor funds of the City as they were previously reported as of December 31, 2002.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement
Fund Balances, December 31, 2002	\$6,899,771	\$263,042	\$745,535	\$363,036
Assets Held for Resale	0	0	0	0
Loan Overstatement	0	0	0	0
Correction - Cable Settlement	800,000	0	0	0
Capital Replacement Fund	961,363	767,563	511,800	0
Adjusted Fund Balance, December 31, 2002	<u>\$8,661,134</u>	<u>\$1,030,605</u>	<u>\$1,257,335</u>	<u>\$363,036</u>
	Brunswick Lake Construction	Waterline Construction	Nonmajor	Totals
Fund Balances, December 31, 2002	(\$165,094)	\$12,000	\$10,791,426	\$18,909,716
Assets Held for Resale	1,011,731	0	0	1,011,731
Loan Overstatement	0	0	(85,111)	(85,111)
Correction - Cable Settlement	0	0	(800,000)	0
Capital Replacement Fund	0	0	(2,222,625)	18,101
Adjusted Fund Balance, December 31, 2002	<u>\$846,637</u>	<u>\$12,000</u>	<u>\$7,683,690</u>	<u>\$19,854,437</u>

The overstatement of income tax receivable, the adjustments to capital assets, the restatement of the Brunswick Lake assets held for resale, the loan receivable overstatement and the Capital Replacement fund elimination had the following effects on net assets of governmental activities of the City as they were previously reported.

	Governmental Activities	Business-Type Activity
Net Assets December 31, 2002	\$63,202,782	\$633,740
Income Tax Receivable	(503,417)	0
Capital Asset Adjustments	(3,275,327)	0
Assets Held for Resale	1,011,731	0
Loan Overstatement	(85,111)	0
Capital Replacement Fund	18,101	(18,101)
Adjusted Net Assets, December 31, 2002	<u>\$60,368,759</u>	<u>\$615,639</u>

The loan receivable overstatement and the Capital Replacement fund elimination had the following effects on net change in fund balance of the major and nonmajor funds of the City as they were previously reported as of December 31, 2002.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

	General	Fire Department	Street Repair and Maintenance	Special Assessment Bond Retirement
Net Change in Fund Balances, December 31, 2002	(\$467,588)	(\$393,835)	\$5,665	(\$12,147)
Loan Overstatement	0	0	0	0
Capital Replacement Fund	179,641	161,193	(53,726)	0
Adjusted Net Change in Fund Balances, December 31, 2002	(\$287,947)	(\$232,642)	(\$48,061)	(\$12,147)
Brunswick				
	Lake Construction	Waterline Construction	Nonmajor	Totals
Net Change in Fund Balances, December 31, 2002	(\$580,948)	\$12,000	(\$496,809)	(\$1,933,662)
Loan Overstatement	0	0	(11,600)	(11,600)
Capital Replacement Fund	0	0	(287,108)	0
Adjusted Net Change in Fund Balance, December 31, 2002	(\$580,948)	\$12,000	(\$795,517)	(\$1,945,262)

The loan receivable overstatement and the Capital Replacement fund elimination had the following effects on net change in net assets of governmental activities of the City as they were previously reported.

	Governmental Activities
Net Change in Net Assets, December 31, 2002	(\$879,993)
Loan Overstatement	(11,600)
Adjusted Net Change in Net Assets, December 31, 2002	(\$891,593)

Note 4 – Fund Deficits and Legal Compliance

A. Fund Deficits

The Community Development Block Grant, Brunswick Lake Construction and Waterline Construction capital projects funds had deficit fund balances of \$33,506, \$270,999 and \$16,130 respectively. The deficit fund balances are due to the recognition of accrued liabilities.

The general fund is liable for any deficit balance and provides operating transfers when cash is required, not when accruals occur.

B. Legal Compliance

The Police Special Revenue fund had expenditures plus encumbrances of \$1,035,623 and appropriations of \$1,032,000 resulting in an excess of \$3,623 and a violation of section 5705.41(B), Ohio Revised Code. Although this violation was not corrected by fiscal year-end, management has indicated that appropriations will be more closely monitored to ensure no future violations will occur.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

Note 5 - 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 Balance		
	General	Fire Department	Street Repair and Maintenance
GAAP Basis	(\$1,539,677)	(\$367,167)	(\$72,922)
Net Adjustment for Revenue Accruals	29,027	(42,028)	(13,568)
Advances In	114,000	0	0
Change in Fair Value of Investments	(3,100)	0	0
Net Adjustment for Expenditure Accruals	179,848	68,076	54,079
Advances Out	(440,949)	0	0
Adjustments for Encumbrances	(156,200)	(5,943)	(63,067)
Budget Basis	(\$1,817,051)	(\$347,062)	(\$95,478)

Note 6 - Deposits and Investments

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

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

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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

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

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

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

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

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

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.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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 \$10,973,404 and the bank balance was \$11,082,192. Of the bank balance:

1. \$654,782 was covered by federal depository insurance;
2. \$10,427,410 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.

	Category		Carrying Amount	Fair Value
	1	3		
Repurchase Agreement		\$2,610,000	\$2,610,000	\$2,610,000
Federal Home Loan Mortgage Bank Notes		996,900	996,900	996,900
Investment in Brunswick City				
Manuscript Bond	\$39,833	0	39,833	39,833
STAROhio	0	0	6,502,458	6,502,458
Total Investments	<u>\$39,833</u>	<u>\$3,606,900</u>	<u>\$10,149,191</u>	<u>\$10,149,191</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:

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$21,084,612	\$39,833
Investments:		
Repurchase Agreement	(2,610,000)	2,610,000
Federal Home Loan Mortgage Bank Notes	(996,900)	996,900
STAROhio	(6,502,458)	6,502,458
Cash on Hand	(1,850)	0
GASB Statement No. 3	\$10,973,404	\$10,149,191

Note 7 - Receivables

Receivables at December 31, 2003, consisted primarily of municipal income taxes, property and other taxes, special assessments, intergovernmental receivables arising from grants, entitlements and shared revenues, interest, interfunds, loans from other funds, loans (community development block grant monies loaned to local businesses), 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 \$1,687,666 in the special assessment bond retirement fund. The amount of delinquent special assessments outstanding at year-end is \$67,370.

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 2003 for real and public utility property taxes represents collections of 2002 taxes. Property tax payments received during 2003 for tangible personal property (other than public utility property) are for 2003 taxes.

2003 real property taxes are levied after October 1, 2003, on the assessed value as of January 1, 2003, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2003 real property taxes are collected in and intended to finance 2004.

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. 2003 public utility property taxes became a lien December 31, 2002, are levied after October 1, 2003, and are collected in 2004 with real property taxes.

2003 tangible personal property taxes are levied after October 1, 2002, on the value as of December 31, 2002. Collections are made in 2003. 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, 2003, was \$3.35 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2003 property tax receipts were based are as follows:

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

	<u>Assessed Value</u>
Real Estate	\$585,813,840
Public Utility Property	10,001,610
Tangible Personal	<u>41,423,866</u>
Total Assessed Value	<u><u>\$637,239,316</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, 2003 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 2003 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 2003, 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, 2003

C. Intergovernmental Receivables

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

	Amounts
Local Government	\$528,364
Gasoline Tax	361,285
Permissive Motor Vehicle License Tax	207,738
Grants	178,684
Motor Vehicle License Registration	136,197
Homestead and Rollback	121,972
Deregulation Monies	21,779
Fines, Licenses and Fees	14,239
Estate Tax	10,962
Total	\$1,581,220

Note 8 – Contractual Commitments

As of December 31, 2003, the City had the following contractual commitments:

	Amount Remaining on Contract
Project	
Waterline Replacement	\$1,179,059
Laurel Road West Improvements	333,862
I-71 and 303 Interchange Northbound On-Ramp	332,000
North Carpenter Right of Way	204,193
Fireside Drive Twin Culvert	165,855
Total	\$2,214,969

Note 9 - Contingencies

A. Grants

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2003.

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, 2003.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

Note 10 – Assets Held for Resale

Assets held for resale represents land near Brunswick Lake purchased by the City which will be sold for development purposes. During fiscal year 2003, the City sold approximately 26 acres of the designated 77 acres of the Brunswick Lake land. This sale resulted in a gain on sale of assets held for resale of \$2,268,639. As of December 31, 2003 the City has 51 acres of land remaining which is being held for resale.

Note 11 - Capital Assets

Capital asset activity for the year ended December 31, 2003, was as follows:

	Balance 12/31/02	Additions	Deletions	Balance 12/31/03
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$3,625,019	\$20	\$0	\$3,625,039
Construction in Progress	0	862,712	0	862,712
<i>Total Capital Assets, not being depreciated</i>	<u>3,625,019</u>	<u>862,732</u>	<u>0</u>	<u>4,487,751</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	10,188	0	0	10,188
Buildings and Improvements	12,093,934	89,371	0	12,183,305
Equipment, Machinery and Vehicles	8,398,477	1,195,461	(151,436)	9,442,502
Furniture and Fixtures	404,395	15,962	0	420,357
Infrastructure				
Roads	11,873,600	0	0	11,873,600
Sidewalks	1,010,227	0	0	1,010,227
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>58,911,679</u>	<u>1,300,794</u>	<u>(151,436)</u>	<u>60,061,037</u>
Less Accumulated Depreciation:				
Land Improvements	(708)	(509)	0	(1,217)
Buildings and Improvements	(4,293,610)	(323,950)	0	(4,617,560)
Equipment, Machinery and Vehicles	(5,287,665)	(715,263)	84,250	(5,918,678)
Furniture and Fixtures	(176,869)	(30,433)	0	(207,302)
Infrastructure				
Roads	(3,592,946)	(395,787)	0	(3,988,733)
Sidewalks	(301,885)	(33,674)	0	(335,559)
Storm Sewers	(2,312,494)	(260,743)	0	(2,573,237)
Waterlines	(1,801,871)	(199,964)	0	(2,001,835)
Bridges	(41,647)	(6,596)	0	(48,243)
Culverts	(265,199)	(45,542)	0	(310,741)
Total Accumulation Depreciation	<u>(18,074,894)</u>	<u>(2,012,461) *</u>	<u>84,250</u>	<u>(20,003,105)</u>
Total Capital Assets being depreciated, net	<u>40,836,785</u>	<u>(711,667)</u>	<u>(67,186)</u>	<u>40,057,932</u>
Governmental Activities Capital Assets, Net	<u>\$44,461,804</u>	<u>\$151,065</u>	<u>(\$67,186)</u>	<u>\$44,545,683</u>

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

	Balance 12/31/02	Additions	Deletions	Balance 12/31/03
Business-Type Activities				
<i>Capital Assets, being depreciated:</i>				
Machinery, Equipment and Vehicles	\$60,610	\$0	\$0	\$60,610
Furniture and Fixtures	1,811	0	0	1,811
<i>Total Capital Assets, being depreciated</i>	<u>62,421</u>	<u>0</u>	<u>0</u>	<u>62,421</u>
Less Accumulated Depreciation:				
Machinery, Equipment and Vehicles	(43,185)	(3,885)	0	(47,070)
Furniture and Fixtures	(1,811)	0	0	(1,811)
Total Accumulation Depreciation	<u>(44,996)</u>	<u>(3,885)</u>	<u>0</u>	<u>(48,881)</u>
Business-Type Activities Capital Assets, Net	<u>\$17,425</u>	<u>(\$3,885)</u>	<u>\$0</u>	<u>\$13,540</u>

* Depreciation expense was charged to governmental functions as follows:

General Government	\$167,055
Security of Persons and Property	405,136
Transportation	654,075
Community Environment	388,209
Public Health Services	240,889
Leisure Time Activities	157,097
Total Depreciation Expense	<u>\$2,012,461</u>

Note 12 - Long-Term Obligations

The original issue date, interest rate, original issuance and maturity date for each of the City's bonds 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
Hadcock Road Improvement	1985	9.25	308,000	December 1, 2003
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>Industrial Development Bonds</i>				
Brunswick Lake	1998	4.00 to 8.00	4,000,000	December 1, 2008
<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
OPWC Loan	1998	0.00	100,000	December 1, 2007

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

A schedule of changes in bonds and other long-term obligations of the City during 2003 follows:

	Amounts Outstanding 12/31/02	Additions	Reductions	Amounts Outstanding 12/31/03	Amounts Due in One Year
<i>General Obligation Bonds:</i>					
<i>Voted:</i>					
Community Recreation Center Refunding Bonds	\$2,765,000	\$0	(\$295,000)	\$2,470,000	\$310,000
<i>Unvoted:</i>					
Hadcock Road Improvement	18,000	0	(18,000)	0	0
Center Road Improvement	34,085	0	(6,818)	27,267	6,818
City Hall Expansion	935,000	0	(935,000)	0	0
Refunded City Hall Expansion Unamortized Premium	0	935,000	(97,000)	838,000	77,000
		86,036	(6,608)	79,428	9,930
Net Refunded City Hall Expansion	0	1,021,036	(103,608)	917,428	86,930
<i>Total General Obligation Bonds</i>	<u>3,752,085</u>	<u>1,021,036</u>	<u>(1,358,426)</u>	<u>3,414,695</u>	<u>403,748</u>
<i>Industrial Development Bonds:</i>					
Brunswick Lake	3,260,000	0	(3,260,000)	0	0
<i>Special Assessment Bonds:</i>					
Laurel Road Improvement	50,000	0	(25,000)	25,000	25,000
Center Road Improvement	40,913	0	(8,182)	32,731	8,182
Cross Creek Improvement	426,000	0	(426,000)	0	0
Carpenter Road Improvement	49,000	0	(49,000)	0	0
Laurel Road West Waterline	235,000	0	(10,000)	225,000	15,000
Grafton Road Improvement	42,550	0	(2,717)	39,833	2,716
South Industrial Improvement	1,115,000	0	(40,000)	1,075,000	45,000
Refunded Cross Creek Improvement Unamortized Premium	0	426,000	(46,000)	380,000	35,000
		39,642	(3,045)	36,597	4,574
Net Cross Creek Improvement	0	465,642	(49,045)	416,597	39,574
Refunded Carpenter Road Improvement Unamortized Premium	0	49,000	(4,000)	45,000	4,000
		4,680	(359)	4,321	539
Net Carpenter Road Improvement	0	53,680	(4,359)	49,321	4,539
<i>Total Special Assessment Bonds</i>	<u>1,958,463</u>	<u>519,322</u>	<u>(614,303)</u>	<u>1,863,482</u>	<u>140,011</u>
Compensated Absences	263,609	61,800	(19,964)	305,445	39,250
OPWC Loan 0%	50,000	0	(15,000)	35,000	5,000
<i>Total Governmental Long-Term Liabilities</i>	<u>\$9,284,157</u>	<u>\$1,602,158</u>	<u>(\$5,267,693)</u>	<u>\$5,618,622</u>	<u>\$588,009</u>
<i>Business-Type Activities:</i>					
Compensated Absences	<u>\$1,428</u>	<u>\$0</u>	<u>(\$1,383)</u>	<u>\$45</u>	<u>\$0</u>

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

On May 8, 2003, the City issued \$935,000 in general obligation bonds and \$475,000 in special assessment bonds with premiums of \$86,036 and \$44,322, respectively and interest rates varying from 4.00 percent to 6.75 percent. Proceeds were used to retire \$935,000 of outstanding City Hall Expansion general obligation bonds, \$426,000 of outstanding Cross Creek Improvement special assessment bonds and \$49,000 of outstanding Carpenter Road Improvement special assessment bonds.

\$1,410,000 was paid to the bond holders to retire the City Hall Expansion, Cross Creek Improvement, and Carpenter Road Improvement bonds. The City decreased its total debt service payments by \$121,991 as a result of the current refunding. The City also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$105,700.

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.

During 2003, the Brunswick Lake industrial development bonds were completely paid with proceeds from the sale of a portion of the Brunswick Lake land.

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 \$59,841,056 and the unvoted legal debt margin was \$27,979,090 at December 31, 2003. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2003, are as follows:

	General Obligation Bonds		Special Assessment Bonds		OPWC	Total	
	Principal	Interest	Principal	Interest	Loan	Principal	Interest
2004	\$393,818	\$180,066	\$134,899	\$101,292	\$5,000	\$533,717	\$281,358
2005	423,817	161,801	109,899	93,311	10,000	543,716	255,112
2006	414,817	142,148	114,899	87,827	10,000	539,716	229,975
2007	436,817	122,930	125,899	82,090	10,000	572,716	205,020
2008	455,000	98,470	122,717	75,799	0	577,717	174,269
2009-2013	1,210,998	134,930	661,584	267,856	0	1,872,582	402,786
2014-2018	0	0	452,667	103,294	0	452,667	103,294
2019	0	0	100,000	5,625	0	100,000	5,625
Total	<u>\$3,335,267</u>	<u>\$840,345</u>	<u>\$1,822,564</u>	<u>\$817,094</u>	<u>\$35,000</u>	<u>\$5,192,831</u>	<u>\$1,657,439</u>

Note 13 – 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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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.

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, 2003, was \$1,448,876. The bonds fully mature in 2008.

Note 14 – Notes Payable

A summary of the note transactions for the year ended December 31, 2003, follows:

	Outstanding 12/31/2002	Issued	Retired	Outstanding 12/31/2003
1.25% Waterline Replacement Notes	\$0	\$2,100,000	\$0	\$2,100,000
1.40% Laurel Road Notes	0	575,000	0	575,000
1.25% Storm Sewer Replacement Notes	0	1,500,000	0	1,500,000
Total	\$0	\$4,175,000	\$0	\$4,175,000

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 27, 2004 and the Laurel Road notes mature October 7, 2004. The note liability is reflected in the fund which received the proceeds and will repay the debt.

Note 15 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has insurance coverage with Factory Mutual Insurance Company who provides the boiler coverage. The City's coverage for general liability, bodily injury and property damage to others, with Clarendon National 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 are \$1,000,000 per occurrence and \$2,000,000 aggregate per year with an \$10,000 deductible. Vehicles are covered for \$1,000,000 per each occurrence, no aggregate, with a \$500 deductible for comprehensive, \$500 deductible for collision, and a \$500 deductible for all fire vehicles.

Comprehensive crime is covered at \$100,000 for money and securities. The boiler is covered at \$10,000,000 with a \$1,000 deductible and Electronic Data Processing coverage is \$946,214 with a \$500 deductible.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$18,733,363 with a \$1,000 deductible. Inland marine coverage for all City property that moves has a limit of \$1,000,000 with a \$500 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 16 - 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 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, 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 2003 was 8.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 11.7 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, 2003, 2002, and 2001 were \$364,492, \$345,888, and \$351,278 respectively; 87.04 percent has been contributed for 2003 and 100 percent for 2002 and 2001. Contributions to the member-directed plan for 2003 were \$394 made by the City and \$247 made by the plan members.

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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 \$267,118 and \$243,824 for the year ended December 31, 2003, \$245,412, and \$213,537 for the year ended December 31, 2002 and \$213,972 and \$227,515 for the year ended December 31, 2001 equal to the required contributions for each year. The full amount has been contributed for 2002 and 2001. 72.95 percent and 71.28 percent, respectively, have been contributed for 2003 with the remainder being reported as a liability.

Note 17 - 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 2003 local government employer contribution rate was 13.31 percent of covered payroll (16.7 percent for public safety and law enforcement); 5.00 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, 2002, 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 4.00 percent annually.

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

The number of active contributing participants in the traditional and combined plans was 364,881. Actual employer contributions for 2003 which were used to fund postemployment benefits were \$213,153. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

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 2003. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2003 that were used to fund postemployment benefits were \$176,184 for police and \$116,285 for firefighters. The OP&F's total health care expense for the year ended December 31, 2002, (the latest information available) was \$141,028,006, which was net of member contributions of \$12,623,875. The number of OP&F participants eligible to receive health care benefits as of December 31, 2002, was 13,527 for police and 10,396 for firefighters.

Note 18 - 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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

termination of employment. Employees may only accrue one year of vacation time. 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.

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 19 - Interfund Transfers and Balances

A. Transfers

All transfers are from the general fund to various funds within the City, with the exception of \$7,244 which were transfers of unexpended balances from various road permanent improvement projects to the capital projects fund pursuant to ORC Section 5705.14.

	Transfer From		
Transfer To	<u>General</u>	<u>Nonmajor</u>	<u>Totals</u>
<i>Governmental Activities</i>			
Fire Department	\$50,000	\$0	\$50,000
Street Repair and Maintenance	80,850	0	80,850
Nonmajor Funds	<u>1,371,571</u>	<u>7,244</u>	<u>1,378,815</u>
Total	<u>\$1,502,421</u>	<u>\$7,244</u>	<u>\$1,509,665</u>

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, 2003, consist of the following:

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

	Interfund Balances	
	December 31, 2003	
	Receivables	Payables
MAJOR FUNDS		
General Fund	\$3,429,949	\$0
<i>Capital Projects Fund:</i>		
Brunswick Lake Construction	0	2,957,000
Total Major Funds	3,429,949	2,957,000
NONMAJOR FUNDS		
<i>Capital Projects Funds:</i>		
Community Development Block Grant	0	109,049
Fireside Culverts	0	156,900
Road Improvement	0	207,000
Total Nonmajor Funds	0	472,949
Total All Funds	\$3,429,949	\$3,429,949

Note 20 - 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 2003, 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 2003, the City contributed \$7,500 which represents 5.25 percent of total contributions.

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

City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December, 31, 2003

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

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 2003. Financial information can be obtained by contacting Dan DiLiberto, Board Chairman, 1615 Clark Avenue, Cleveland, Ohio 44109.

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 \$119,075 to Medway during 2003. The County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for the Agency.

Note 21 - Subsequent Event

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. Both issues had a 1.25 percent interest rate and matures in one year.

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.

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.

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.

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.

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

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. Budgetary data for the revolving loan special revenue fund is not reported because it is not included in the entity for which the “appropriated budget” is adopted nor is separate budgetary information maintained.

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.

Boston/Carpenter Fund To account for grant monies used for improvements to the Boston/Carpenter intersection.

Sanitary Storm Sewer Fund To account for transfers, debt proceeds and grant monies used for improvements to various City storm sewers.

City of Brunswick
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2003

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,376,312	\$477,913	\$8,423,082	\$11,277,307
Cash and Cash Equivalents:				
In Segregated Accounts	0	0	0	0
With Fiscal Agents	0	647	0	647
Investments	0	39,833	0	39,833
Receivables:				
Taxes	764,034	433,030	0	1,197,064
Accounts	14,023	0	0	14,023
Interfund	0	0	12,500	12,500
Intergovernmental	65,762	27,307	281,182	374,251
Accrued Interest	816	0	0	816
Loans	2,647	0	0	2,647
Materials and Supplies Inventory	20,418	0	0	20,418
<i>Total Assets</i>	<u>\$3,244,012</u>	<u>\$978,730</u>	<u>\$8,716,764</u>	<u>\$12,939,506</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$70,487	\$0	\$2,880	\$73,367
Contracts Payable	0	0	344,638	344,638
Accrued Wages and Benefits	35,108	0	0	35,108
Pension Obligation Payable	13,728	0	0	13,728
Notes Payable	0	0	2,075,000	2,075,000
Interfund Payable	12,500	0	472,949	485,449
Accrued Interest Payable	0	0	11,147	11,147
Deferred Revenue	662,743	457,460	221,046	1,341,249
Matured Interest Payable	0	647	0	647
<i>Total Liabilities</i>	<u>794,566</u>	<u>458,107</u>	<u>3,127,660</u>	<u>4,380,333</u>
Fund Balances				
Reserved for Encumbrances	31,111	0	883,861	914,972
Reserved for Loans	2,647	0	0	2,647
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	2,415,688	0	0	2,415,688
Debt Service Fund	0	520,623	0	520,623
Capital Projects Funds	0	0	4,705,243	4,705,243
<i>Total Fund Balances</i>	<u>2,449,446</u>	<u>520,623</u>	<u>5,589,104</u>	<u>8,559,173</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,244,012</u>	<u>\$978,730</u>	<u>\$8,716,764</u>	<u>\$12,939,506</u>

City of Brunswick
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2003

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property and Other Taxes	\$0	\$420,400	\$0	\$420,400
Municipal Income Tax	1,577,487	30,556	0	1,608,043
Charges for Services	1,090,900	0	0	1,090,900
Licenses, Permits and Fees	222,155	0	79,509	301,664
Fines and Forfeitures	47,007	0	0	47,007
Intergovernmental	829,074	58,760	546,304	1,434,138
Sales	17,445	0	0	17,445
Interest	4,454	23,493	15,130	43,077
Other	46,580	0	778	47,358
<i>Total Revenues</i>	<u>3,835,102</u>	<u>533,209</u>	<u>641,721</u>	<u>5,010,032</u>
Expenditures				
Current:				
General Government	42,522	8,893	0	51,415
Security of Persons and Property	1,168,606	0	0	1,168,606
Transportation	814,186	0	0	814,186
Community Environment	234,279	0	0	234,279
Public Health Services	130,093	0	0	130,093
Leisure Time Activities	1,823,122	0	0	1,823,122
Capital Outlay	0	0	673,158	673,158
Debt Service:				
Principal Retirement	0	1,351,818	0	1,351,818
Interest and Fiscal Charges	0	236,040	11,147	247,187
Issuance Costs	0	33,592	0	33,592
<i>Total Expenditures</i>	<u>4,212,808</u>	<u>1,630,343</u>	<u>684,305</u>	<u>6,527,456</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(377,706)</u>	<u>(1,097,134)</u>	<u>(42,584)</u>	<u>(1,517,424)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	300	0	0	300
Bonds Issued	0	935,000	0	935,000
Bond Premium	0	86,036	0	86,036
Transfers In	331,527	0	1,047,288	1,378,815
Transfers Out	0	0	(7,244)	(7,244)
Total Other Financing Sources (Uses)	<u>331,827</u>	<u>1,021,036</u>	<u>1,040,044</u>	<u>2,392,907</u>
<i>Net Change in Fund Balances</i>	(45,879)	(76,098)	997,460	875,483
<i>Fund Balances Beginning of Year</i>	<u>2,495,325</u>	<u>596,721</u>	<u>4,591,644</u>	<u>7,683,690</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,449,446</u></u>	<u><u>\$520,623</u></u>	<u><u>\$5,589,104</u></u>	<u><u>\$8,559,173</u></u>

City of Brunswick
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003

	Court Computerization	Police	State Highway	Law Enforcement	Brunswick Transit Alternative
Assets					
Equity in Pooled Cash and Cash Equivalents	\$59,649	\$54,409	\$27,449	\$26,209	\$165,221
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Receivables:					
Taxes	0	495,790	0	0	46,249
Accounts	0	0	0	0	0
Intergovernmental	0	0	43,537	0	22,225
Accrued Interest	0	0	0	0	0
Loans	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$59,649</u>	<u>\$550,199</u>	<u>\$70,986</u>	<u>\$26,209</u>	<u>\$233,695</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$0	\$0	\$1,910	\$0	\$19,035
Accrued Wages and Benefits	937	0	0	0	458
Pension Obligation Payable	427	0	0	0	563
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	399,410	36,576	0	47,917
<i>Total Liabilities</i>	<u>1,364</u>	<u>399,410</u>	<u>38,486</u>	<u>0</u>	<u>67,973</u>
Fund Balances:					
Reserved for Encumbrances	0	0	199	0	21,045
Reserved for Loans	0	0	0	0	0
Unreserved, Undesignated	58,285	150,789	32,301	26,209	144,677
<i>Total Fund Balances</i>	<u>58,285</u>	<u>150,789</u>	<u>32,500</u>	<u>26,209</u>	<u>165,722</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$59,649</u>	<u>\$550,199</u>	<u>\$70,986</u>	<u>\$26,209</u>	<u>\$233,695</u>

Waterworks Improvement	Cable TV	Parks	Enforcement and Education	Community Recreation Center	Revolving Loan	Total Nonmajor Special Revenue Funds
\$346,207	\$848,026	\$225,121	\$24,010	\$179,763	\$420,248	\$2,376,312
0	0	0	0	0	0	0
0	0	221,995	0	0	0	764,034
14,023	0	0	0	0	0	14,023
0	0	0	0	0	0	65,762
0	0	0	0	0	816	816
0	0	0	0	0	2,647	2,647
0	0	17,949	0	2,469	0	20,418
<u>\$360,230</u>	<u>\$848,026</u>	<u>\$465,065</u>	<u>\$24,010</u>	<u>\$182,232</u>	<u>\$423,711</u>	<u>\$3,244,012</u>
\$297	\$2,739	\$9,796	\$0	\$36,710	\$0	\$70,487
0	5,455	10,552	0	17,706	0	35,108
0	1,801	4,102	0	6,835	0	13,728
0	0	0	0	0	12,500	12,500
0	0	178,840	0	0	0	662,743
<u>297</u>	<u>9,995</u>	<u>203,290</u>	<u>0</u>	<u>61,251</u>	<u>12,500</u>	<u>794,566</u>
6,200	783	2,884	0	0	0	31,111
0	0	0	0	0	2,647	2,647
<u>353,733</u>	<u>837,248</u>	<u>258,891</u>	<u>24,010</u>	<u>120,981</u>	<u>408,564</u>	<u>2,415,688</u>
<u>359,933</u>	<u>838,031</u>	<u>261,775</u>	<u>24,010</u>	<u>120,981</u>	<u>411,211</u>	<u>2,449,446</u>
<u>\$360,230</u>	<u>\$848,026</u>	<u>\$465,065</u>	<u>\$24,010</u>	<u>\$182,232</u>	<u>\$423,711</u>	<u>\$3,244,012</u>

City of Brunswick
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003

	Court Computerization	FEMA Grant	Police	Drug Enforcement	State Highway	Law Enforcement
Revenues						
Municipal Income Tax	\$0	\$0	\$1,023,647	\$0	\$0	\$0
Charges for Services	0	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0	0
Fines and Forfeitures	41,900	0	0	0	0	17
Intergovernmental	0	4,553	0	119,075	88,010	0
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>41,900</u>	<u>4,553</u>	<u>1,023,647</u>	<u>119,075</u>	<u>88,010</u>	<u>17</u>
Expenditures						
Current:						
General Government	42,522	0	0	0	0	0
Security of Persons and Property	0	4,553	1,035,623	119,075	0	0
Transportation	0	0	0	0	95,600	0
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>42,522</u>	<u>4,553</u>	<u>1,035,623</u>	<u>119,075</u>	<u>95,600</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(622)</u>	<u>0</u>	<u>(11,976)</u>	<u>0</u>	<u>(7,590)</u>	<u>17</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	0	0	0	0	0	0
Transfers In	0	0	0	0	6,527	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,527</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(622)	0	(11,976)	0	(1,063)	17
<i>Fund Balances Beginning of Year</i>	<u>58,907</u>	<u>0</u>	<u>162,765</u>	<u>0</u>	<u>33,563</u>	<u>26,192</u>
<i>Fund Balances End of Year</i>	<u><u>\$58,285</u></u>	<u><u>\$0</u></u>	<u><u>\$150,789</u></u>	<u><u>\$0</u></u>	<u><u>\$32,500</u></u>	<u><u>\$26,209</u></u>

Brunswick Transit Alternative	Waterworks Improvement	Cable TV	Parks	Enforcement and Education	Community Recreation Center	Revolving Loan	Total Nonmajor Special Revenue Funds
\$95,490	\$0	\$0	\$458,350	\$0	\$0	\$0	\$1,577,487
7,214	151,925	0	1,545	0	930,216	0	1,090,900
0	0	222,155	0	0	0	0	222,155
0	0	0	0	5,090	0	0	47,007
617,436	0	0	0	0	0	0	829,074
0	0	0	0	0	17,445	0	17,445
0	0	0	0	0	0	4,454	4,454
0	0	0	21,546	0	25,034	0	46,580
<u>720,140</u>	<u>151,925</u>	<u>222,155</u>	<u>481,441</u>	<u>5,090</u>	<u>972,695</u>	<u>4,454</u>	<u>3,835,102</u>
0	0	0	0	0	0	0	42,522
0	0	0	0	9,355	0	0	1,168,606
718,586	0	0	0	0	0	0	814,186
0	0	221,779	0	0	0	12,500	234,279
0	130,093	0	0	0	0	0	130,093
0	0	0	546,205	0	1,276,917	0	1,823,122
<u>718,586</u>	<u>130,093</u>	<u>221,779</u>	<u>546,205</u>	<u>9,355</u>	<u>1,276,917</u>	<u>12,500</u>	<u>4,212,808</u>
<u>1,554</u>	<u>21,832</u>	<u>376</u>	<u>(64,764)</u>	<u>(4,265)</u>	<u>(304,222)</u>	<u>(8,046)</u>	<u>(377,706)</u>
0	0	0	300	0	0	0	300
0	0	0	0	0	325,000	0	331,527
<u>0</u>	<u>0</u>	<u>0</u>	<u>300</u>	<u>0</u>	<u>325,000</u>	<u>0</u>	<u>331,827</u>
1,554	21,832	376	(64,464)	(4,265)	20,778	(8,046)	(45,879)
164,168	338,101	837,655	326,239	28,275	100,203	419,257	2,495,325
<u>\$165,722</u>	<u>\$359,933</u>	<u>\$838,031</u>	<u>\$261,775</u>	<u>\$24,010</u>	<u>\$120,981</u>	<u>\$411,211</u>	<u>\$2,449,446</u>

City of Brunswick
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2003

	<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	\$22,413	\$2,240,800	\$397,217	\$223,726
Receivables:				
Interfund	12,500	0	0	0
Intergovernmental	79,667	0	124,723	0
<i>Total Assets</i>	<u>\$114,580</u>	<u>\$2,240,800</u>	<u>\$521,940</u>	<u>\$223,726</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$2,880	\$0	\$0	\$0
Contracts Payable	0	4,983	0	0
Notes Payable	0	0	0	0
Interfund Payable	109,049	0	0	0
Accrued Interest Payable	0	0	0	0
Deferred Revenue	36,157	0	108,097	0
<i>Total Liabilities</i>	<u>148,086</u>	<u>4,983</u>	<u>108,097</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	1,528	0	0	0
Unreserved, Undesignated (Deficit)	(35,034)	2,235,817	413,843	223,726
<i>Total Fund Balances (Deficit)</i>	<u>(33,506)</u>	<u>2,235,817</u>	<u>413,843</u>	<u>223,726</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$114,580</u>	<u>\$2,240,800</u>	<u>\$521,940</u>	<u>\$223,726</u>

<u>Park Development</u>	<u>City Hall Expansion</u>	<u>Fireside Culverts</u>	<u>Road Improvement</u>	<u>Sanitary Storm Sewer</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$917,647	\$1,125,299	\$406,744	\$1,449,805	\$1,639,431	\$8,423,082
0	0	0	0	0	12,500
0	0	0	76,792	0	281,182
<u>\$917,647</u>	<u>\$1,125,299</u>	<u>\$406,744</u>	<u>\$1,526,597</u>	<u>\$1,639,431</u>	<u>\$8,716,764</u>
\$0	\$0	\$0	\$0	\$0	\$2,880
0	1,101	0	337,879	675	344,638
0	0	0	575,000	1,500,000	2,075,000
0	0	156,900	207,000	0	472,949
0	0	0	0	11,147	11,147
0	0	0	76,792	0	221,046
0	1,101	156,900	1,196,671	1,511,822	3,127,660
9,096	1,299	165,855	609,740	96,343	883,861
908,551	1,122,899	83,989	(279,814)	31,266	4,705,243
917,647	1,124,198	249,844	329,926	127,609	5,589,104
<u>\$917,647</u>	<u>\$1,125,299</u>	<u>\$406,744</u>	<u>\$1,526,597</u>	<u>\$1,639,431</u>	<u>\$8,716,764</u>

City of Brunswick
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003

	<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	56,010	0	250,321	0
Interest	0	15,130	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>56,010</u>	<u>15,130</u>	<u>250,321</u>	<u>0</u>
Expenditures				
Capital Outlay	91,466	6,200	1,000	3,873
Debt Service:				
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>91,466</u>	<u>6,200</u>	<u>1,000</u>	<u>3,873</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(35,456)</u>	<u>8,930</u>	<u>249,321</u>	<u>(3,873)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	7,244	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>7,244</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(35,456)	8,930	256,565	(3,873)
<i>Fund Balances Beginning of Year</i>	<u>1,950</u>	<u>2,226,887</u>	<u>157,278</u>	<u>227,599</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$33,506)</u></u>	<u><u>\$2,235,817</u></u>	<u><u>\$413,843</u></u>	<u><u>\$223,726</u></u>

<u>Park Development</u>	<u>City Hall Expansion</u>	<u>Fireside Culverts</u>	<u>Road Improvement</u>	<u>Sanitary Storm Sewer</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$79,509	\$0	\$0	\$0	\$0	\$79,509
0	0	0	97,845	142,128	546,304
0	0	0	0	0	15,130
0	0	0	420	358	778
<u>79,509</u>	<u>0</u>	<u>0</u>	<u>98,265</u>	<u>142,486</u>	<u>641,721</u>
0	14,311	5,706	275,741	274,861	673,158
0	0	0	0	11,147	11,147
0	14,311	5,706	275,741	286,008	684,305
<u>79,509</u>	<u>(14,311)</u>	<u>(5,706)</u>	<u>(177,476)</u>	<u>(143,522)</u>	<u>(42,584)</u>
10,000	500,000	255,550	239,394	35,100	1,047,288
0	0	0	(7,244)	0	(7,244)
<u>10,000</u>	<u>500,000</u>	<u>255,550</u>	<u>232,150</u>	<u>35,100</u>	<u>1,040,044</u>
89,509	485,689	249,844	54,674	(108,422)	997,460
828,138	638,509	0	275,252	236,031	4,591,644
<u>\$917,647</u>	<u>\$1,124,198</u>	<u>\$249,844</u>	<u>\$329,926</u>	<u>\$127,609</u>	<u>\$5,589,104</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.

Twelve Step Recovery Fund To account for grant monies received for the Twelve Step Recovery Program. The City's role, as directed by the Program, is limited to that of custodian of funds.

City of Brunswick
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2003

	Performance Bond	Family Violence	Recreational Programs
Assets			
Equity in Pooled Cash and Cash Equivalents	\$672,700	\$3,307	\$1,030
Cash and Cash Equivalents in Segregated Accounts	162,893	0	0
<i>Total Assets</i>	<u>\$835,593</u>	<u>\$3,307</u>	<u>\$1,030</u>
Liabilities			
Undistributed Assets	<u>\$835,593</u>	<u>\$3,307</u>	<u>\$1,030</u>

(continued)

City of Brunswick
Combining Statement of Assets and Liabilities
Agency Funds (continued)
December 31, 2003

	Flex Spending	Total
Assets		
Equity in Pooled Cash and Cash Equivalents	\$2,289	\$679,326
Cash and Cash Equivalents in Segregated Accounts	0	162,893
<i>Total Assets</i>	<i>\$2,289</i>	<i>\$842,219</i>
Liabilities		
Undistributed Assets	\$2,289	\$842,219

City of Brunswick
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2003

	Beginning Balance 12/31/02	Additions	Deductions	Ending Balance 12/31/03
<i>Performance Bond</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$388,559	\$501,885	\$217,744	\$672,700
Cash and Cash Equivalents in Segregated Accounts	392,376	0	229,483	162,893
<i>Total Assets</i>	<u>\$780,935</u>	<u>\$501,885</u>	<u>\$447,227</u>	<u>\$835,593</u>
Liabilities				
Undistributed Assets	<u>\$780,935</u>	<u>\$501,885</u>	<u>\$447,227</u>	<u>\$835,593</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>\$295</u>	<u>\$17,928</u>	<u>\$15,934</u>	<u>\$2,289</u>
Liabilities				
Undistributed Assets	<u>\$295</u>	<u>\$17,928</u>	<u>\$15,934</u>	<u>\$2,289</u>

(continued)

City of Brunswick
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2003

	Beginning Balance 12/31/02	Additions	Deductions	Ending Balance 12/31/03
<i>Twelve Step Recovery</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$107	\$5,120	\$5,227	\$0
Liabilities				
Undistributed Assets	\$107	\$5,120	\$5,227	\$0
<i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$393,298	\$524,933	\$238,905	\$679,326
Cash and Cash Equivalents in Segregated Accounts	392,376	0	229,483	162,893
<i>Total Assets</i>	\$785,674	\$524,933	\$468,388	\$842,219
Liabilities				
Undistributed Assets	\$785,674	\$524,933	\$468,388	\$842,219

**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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$1,559,435	\$1,663,150	\$1,457,386	(\$205,764)
Municipal Income Tax	2,576,114	3,070,934	3,047,276	(23,658)
Charges for Services	176,586	167,000	157,652	(9,348)
Licenses, Permits and Fees	562,630	600,050	432,440	(167,610)
Fines and Forfeitures	493,198	526,000	500,047	(25,953)
Intergovernmental	1,481,820	1,580,373	1,604,658	24,285
Interest	442,877	472,332	243,367	(228,965)
Other	46,155	49,225	53,139	3,914
<i>Total Revenues</i>	7,338,815	8,129,064	7,495,965	(633,099)
Expenditures				
Current:				
General Government:				
City Manager:				
Salaries and Wages	115,507	124,620	139,758	(15,138)
Fringe Benefits	38,780	41,840	43,072	(1,232)
Purchased Services	5,561	6,000	5,611	389
Materials and Supplies	6,767	7,300	7,008	292
Capital Outlay	11,886	12,824	4,911	7,913
<i>Total City Manager</i>	178,501	192,584	200,360	(7,776)
City Council:				
Salaries and Wages	126,333	136,300	129,607	6,693
Fringe Benefits	43,999	47,470	39,878	7,592
Purchased Services	4,542	4,900	4,400	500
Materials and Supplies	5,097	5,500	5,201	299
Capital Outlay	7,452	8,040	3,842	4,198
<i>Total City Council</i>	187,423	202,210	182,928	19,282
Mayor's Court:				
Salaries and Wages	44,346	47,845	47,705	140
Fringe Benefits	13,277	14,325	13,093	1,232
Purchased Services	19,835	21,400	22,824	(1,424)
Materials and Supplies	3,523	3,800	4,371	(571)
Capital Outlay	693	748	317	431
<i>Total Mayor's Court</i>	81,674	88,118	88,310	(192)
Commemorative Affairs:				
Materials and Supplies	\$18,097	\$19,525	\$17,054	\$2,471

(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, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Finance Office:				
Salaries and Wages	\$195,357	\$210,770	\$201,080	\$9,690
Fringe Benefits	56,639	61,108	53,548	7,560
Purchased Services	10,196	11,000	9,207	1,793
Materials and Supplies	11,771	12,700	12,791	(91)
Capital Outlay	19,536	21,077	8,732	12,345
Total Finance Office	293,499	316,655	285,358	31,297
Service Director:				
Salaries and Wages	68,770	74,196	87,946	(13,750)
Fringe Benefits	21,133	22,800	23,460	(660)
Purchased Services	2,271	2,450	1,406	1,044
Materials and Supplies	1,159	1,250	1,289	(39)
Capital Outlay	2,187	2,360	2,280	80
Total Service Director	95,520	103,056	116,381	(13,325)
Income Tax:				
Salaries and Wages	145,014	156,455	149,413	7,042
Fringe Benefits	81,648	88,090	92,593	(4,503)
Purchased Services	26,527	28,620	23,497	5,123
Materials and Supplies	16,902	18,235	16,364	1,871
Capital Outlay	19,468	21,004	18,348	2,656
Total Income Tax	289,559	312,404	300,215	12,189
Law Director:				
Salaries and Wages	121,180	130,740	123,345	7,395
Fringe Benefits	30,174	32,555	33,132	(577)
Purchased Services	91,599	98,826	118,905	(20,079)
Materials and Supplies	1,321	1,425	1,274	151
Capital Outlay	540	583	41	542
Total Law Director	244,814	264,129	276,697	(12,568)
Engineer:				
Salaries and Wages	61,007	65,820	65,426	394
Fringe Benefits	19,367	20,895	20,377	518
Purchased Services	63,625	68,645	58,348	10,297
Materials and Supplies	3,244	3,500	1,916	1,584
Capital Outlay	9,441	10,186	4,004	6,182
Total Engineer	\$156,684	\$169,046	\$150,071	\$18,975

(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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Purchasing and Human Relations:				
Salaries and Wages	\$59,033	\$63,690	\$60,589	\$3,101
Fringe Benefits	15,251	16,454	17,157	(703)
Purchased Services	1,112	1,200	781	419
Materials and Supplies	1,483	1,600	1,291	309
Capital Outlay	2,940	3,172	1,732	1,440
Total Purchasing and Human Relations	79,819	86,116	81,550	4,566
Information Systems:				
Salaries and Wages	65,530	70,700	68,699	2,001
Fringe Benefits	20,502	22,120	18,347	3,773
Purchased Services	2,642	2,850	1,743	1,107
Materials and Supplies	1,854	2,000	1,340	660
Capital Outlay	82,569	89,083	83,910	5,173
Total Information Systems	173,097	186,753	174,039	12,714
Land and Buildings:				
Salaries and Wages	26,317	28,393	27,163	1,230
Fringe Benefits	5,812	6,270	6,609	(339)
Purchased Services	30,587	33,000	35,103	(2,103)
Materials and Supplies	6,243	6,736	5,383	1,353
Capital Outlay	78,471	84,662	77,546	7,116
Total Land and Buildings	147,430	159,061	151,804	7,257
Board and Commissions:				
Salaries and Wages	21,999	23,735	16,718	7,017
Fringe Benefits	3,208	3,460	2,857	603
Purchased Services	19,997	21,575	32,829	(11,254)
Materials and Supplies	12,494	13,480	8,050	5,430
Capital Outlay	3,080	3,323	1,188	2,135
Total Board and Commissions	60,778	65,573	61,642	3,931
Safety Director:				
Salaries and Wages	103,518	111,685	72,191	39,494
Fringe Benefits	28,196	30,420	10,075	20,345
Purchased Services	2,734	2,950	1,715	1,235
Materials and Supplies	5,700	6,150	2,308	3,842
Capital Outlay	2,879	3,106	1,369	1,737
Total Safety Director	\$143,027	\$154,311	\$87,658	\$66,653

(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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Administrative Support:				
Fringe Benefits	\$834,971	\$900,844	\$823,264	\$77,580
Purchased Services	396,047	416,504	426,233	(9,729)
Materials and Supplies	35,870	38,700	33,415	5,285
Capital Outlay	36,614	39,503	13,868	25,635
Total Administrative Support	1,303,502	1,395,551	1,296,780	98,771
Total General Government	3,453,424	3,715,092	3,470,847	244,245
Security of Persons and Property:				
Police:				
Salaries and Wages	1,565,924	1,689,468	1,728,419	(38,951)
Fringe Benefits	803,426	866,812	893,823	(27,011)
Purchased Services	186,881	201,625	186,664	14,961
Materials and Supplies	52,262	56,385	34,374	22,011
Capital Outlay	330,825	356,925	242,859	114,066
Total Police	2,939,318	3,171,215	3,086,139	85,076
Animal Control:				
Salaries and Wages	33,905	36,580	27,045	9,535
Fringe Benefits	6,154	6,640	4,607	2,033
Purchased Services	2,115	2,282	2,533	(251)
Materials and Supplies	1,715	1,850	2,493	(643)
Capital Outlay	0	0	5,026	(5,026)
Total Animal Control	43,889	47,352	41,704	5,648
Total Security of Persons and Property	2,983,207	3,218,567	3,127,843	90,724
Community Environment:				
Planning and Zoning:				
Salaries and Wages	55,798	60,200	59,930	270
Fringe Benefits	17,045	18,390	20,259	(1,869)
Purchased Services	48,476	52,300	52,356	(56)
Materials and Supplies	5,098	5,500	4,517	983
Capital Outlay	835	901	447	454
Total Planning and Zoning	\$127,252	\$137,291	\$137,509	(\$218)

(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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Building:				
Salaries and Wages	\$332,099	\$358,300	\$346,903	\$11,397
Fringe Benefits	78,247	84,420	88,763	(4,343)
Purchased Services	36,894	39,805	34,766	5,039
Materials and Supplies	9,269	10,000	6,130	3,870
Capital Outlay	29,197	31,500	4,857	26,643
Total Building	485,706	524,025	481,419	42,606
Economic Development:				
Salaries and Wages	50,125	54,080	53,816	264
Fringe Benefits	17,499	18,880	19,198	(318)
Purchased Services	4,820	5,200	2,019	3,181
Materials and Supplies	740	800	143	657
Capital Outlay	1,298	1,400	399	1,001
Total Economic Development	74,482	80,360	75,575	4,785
Total Community Environment	687,440	741,676	694,503	47,173
Public Health Services:				
Cemetery:				
Purchased Services	10,567	11,400	9,995	1,405
Materials and Supplies	185	200	0	200
Total Public Health Services	10,752	11,600	9,995	1,605
Leisure Time Activities:				
Recreation Center:				
Salaries and Wages	45,130	48,690	49,181	(491)
Fringe Benefits	19,339	20,865	12,971	7,894
Purchased Services	973	1,050	683	367
Materials and Supplies	6,071	6,550	8,132	(1,582)
Capital Outlay	238	257	248	9
Total Recreation Center	\$71,751	\$77,412	\$71,215	\$6,197

(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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Senior Citizens:				
Salaries and Wages	\$22,384	\$24,150	\$25,128	(\$978)
Fringe Benefits	95,792	103,350	98,689	4,661
Purchased Services	743	800	510	290
Materials and Supplies	1,112	1,200	1,032	168
Capital Outlay	2,796	3,017	1,045	1,972
Total Senior Citizens	122,827	132,517	126,404	6,113
Total Leisure Time Activities	194,578	209,929	197,619	12,310
<i>Total Expenditures</i>	<i>7,329,401</i>	<i>7,896,864</i>	<i>7,500,807</i>	<i>396,057</i>
<i>Excess of Revenues Over Expenditures</i>	<i>9,414</i>	<i>232,200</i>	<i>(4,842)</i>	<i>(237,042)</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	15,863	17,161	17,161	0
Advances In	105,380	114,000	114,000	0
Advances Out	(408,705)	(440,949)	(440,949)	0
Transfers Out	(1,133,098)	(1,604,989)	(1,502,421)	102,568
<i>Total Other Financing Sources (Uses)</i>	<i>(1,420,560)</i>	<i>(1,914,777)</i>	<i>(1,812,209)</i>	<i>102,568</i>
<i>Net Change in Fund Balance</i>	<i>(1,411,146)</i>	<i>(1,682,577)</i>	<i>(1,817,051)</i>	<i>(134,474)</i>
<i>Fund Balance Beginning of Year</i>	<i>5,550,013</i>	<i>5,550,013</i>	<i>5,550,013</i>	<i>0</i>
Prior Year Encumbrances Appropriated	102,472	102,472	102,472	0
<i>Fund Balance End of Year</i>	<i>\$4,241,339</i>	<i>\$3,969,908</i>	<i>\$3,835,434</i>	<i>(\$134,474)</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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Tax	\$2,267,250	\$2,267,250	\$2,268,026	\$776
Charges for Services	307,226	330,000	322,487	(7,513)
Intergovernmental	68,241	73,300	11,070	(62,230)
Other	7,825	8,405	3,858	(4,547)
<i>Total Revenues</i>	<u>2,650,542</u>	<u>2,678,955</u>	<u>2,605,441</u>	<u>(73,514)</u>
Expenditures				
Current:				
Security of Persons and Property				
Fire Department:				
Salaries and Wages	1,338,662	1,539,795	1,635,538	(95,743)
Fringe Benefits	688,292	786,625	778,040	8,585
Purchased Services	180,599	206,400	198,013	8,387
Materials and Supplies	31,113	35,558	36,439	(881)
Capital Outlay	385,409	440,471	354,523	85,948
<i>Total Expenditures</i>	<u>2,624,075</u>	<u>3,008,849</u>	<u>3,002,553</u>	<u>6,296</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>26,467</u>	<u>(329,894)</u>	<u>(397,112)</u>	<u>(67,218)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	47	50	50	0
Transfers In	73,211	50,000	50,000	0
Transfers Out	(180,763)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(107,505)</u>	<u>50,050</u>	<u>50,050</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(81,038)</u>	<u>(279,844)</u>	<u>(347,062)</u>	<u>(67,218)</u>
<i>Fund Balance Beginning of Year</i>	969,034	969,034	969,034	0
Prior Year Encumbrances Appropriated	16,030	16,030	16,030	0
<i>Fund Balance End of Year</i>	<u>\$904,026</u>	<u>\$705,220</u>	<u>\$638,002</u>	<u>(\$67,218)</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, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Tax	\$988,600	\$988,600	\$991,070	\$2,470
Intergovernmental	988,082	1,069,000	1,073,920	4,920
Other	11,230	12,150	12,659	509
<i>Total Revenues</i>	1,987,912	2,069,750	2,077,649	7,899
Expenditures				
Current:				
Transportation:				
Street Department:				
Salaries and Wages	767,176	825,965	764,542	61,423
Fringe Benefits	357,328	384,710	367,716	16,994
Purchased Services	499,198	537,452	545,645	(8,193)
Materials and Supplies	215,851	232,392	253,136	(20,744)
Capital Outlay	314,145	338,218	307,938	30,280
Total Transportation	2,153,698	2,318,737	2,238,977	79,760
Debt Service:				
Principal Retirement	9,288	10,000	15,000	(5,000)
<i>Total Expenditures</i>	2,162,986	2,328,737	2,253,977	74,760
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(175,074)	(258,987)	(176,328)	82,659
Other Financing Sources (Uses)				
Transfers In	0	80,850	80,850	0
Transfers Out	(23,896)	(25,106)	0	25,106
<i>Total Other Financing Sources (Uses)</i>	(23,896)	55,744	80,850	25,106
<i>Net Change in Fund Balance</i>	(198,970)	(203,243)	(95,478)	107,765
<i>Fund Balance Beginning of Year</i>	1,059,889	1,059,889	1,059,889	0
Prior Year Encumbrances Appropriated	17,641	17,641	17,641	0
<i>Fund Balance End of Year</i>	\$878,560	\$874,287	\$982,052	\$107,765

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Special Assessments	\$136,755	\$135,899	(\$856)
Interest	106,340	90,824	(15,516)
<i>Total Revenues</i>	<u>243,095</u>	<u>226,723</u>	<u>(16,372)</u>
Expenditures			
Current:			
General Government			
Purchased Services	6,990	4,388	2,602
Debt Service:			
Principal Retirement - Laurel	25,000	25,000	0
Principal Retirement - Center	8,183	8,182	1
Principal Retirement - Crosscreek	463,000	472,000	(9,000)
Principal Retirement - Carpenter	53,000	53,000	0
Principal Retirement - Lwest Waterline	10,000	10,000	0
Principal Retirement - Grafton III	2,717	2,717	0
Principal Retirement - South Industrial Park	40,000	40,000	0
<i>Total Principal Retirement</i>	<u>601,900</u>	<u>610,899</u>	<u>(8,999)</u>
Interest and Fiscal Charges - Laurel	5,190	5,188	2
Interest and Fiscal Charges - Center	2,762	2,762	0
Interest and Fiscal Charges - Crosscreek	28,345	13,216	15,129
Interest and Fiscal Charges - Carpenter	3,020	1,530	1,490
Interest and Fiscal Charges - Lwest Waterline	14,635	14,633	2
Interest and Fiscal Charges - Grafton III	2,332	2,332	0
Interest and Fiscal Charges - South Industrial Park	60,770	60,764	6
<i>Total Interest and Fiscal Charges</i>	<u>117,054</u>	<u>100,425</u>	<u>16,629</u>
<i>Total Debt Service</i>	<u>718,954</u>	<u>711,324</u>	<u>7,630</u>
<i>Total Expenditures</i>	<u>725,944</u>	<u>715,712</u>	<u>10,232</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(482,849)	(488,989)	(6,140)
Other Financing Sources			
Notes Issued	475,000	475,000	0
<i>Net Change in Fund Balance</i>	(7,849)	(13,989)	(6,140)
<i>Fund Balance Beginning of Year</i>	<u>363,036</u>	<u>363,036</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$355,187</u>	<u>\$349,047</u>	<u>(\$6,140)</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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$14,000	\$2,731	(\$11,269)
Expenditures			
Capital Outlay:			
Capital Outlay	1,130,347	129,153	1,001,194
Debt Service:			
Principal Retirement	3,260,000	3,260,000	0
Interest and Fiscal Charges	34,663	35,302	(639)
Total Debt Service	3,294,663	3,295,302	(639)
<i>Total Expenditures</i>	4,425,010	3,424,455	1,000,555
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(4,411,010)	(3,421,724)	989,286
Special Item			
Sale of Assets Held for Resale	4,736,371	3,552,007	(1,184,364)
<i>Net Change in Fund Balance</i>	325,361	130,283	(195,078)
<i>Fund Balance Beginning of Year</i>	78,731	78,731	0
Prior Year Encumbrances Appropriated	7,352	7,352	0
<i>Fund Balance End of Year</i>	\$411,444	\$216,366	(\$195,078)

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Purchased Services	12,000	12,000	0
Capital Outlay	2,113,200	1,192,783	920,417
<i>Total Expenditures</i>	<u>2,125,200</u>	<u>1,204,783</u>	<u>920,417</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(2,125,200)	(1,204,783)	920,417
Other Financing Sources			
Note Proceeds	<u>2,100,000</u>	<u>2,100,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(25,200)	895,217	920,417
<i>Fund Balance Beginning of Year</i>	12,000	12,000	0
Prior Year Encumbrances Appropriated	<u>13,200</u>	<u>13,200</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$920,417</u></u>	<u><u>\$920,417</u></u>

City of Brunswick, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Refuse Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$1,624,820	\$1,569,105	(\$55,715)
Expenses			
Salaries and Wages	60,810	49,294	11,516
Fringe Benefits	30,605	21,527	9,078
Purchased Services	1,423,150	1,417,570	5,580
Materials and Supplies	3,880	2,522	1,358
Capital Outlay	48,950	23,535	25,415
<i>Total Expenses</i>	<u>1,567,395</u>	<u>1,514,448</u>	<u>52,947</u>
<i>Net Change in Fund Equity</i>	57,425	54,657	(2,768)
<i>Fund Equity Beginning of Year</i>	553,977	553,977	0
Prior Year Encumbrances Appropriated	<u>280</u>	<u>280</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$611,682</u></u>	<u><u>\$608,914</u></u>	<u><u>(\$2,768)</u></u>

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computertization Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$45,000	\$41,900	(\$3,100)
Expenditures			
Current:			
General Government:			
Court Computerization:			
Salaries and Wages	31,475	29,201	2,274
Fringe Benefits	7,710	7,043	667
Purchased Services	3,800	2,956	844
Materials and Supplies	500	401	99
Capital Outlay	1,900	1,700	200
<i>Total Expenditures</i>	45,385	41,301	4,084
<i>Net Change in Fund Balance</i>	(385)	599	984
<i>Fund Balance Beginning of Year</i>	59,050	59,050	0
<i>Fund Balance End of Year</i>	\$58,665	\$59,649	\$984

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$4,600	\$4,553	(\$47)
Expenditures			
Current:			
Security of Persons and Property:			
Federal Emergency Management:			
Salaries and Wages	4,600	4,553	47
<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
Police Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Municipal Income Tax	\$1,019,000	\$1,021,564	\$2,564
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Salaries and Wages	1,032,000	1,035,623	(3,623)
<i>Net Change in Fund Balance</i>	(13,000)	(14,059)	(1,059)
<i>Fund Balance Beginning of Year</i>	68,468	68,468	0
<i>Fund Balance End of Year</i>	\$55,468	\$54,409	(\$1,059)

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$124,688	\$119,075	(\$5,613)
Expenditures			
Current:			
Security of Persons and Property:			
Drug Enforcement:			
Purchased Services	124,688	119,075	5,613
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance(Deficit) Beginning of Year</i>	(32,688)	(32,688)	0
Prior Year Encumbrances Appropriated	32,688	32,688	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$89,500	\$87,074	(\$2,426)
Expenditures			
Current:			
Transportation:			
State Highway:			
Salaries and Wages	25,400	24,300	1,100
Fringe Benefits	52,527	45,795	6,732
Purchased Services	25,000	25,000	0
<i>Total Expenditures</i>	<u>102,927</u>	<u>95,095</u>	<u>7,832</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(13,427)</u>	<u>(8,021)</u>	<u>5,406</u>
Other Financing Sources (Uses)			
Transfers In	20,000	6,527	(13,473)
Transfers Out	<u>(13,473)</u>	<u>0</u>	<u>13,473</u>
<i>Total Other Financing Sources (Uses)</i>	<u>6,527</u>	<u>6,527</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(6,900)	(1,494)	5,406
<i>Fund Balance Beginning of Year</i>	<u>27,594</u>	<u>27,594</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$20,694</u></u>	<u><u>\$26,100</u></u>	<u><u>\$5,406</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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$5,000	\$17	(\$4,983)
Expenditures			
Current:			
Security of Persons and Property:			
Law Enforcement:			
Capital Outlay	1,000	0	1,000
<i>Net Change in Fund Balance</i>	4,000	17	(3,983)
<i>Fund Balance Beginning of Year</i>	26,192	26,192	0
<i>Fund Balance End of Year</i>	\$30,192	\$26,209	(\$3,983)

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Municipal Income Tax	\$95,050	\$95,295	\$245
Charges for Services	8,000	7,214	(786)
Intergovernmental	788,750	605,870	(182,880)
<i>Total Revenues</i>	<u>891,800</u>	<u>708,379</u>	<u>(183,421)</u>
Expenditures			
Current:			
Transportation:			
Brunswick Transit Alternative:			
Salaries and Wages	14,405	11,198	3,207
Fringe Benefits	4,295	6,616	(2,321)
Purchased Services	330,752	316,234	14,518
Materials and Supplies	2,580	1,637	943
Capital Outlay	582,100	404,214	177,886
<i>Total Expenditures</i>	<u>934,132</u>	<u>739,899</u>	<u>194,233</u>
<i>Net Change in Fund Balance</i>	(42,332)	(31,520)	10,812
<i>Fund Balance Beginning of Year</i>	136,521	136,521	0
Prior Year Encumbrances Appropriated	<u>24,932</u>	<u>24,932</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$119,121</u></u>	<u><u>\$129,933</u></u>	<u><u>\$10,812</u></u>

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Waterworks Improvement Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$185,600	\$143,505	(\$42,095)
Expenditures			
Current:			
Public Health Services:			
Waterworks Improvement:			
Salaries and Wages	45,160	51,186	(6,026)
Fringe Benefits	20,935	10,516	10,419
Purchased Services	68,400	68,493	(93)
Materials and Supplies	2,880	7,614	(4,734)
Capital Outlay	16,000	0	16,000
<i>Total Expenditures</i>	153,375	137,809	15,566
<i>Net Change in Fund Balance</i>	32,225	5,696	(26,529)
<i>Fund Balance Beginning of Year</i>	334,030	334,030	0
Prior Year Encumbrances Appropriated	280	280	0
<i>Fund Balance End of Year</i>	\$366,535	\$340,006	(\$26,529)

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Licenses, Permits and Fees	\$215,000	\$222,155	\$7,155
Expenditures			
Current:			
Community Environment:			
Cable TV:			
Salaries and Wages	126,180	104,704	21,476
Fringe Benefits	44,885	44,782	103
Purchased Services	10,800	13,155	(2,355)
Materials and Supplies	4,280	3,441	839
Capital Outlay	218,282	51,688	166,594
<i>Total Expenditures</i>	404,427	217,770	186,657
<i>Excess of Revenues Over (Under) Expenditures</i>	(189,427)	4,385	193,812
Other Financing Uses			
Transfers Out	(17,632)	0	17,632
<i>Net Change in Fund Balance</i>	(207,059)	4,385	211,444
<i>Fund Balance Beginning of Year</i>	796,832	796,832	0
Prior Year Encumbrances Appropriated	46,026	46,026	0
<i>Fund Balance End of Year</i>	\$635,799	\$847,243	\$211,444

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Municipal Income Tax	\$456,250	\$457,417	\$1,167
Charges for Services	2,000	1,545	(455)
Other	1,700	21,546	19,846
<i>Total Revenues</i>	<u>459,950</u>	<u>480,508</u>	<u>20,558</u>
Expenditures			
Current:			
Leisure Time Activities:			
Parks:			
Salaries and Wages	259,260	252,353	6,907
Fringe Benefits	130,825	124,461	6,364
Purchased Services	71,450	77,840	(6,390)
Materials and Supplies	44,250	37,333	6,917
Capital Outlay	62,259	58,057	4,202
<i>Total Expenditures</i>	<u>568,044</u>	<u>550,044</u>	<u>18,000</u>
<i>Excess of Revenues</i>			
<i> Under Expenditures</i>	<u>(108,094)</u>	<u>(69,536)</u>	<u>38,558</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	300	300	0
Transfers Out	(912)	0	912
<i>Total Other Financing Sources (Uses)</i>	<u>(612)</u>	<u>300</u>	<u>912</u>
<i>Net Change in Fund Balance</i>	(108,706)	(69,236)	39,470
<i>Fund Balance Beginning of Year</i>	289,929	289,929	0
Prior Year Encumbrances Appropriated	1,350	1,350	0
<i>Fund Balance End of Year</i>	<u>\$182,573</u>	<u>\$222,043</u>	<u>\$39,470</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, 2003*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$6,500	\$5,090	(\$1,410)
Expenditures			
Current:			
Security of Persons and Property:			
Enforcement and Education:			
Capital Outlay	15,000	9,355	5,645
<i>Net Change in Fund Balance</i>	(8,500)	(4,265)	4,235
<i>Fund Balance Beginning of Year</i>	28,275	28,275	0
<i>Fund Balance End of Year</i>	\$19,775	\$24,010	\$4,235

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$1,076,500	\$932,716	(\$143,784)
Sales	25,700	17,445	(8,255)
Other	10,400	25,034	14,634
<i>Total Revenues</i>	<u>1,112,600</u>	<u>975,195</u>	<u>(137,405)</u>
Expenditures			
Current:			
Leisure Time Activities:			
Community Recreation:			
Salaries and Wages	498,273	507,904	(9,631)
Fringe Benefits	174,770	179,716	(4,946)
Purchased Services	409,617	441,349	(31,732)
Materials and Supplies	85,481	83,051	2,430
Capital Outlay	108,600	32,245	76,355
<i>Total Expenditures</i>	<u>1,276,741</u>	<u>1,244,265</u>	<u>32,476</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	(164,141)	(269,070)	(104,929)
Other Financing Sources			
Transfers In	375,391	325,000	(50,391)
<i>Net Change in Fund Balance</i>	211,250	55,930	(155,320)
<i>Fund Balance Beginning of Year</i>	118,155	118,155	0
Prior Year Encumbrances Appropriated	5,678	5,678	0
<i>Fund Balance End of Year</i>	<u><u>\$335,083</u></u>	<u><u>\$179,763</u></u>	<u><u>(\$155,320)</u></u>

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property and Other Taxes	\$472,966	\$420,400	(\$52,566)
Municipal Income Tax	30,400	30,494	94
Intergovernmental	63,500	58,760	(4,740)
Interest	35,000	23,493	(11,507)
<i>Total Revenues</i>	<u>601,866</u>	<u>533,147</u>	<u>(68,719)</u>
Expenditures			
Current:			
General Government			
Purchased Services	10,700	8,893	1,807
Debt Service:			
Principal Retirement - Community Recreation Center	295,000	295,000	0
Principal Retirement - Hadcock Road Improvement	24,820	24,818	2
Principal Retirement - City Hall	1,031,400	1,032,000	(600)
Total Principal Retirement	<u>1,351,220</u>	<u>1,351,818</u>	<u>(598)</u>
Interest and Fiscal Charges - Community Recreation Center	150,090	150,088	2
Interest and Fiscal Charges - Hadcock Road Improvement	3,970	3,966	4
Interest and Fiscal Charges - City Hall	57,625	28,895	28,730
Total Interest and Fiscal Charges	<u>211,685</u>	<u>182,949</u>	<u>28,736</u>
Total Debt Service	<u>1,562,905</u>	<u>1,534,767</u>	<u>28,138</u>
<i>Total Expenditures</i>	<u>1,573,605</u>	<u>1,543,660</u>	<u>29,945</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(971,739)	(1,010,513)	(38,774)
Other Financing Sources			
Bonds Issued	935,000	935,000	0
<i>Net Change in Fund Balance</i>	(36,739)	(75,513)	(38,774)
<i>Fund Balance Beginning of Year</i>	593,906	593,906	0
<i>Fund Balance End of Year</i>	<u>\$557,167</u>	<u>\$518,393</u>	<u>(\$38,774)</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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$273,800	\$0	(\$273,800)
Expenditures			
Capital Outlay:			
Purchased Services	10,136	9,036	1,100
Capital Outlay	274,764	81,078	193,686
<i>Total Expenditures</i>	<u>284,900</u>	<u>90,114</u>	<u>194,786</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(11,100)	(90,114)	(79,014)
Other Financing Sources (Uses)			
Advances In	109,049	109,049	0
Advances Out	(83,000)	(83,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>26,049</u>	<u>26,049</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	14,949	(64,065)	(79,014)
<i>Fund Balance(Deficit) Beginning of Year</i>	(61,361)	(61,361)	0
Prior Year Encumbrances Appropriated	<u>146,312</u>	<u>146,312</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$99,900</u></u>	<u><u>\$20,886</u></u>	<u><u>(\$79,014)</u></u>

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Station Improvement Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$40,000	\$15,130	(\$24,870)
Expenditures			
Capital Outlay:			
Capital Outlay	<u>300,000</u>	<u>1,217</u>	<u>298,783</u>
<i>Net Change in Fund Balance</i>	(260,000)	13,913	273,913
<i>Fund Balance Beginning of Year</i>	<u>2,226,887</u>	<u>2,226,887</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,966,887</u></u>	<u><u>\$2,240,800</u></u>	<u><u>\$273,913</u></u>

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$250,000	\$249,444	(\$556)
Expenditures			
Capital Outlay:			
Capital Outlay	<u>1,000</u>	<u>1,000</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	249,000	248,444	(556)
Other Financing Sources			
Transfers In	<u>13,231</u>	<u>7,244</u>	<u>(5,987)</u>
<i>Net Change in Fund Balance</i>	262,231	255,688	(6,543)
<i>Fund Balance Beginning of Year</i>	<u>141,529</u>	<u>141,529</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$403,760</u></u>	<u><u>\$397,217</u></u>	<u><u>(\$6,543)</u></u>

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Capital Outlay	<u>65,000</u>	<u>4,027</u>	<u>60,973</u>
<i>Net Change in Fund Balance</i>	(65,000)	(4,027)	60,973
<i>Fund Balance Beginning of Year</i>	<u>227,753</u>	<u>227,753</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$162,753</u></u>	<u><u>\$223,726</u></u>	<u><u>\$60,973</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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Licenses, Permits and Fees	\$100,000	\$68,667	(\$31,333)
Other	1,000	0	(1,000)
<i>Total Revenues</i>	101,000	68,667	(32,333)
Expenditures			
Capital Outlay:			
Capital Outlay	111,680	9,199	102,481
<i>Excess of Revenues Over (Under) Expenditures</i>	(10,680)	59,468	70,148
Other Financing Sources			
Transfers In	10,000	10,000	0
<i>Net Change in Fund Balance</i>	(680)	69,468	70,148
<i>Fund Balance Beginning of Year</i>	829,903	829,903	0
Prior Year Encumbrances Appropriated	9,180	9,180	0
<i>Fund Balance End of Year</i>	<u>\$838,403</u>	<u>\$908,551</u>	<u>\$70,148</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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Capital Outlay	<u>22,800</u>	<u>15,610</u>	<u>7,190</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(22,800)	(15,610)	7,190
Other Financing Sources			
Transfers In	<u>500,000</u>	<u>500,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	477,200	484,390	7,190
<i>Fund Balance Beginning of Year</i>	<u>638,509</u>	<u>638,509</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,115,709</u></u>	<u><u>\$1,122,899</u></u>	<u><u>\$7,190</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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Capital Outlay	<u>297,750</u>	<u>174,311</u>	<u>123,439</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(297,750)</u>	<u>(174,311)</u>	<u>123,439</u>
Other Financing Sources (Uses)			
Notes Issued	189,200	0	(189,200)
Advances In	156,900	156,900	0
Advances Out	(156,900)	0	156,900
Transfers In	<u>313,950</u>	<u>255,550</u>	<u>(58,400)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>503,150</u>	<u>412,450</u>	<u>(90,700)</u>
<i>Net Change in Fund Balance</i>	205,400	238,139	32,739
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>2,750</u>	<u>2,750</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$208,150</u></u>	<u><u>\$240,889</u></u>	<u><u>\$32,739</u></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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,791,290	\$97,845	(\$1,693,445)
Other	1,000	420	(580)
<i>Total Revenues</i>	1,792,290	98,265	(1,694,025)
Expenditures			
Capital Outlay:			
Capital Outlay	3,046,320	1,329,571	1,716,749
<i>Excess of Revenues</i> <i>Under Expenditures</i>	(1,254,030)	(1,231,306)	22,724
Other Financing Sources (Uses)			
Notes Issued	510,000	575,000	65,000
Advances In	175,000	175,000	0
Advances Out	(31,000)	(31,000)	0
Transfers In	594,394	239,394	(355,000)
Transfers Out	(7,244)	(7,244)	0
<i>Total Other Financing Sources (Uses)</i>	1,241,150	951,150	(290,000)
<i>Net Change in Fund Balance</i>	(12,880)	(280,156)	(267,276)
<i>Fund Balance Beginning of Year</i>	341,787	341,787	0
Prior Year Encumbrances Appropriated	440,555	440,555	0
<i>Fund Balance End of Year</i>	\$769,462	\$502,186	(\$267,276)

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Boston/Carpenter Fund
For the Year Ended December 31, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Capital Outlay	<u>5,005</u>	<u>5,005</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(5,005)	(5,005)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>5,005</u>	<u>5,005</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$378,240	\$142,128	(\$236,112)
Other	400	358	(42)
<i>Total Revenues</i>	378,640	142,486	(236,154)
Expenditures			
Capital Outlay:			
Capital Outlay	2,234,148	516,624	1,717,524
<i>Excess of Revenues</i> <i>Under Expenditures</i>	(1,855,508)	(374,138)	1,481,370
Other Financing Sources			
Notes Issued	1,500,000	1,500,000	0
Transfers In	143,100	35,100	(108,000)
<i>Total Other Financing Sources</i>	1,643,100	1,535,100	(108,000)
<i>Net Change in Fund Balance</i>	(212,408)	1,160,962	1,373,370
<i>Fund Balance Beginning of Year</i>	268,773	268,773	0
Prior Year Encumbrances Appropriated	112,678	112,678	0
<i>Fund Balance End of Year</i>	<u>\$169,043</u>	<u>\$1,542,413</u>	<u>\$1,373,370</u>

Statistical Section

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

	<u>2003</u>	<u>2002</u>
Program Revenues		
Charges for Services and Sales	\$2,844,016	\$2,850,287
Operating Grants and Contributions	1,550,608	1,638,566
Capital Grants and Contributions	1,051,604	755,058
General Revenues		
Property and Other Taxes	1,895,291	1,838,865
Municipal Income Taxes	8,065,065	7,891,165
Intergovernmental	1,861,276	1,677,622
Gain on Sale of Capital Assets	17,511	0
Interest	294,165	647,790
Other	117,014	129,896
Total	<u><u>\$17,696,550</u></u>	<u><u>\$17,429,249</u></u>
Expenses		
General Government	\$3,604,869	\$3,546,194
Security of Persons and Property	6,940,757	6,907,858
Transportation	3,298,189	3,805,430
Community Environment	1,248,223	1,247,678
Public Health Services	382,577	379,241
Leisure Time Activities	2,033,068	2,033,892
Interest and Fiscal Charges	409,492	430,787
Total	<u><u>\$17,917,175</u></u>	<u><u>\$18,351,080</u></u>

Source: City Financial Records

(1) Full Accrual Basis

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

	2003	2002	2001	2000
Revenues				
Taxes	\$9,804,477	\$9,853,217	\$9,437,572	\$9,143,684
Charges for Services	1,609,278	1,659,321	1,558,635	1,506,997
Special Assessments	135,899	125,898	286,691	428,196
Licenses, Permits and Fees	734,104	661,994	2,006,113	900,832
Fines and Forfeitures	545,944	529,516	518,478	620,207
Intergovernmental	4,147,681	3,795,297	3,665,703	3,553,568
Sales	17,445	22,263	27,071	27,852
Interest	336,368	529,556	798,594	1,127,177
Donations	0	0	500	0
Other	117,014	129,896	60,462	228,408
Total	\$17,448,210	\$17,306,958	\$18,359,819	\$17,536,921
Expenditures				
Current:				
General Government	\$3,525,380	\$2,957,192	\$4,171,678	\$2,735,766
Security of Persons and Property	7,412,518	6,877,234	6,137,473	5,116,511
Transportation	3,044,175	2,266,534	2,056,940	2,028,411
Community Environment	900,780	844,769	868,139	773,283
Public Health Services	142,773	117,673	112,813	107,726
Leisure Time Activities	2,019,593	1,873,197	1,705,517	1,493,797
Capital Outlay	779,386	3,011,639	1,894,324	1,171,758
Debt Service	5,714,151	1,292,382	1,391,589	1,217,302
Total	\$23,538,756	\$19,240,620	\$18,338,473	\$14,644,554

Source: City Financial Records

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

1999	1998	1997	1996	1995	1994
\$8,570,404	\$8,036,966	\$7,639,588	\$6,626,551	\$5,489,459	\$5,108,097
1,429,831	1,202,170	1,248,655	1,146,885	1,082,171	1,060,570
268,354	212,728	343,674	279,683	317,367	368,159
865,456	935,516	748,956	686,454	639,659	585,669
498,272	481,459	485,742	481,458	309,771	363,493
3,559,850	4,068,102	4,164,522	3,327,785	2,736,470	2,909,850
34,610	50,887	38,470	48,582	98,103	109,959
703,104	714,832	549,585	407,076	372,656	267,560
0	0	0	0	0	370
141,515	406,541	109,434	196,040	153,524	90,054
<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>	<u>\$10,863,781</u>

\$2,195,371	\$2,279,025	\$1,963,227	\$2,085,024	\$1,920,726	\$1,759,081
4,556,861	4,333,618	3,764,522	3,594,321	3,088,478	2,845,947
2,047,688	1,762,026	1,886,056	1,854,871	1,606,096	1,794,388
790,137	869,300	573,017	612,803	577,084	563,863
105,083	85,615	79,420	79,232	76,752	57,762
1,410,081	1,349,203	1,293,582	1,269,554	1,214,755	1,228,819
1,383,501	5,647,025	1,767,664	1,472,259	710,649	1,418,784
1,120,798	1,213,679	971,665	1,021,341	1,152,774	1,152,310
<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>	<u>\$10,820,954</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	Assessed Value	Estimated Actual Value
2003	\$585,813,840	\$1,673,753,829 (2)	\$10,001,610	\$11,365,466 (2)
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
1994	278,125,210	794,643,457	16,996,630	19,314,352

Source: Medina County, Ohio; County Auditor

(1) The year represents collection year.

(2) For 2003, 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	Assessed Value	Estimated Actual Value	Ratio
\$41,423,866	\$165,695,464 (2)	\$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
15,663,148	62,652,592	310,784,988	876,610,401	35.45

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>
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
1994	2,368,128	2,172,436	91.74	59,236

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>
\$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
2,231,672	94.24	256,926	10.85

City of Brunswick, Ohio
Computation of Legal Debt Margin
December 31, 2003

Total Assessed Property Value	<u><u>\$637,239,316</u></u>
Overall Debt Limitation (10 1/2% of Assessed Valuation)	<u>\$66,910,128</u>
Gross Indebtedness:	
General Obligation Bonds	3,414,695
Special Assessment Bonds	1,863,482
OPWC Loan	35,000
Notes	<u>4,175,000</u>
Total Gross Indebtedness	<u>9,488,177</u>
Less: Special Assessments Bonds	(1,863,482)
OPWC Loan	(35,000)
Debt Service Fund Balance	<u>(520,623)</u>
Net Debt Within 10 1/2% Limitations	<u>7,069,072</u>
Legal Debt Margin Within 10 1/2% Limitations	<u><u>\$59,841,056</u></u>
Unvoted Debt Limitation (5 1/2% of Assessed Valuation)	<u>\$35,048,162</u>
Gross Indebtedness	9,488,177
Less: Special Assessments Bonds	(1,863,482)
OPWC Loan	(35,000)
Debt Service Fund Balance	<u>(520,623)</u>
Net Debt Within 5 1/2% Limitations	<u>7,069,072</u>
Legal Debt Margin Within 5 1/2% Limitations	<u><u>\$27,979,090</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
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
1994	9.02	8.10	61.30	3.05	1.25	0.50	83.22

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
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
1994	354,487	58,360	412,847	281,026	23,423

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	\$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
15,002	319,451	77	2,736,571

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
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
1994	310,784,988	218	30,888,811	27	6,685,800

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	
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
4	1,925,000	277,756

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>
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
1994	30,545	6,001,587	310,784,988	1.93	196.48

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
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
1994	351,765	473,474	825,239	10,820,954	7.63

Source: City financial records

City of Brunswick, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2003

	<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>\$3,414,695</u>	100.00 %	<u>\$3,414,695</u>
<i>Overlapping:</i>			
Medina County	13,110,000	17.10	2,241,810
Brunswick City Schools	<u>21,197,500</u>	77.38	<u>16,402,626</u>
Total Overlapping Debt	<u>34,307,500</u>		<u>18,644,436</u>
Total Direct and Overlapping	<u><u>\$37,722,195</u></u>		<u><u>\$22,059,131</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, 2003

Taxpayer	Real and Public Utility Property Tax Assessed Value	Percent of Total Assessed Value
Verizon North Incorporated	\$4,554,040	0.76 %
Village in the Park	4,449,360	0.75
Cross Creek Limited Partnership	4,286,330	0.72
Clearbrooke Limited Partnership	3,162,550	0.53
Kimco Brunswick Associates	3,137,490	0.53
Inland Brunswick Marketplace	3,094,850	0.52
Interstate Properties	2,693,550	0.45
Ohio Edison Company	2,363,510	0.40
Laurel Hill Development	2,358,910	0.39
Brunswick Limited Partnership	1,662,750	0.28
Totals	<u>\$31,763,340</u>	<u>5.33 %</u>
Total Real and Public Utility Property Tax Assessed Value	<u>\$595,815,450</u>	

Source: Medina County, Ohio; County Auditor

City of Brunswick, Ohio
Principal Taxpayers - Tangible Personal Property Tax
December 31, 2003

Taxpayer	Tangible Personal Property Assessed Value	Percent of Total Assessed Value
Brunswick Auto Mart, Inc.	\$2,350,890	5.67 %
Legacy Ford, Inc.	2,308,750	5.57
General Parts, Inc.	2,266,590	5.47
Mullinax Lincoln-Mercury, Inc.	1,652,180	3.99
Litehouse Products, Inc.	1,568,740	3.79
Bohler Uddeholm Corporation	1,540,550	3.72
Southeastern Equipment Company, Inc.	1,179,130	2.85
Tops Market LLC	1,080,860	2.61
Tinnerman Palnut Engineered Products	1,015,880	2.45
Recreational Products, Inc.	868,020	2.10
Totals	<u>\$15,831,590</u>	<u>38.22 %</u>
Total Tangible Personal Property Assessed Valuation	<u>\$41,423,866</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, 2003

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	3
Full-Time	25
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)	190
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	152
Part Time	88

Source: City Records



**Auditor of State
Betty Montgomery**

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

CITY OF BRUNSWICK

MEDINA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 8, 2004**