



City of Brecksville, Ohio

Comprehensive Annual Financial Report

2010



On the Cover:

In 1880 the Valley Railway came to Brecksville and provided freight service for agricultural products, coal, oil and gravel. It also serviced the postal service and had a mail catcher. Each train also had at least one passenger car and riders would access the train via a hack from a depot on Station Road, now called Route 82. The rail line is now run by the Cuyahoga Valley Scenic Railway and is used for recreational trips.

CITY OF BRECKSVILLE, OHIO

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2010

ISSUED BY THE DEPARTMENT OF FINANCE

Virginia Price, CPA,

FINANCE DIRECTOR



Brecksville City Council and Mayor

May 2010

(from left to right)

Front Row

Councilwoman, Nora L. Murphy

Councilman, Louis N. Carouse, Jr.

Finance Director, Virginia Price

Mayor, Jerry N. Hruby

Council Clerk, Mary Scullin

Councilman, Michael Harwood

Councilman, Rex Mack

Back Row

Council Vice-President, Greg Skaljac

Council President, Larry J. Potla

Councilman, Gerald E. Broski

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010
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June 10, 2011

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

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

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

State statutes require the City of Brecksville (the City) to be subjected to an annual examination by the Auditor of State. The Auditor of State's office rendered an opinion on the City's financial statements as of December 31, 2010, and the Independent Accountants' Report on the basic financial statements is included in the financial section of this report.

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

Profile of the Government

The City of Brecksville was founded in 1811. It was incorporated as a village under the laws of the State of Ohio in 1921 and attained City status in 1960 by virtue of its population exceeding 5,000. It is located in Cuyahoga County in northeastern Ohio, in the heart of rolling woodlands approximately fifteen miles south of the City of Cleveland. The City covers 19.54 square miles. In the year 2010 the U.S. Census Bureau reported that Brecksville had a population of 13,656, up 2 percent from 13,382 in 2000.

The City of Brecksville operates under and is governed by its Charter, first adopted by the voters on November 6, 1956 and amended from time to time. The Charter provides for a Mayor-Council form of government. A nine-member Charter Review Commission reviews the Charter every ten years and did so in 2003.



Legislative authority is vested in a seven-member City Council which is elected at large and whose terms are staggered. Four Council members are elected at each regular municipal election in November of odd numbered years. Of the four elected, the three receiving the highest number of votes serve a term of four years and the fourth serves a term of two years.

The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, the appropriation and borrowing of money, the licensing and regulation of business and the trades, and other municipal purposes. The presiding officer is the President who is elected by the Council for a one-year term.

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

Mayor Jerry N. Hruby was re-elected to a sixth consecutive term as mayor in the November general election in 2007. Mayor Hruby is the only mayor to be elected to six consecutive four-year terms since Brecksville became a village in 1921. In November of 2011, there will be an election for Mayor and four members of City Council whose terms will expire January 1, 2012.

The City's Service Department works hard to respond to the needs of the residents, providing curbside rubbish and recycling collection, street maintenance, snow removal and maintenance of all City lands, buildings and equipment. The Department is responsible for an annual, aggressive road repair and maintenance program.

Security of one's person and property is foremost on the minds of our full-time Police Department and Fire Department. Brecksville takes pride in its low crime rate and rapid response by both police and fire units. Police Chief Dennis Kancler retired in January of 2011, who has since been replaced in-house by Officer Richard Mannarino.

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

Profile of the City

Residents have a variety of nearby transportation options because Brecksville is uniquely located between the cities of Cleveland and Akron, both some 17 miles north or south of our City. By automobile or by connections through downtown Cleveland on the Regional Transit Authority bus and rail lines, one can reach all areas of Cuyahoga County conveniently. State Routes 21 and 82 bisect Brecksville and there is easy access to interstate highways. I-77 and I-80, which is the Ohio Turnpike, both criss cross Brecksville. I-480, an east-west interstate, is just 6 miles north of Brecksville. Amtrak cross-country rail service is available in downtown Cleveland and Hopkins International Airport is located about fifteen miles from Brecksville.

Entertainment abounds just a short distance away for residents of Brecksville. In downtown Cleveland, the Cleveland Browns of the National Football League play in their spectacular Browns Stadium. Progressive Field is the home of Major League Baseball's Cleveland Indians. The Cleveland Cavaliers, of the National Basketball Association, play at Quicken Loans Arena which is also a venue for concerts by major recording artists, the circus, ice shows, and a variety of other professional attractions. Cleveland State University's Wolstein Center is home to the Cleveland State University Vikings and even more concerts and shows.

Residents have access to many cultural attractions such as the world-famous Cleveland Orchestra at Severance Hall, the Cleveland Museum of Art, the Great Lakes Science Center, and the Rock n' Roll Hall of Fame and Museum. There are unique shopping areas such as Tower City Center and nightlife with dining in the Warehouse District and dining and entertainment on East 4th Street downtown and two concert venues in the "Flats" along the Cuyahoga River. Cleveland's downtown is a center of activity for all ages and just minutes from Brecksville.

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

Brecksville's wooded hills and ravines lace the area help define its neighborhoods. As a result, every resident is close to natural beauty that has always been a hallmark of Brecksville living. Many neighborhoods are located next to the Brecksville Reservation of the Cleveland Metroparks and the Cuyahoga Valley National Park. 2.5 million people visited the Park in 2009 (2010 numbers not available) which ranks 8th on the list of the most visited National Parks in the country. The Park had more visitors than Grand Teton National Park. Brecksville is unique among Cuyahoga County communities because one-third of the City is park land. The Brecksville Reservation of the Cleveland Metroparks offers 2,500 acres of park land with facilities for picnicking, softball, horseback riding, golf, hiking and cross-country skiing. A paved all-purpose fitness trail offers walking, biking, running or strolling by the beautiful scenery. Two ski areas are close by. Brecksville was named a Tree City USA for the 15th consecutive year in 2010.

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

The City of Brecksville provides many programs for all ages through its Recreation Department. Baseball, basketball, volleyball, swimming, golf, tennis, soccer, exercise classes, crafts and day camps are just some of the many programs for family fun, fitness and recreation. Recreational facilities include the 185-acre Blossom Hill recreational area with its gymnasium, playground, pavilion, baseball fields, soccer fields and a new state of the art synthetic turf soccer and lacrosse field which opened in 2010. At City Hall there are three lighted baseball fields and three lighted tennis courts. Two full outdoor basketball courts are located on Stadium Drive and a third on the grounds of the Community Center. The 65,000 square foot Community Center houses the Recreation Department as well as a field house, indoor pool, outdoor leisure pool, elevated running track, youth game room, large cardio-vascular room and a large weight room, whirlpool, saunas and a dividable community room with facilities for meetings and catering. Room rentals are a steady source of revenue for the Community Center. Outdoors at the Community Center are a picnic pavilion and Kids Quarters; a spacious playground with various equipment to entertain younger children.

Brecksville's \$10 million, 46,000 square foot Human Services Center (attached to the Community Center) and expanded facilities for the Community Center opened its doors in 2006. The second floor of the new building houses the Community Center's vast cardio-vascular fitness section. Headquartered in the new Center is the Department of Human Services which maintains many programs including snow removal and a food bank for low income seniors. It coordinates the local Meals on Wheels program and provides free blood pressure and hearing screenings. The Human Services Center has a 30 foot by 50 foot warm water therapy exercise pool and a full service kitchen with an accompanying large gathering area seating 120. A delicious and nutritious low cost lunch is served by volunteers every Thursday followed by a free movie. Every Tuesday morning an excellent low cost breakfast is served. The varied services provided by the Human Services center are made possible through the many volunteers generous gift of their time.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. The District earned the designation of "Excellent" for the 2009-2010 school year. The "Performance Index" ranked the district fifth in Ohio and no other school district had a higher mean ACT score. The High School Girls Gymnastics Team won its tenth state championship and seventh in a row in 2010. Brecksville is also home to the Cuyahoga Valley Career Center which is the area's vocational school for high school students and also provides a multitude of adult education programs. Property tax, which primarily funds the schools, is \$2,140, per \$100,000 home value.

Economic Development

The Brecksville City Administration and City Council are dedicated to the success of the downtown business district, and at the same time, and with the same enthusiasm, have promoted future growth and development of the City's industrial/office complex located on Brecksville's south side. Each day approximately 15,500 people come to work in Brecksville.

The 100 acre Veterans Administration hospital (VA) property at Miller and Brecksville Roads will be closing during 2011 as the VA will consolidate its operations at its location on the east side of Cleveland. The Mayor and City Council have planned for this eventuality and it is anticipated that future revenues from the redevelopment plan will eventually exceed current revenues. The City takes ownership of the property in 2012 with 17 empty acres available for immediate development. An existing building, housing a daycare and fitness center, will be retained for future area workers. Selective retail is planned to meet the needs of workers in the south end of the City and is also being considered.

A local developer, the Geis Company, is bringing a Cleveland Clinic installation to Brecksville. Preliminary approval was granted in 2009 and construction began in 2010 on a 171,000 square foot data center. About two years ago the Curtis-Wright Corporation, who has been here since 1994, in the City's southern industrial/office/laboratory district, informed the City that they needed more space. In order to retain Curtis-Wright, City Council approved the administration's economic development plan and agreement. The City has agreed to provide the company with necessary funding assistance in purchasing the adjacent properties just north of their property located on Brecksville Road. Curtis-Wright plans to build a new 42,000 square foot addition to their facility on their property. The deal provides that Curtis-Wright must maintain a specified number of employees and minimum payroll for ten years. The company manufactures pressure relief valves for the oil and gas industry.

A skilled care facility, Brecksville Healthcare, began construction in 2010 on Brecksville Road, just north of the town square. This facility will provide nursing and rehabilitation care. The grand opening is expected in the summer of 2011. The proprietors are investigating the possibility of buying additional adjacent property for an assisted living wing.

In 2009, True North received approval to construct a headquarters building consolidating, in part, their Toledo and Youngstown offices with construction beginning in 2011. True North, a joint venture of the Lyden Company and Shell Oil, operates or supplies over 320 Shell franchised sites in Illinois, Ohio and Michigan, including a store in Brecksville.

Rambus, Incorporated, headquartered in Los Altos, California, is moving into a 28,000-square-foot facility on West Snowville Road in the business park south of the City. Rambus is one of the world's premier technology licensing companies specializing in the invention and design of high speed chip interfaces. Also during 2010, Brecksville welcomed Applied Medical Technology, Progress Book, NVR Mortgage, Cross Country Mortgage, Akron Children's Hospital Pediatric Service and an office of the U.S. Census.

Accomplishments

Moody's raised Brecksville's bond rating from Aa1 to Aaa. This is the result of Moody's implementing a recalibration of its long-term municipal ratings to its global rating scale.

For the 24th consecutive year Brecksville did not raise its property tax rate. The last time it was raised was to build its library. Despite books on line and PCs, the library parking lot always has a healthy number of cars.

The City of Brecksville's Finance Department was proud to receive its 20th Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2009.

In 2009, Sports Construction Group (SCG) of Brecksville began the installation of a state of the art synthetic turf field at the City's Blossom Recreation property. SCG relocated its national headquarters to Brecksville in an unoccupied building which it renovated with an attention-getting facade. The City and SCG are partners in the new field. SCG uses it as a demonstration field and the City uses the field for its soccer and lacrosse programs. The facility was dedicated on August 9, 2010. Total cost of the new field was shared between the City and SCG and SCG will maintain the field for eight years. One of SCG's more recent and glamorous projects was the installation of the playing field for the new Yankee Stadium. They have also designed and installed fields for one-fourth of the NFL teams including Cleveland Browns Stadium and the Steelers' Heinz Field in Pittsburgh.

Two decades ago Brecksville began its citywide curbside recycling program. We take pride in how the program has grown into a major and quite successful partnership between City Services and the residents. To honor 21 years of recycling the City adopted the slogan, "We're Still Going Green.", Brecksville recycles nearly 45 percent of all rubbish collected, including metal, glass, newspapers, magazines, plastic containers and yard waste. In 2008, the City produced a recycling video to reinforce Brecksville's commitment to sustaining our environment and limiting the drain on our exhaustible natural resources. The video can be seen on line at brecksville.oh.us. Click on "Departments/Service". The primary goal of the City's award-winning recycling program is to limit what we place in landfills and to conserve natural resources.

In 2009, the City established "Shred Your Document Day." In the spring and fall of 2010, two giant shredder trucks rolled into town and shredded more than nine tons of documents, free of charge. Shredding day was open to residents and businesses alike. The Department of Human Services requested that participants bring canned goods for the City's "Food Pantry" program which distributes food to residents in need each month. The donated food filled a pick up truck on each Shredding Day.

Although capital projects are not “sensational”; when it comes to maintaining and enhancing the City, Brecksville places a great deal of importance on them. During 2010, the war memorial on the town center was improved and expanded. On the Blossom property, sanitary sewer lines were repaired and upgraded and parking areas were improved. A large section of eroding guardrail was replaced on State Route 82. Exterior building repairs were made to both the fire station and City Hall.

Several construction projects designed to control the flow of storm water were completed in 2010. The largest area was around Fitzwater Road and Greenhaven Road consisting of a series of drains and culverts. Other storm water projects completed include Meadow Lane, Crinkle Root, North Court, and Timber Trail. Since 2006, the City has had an aggressive program to correct storm drainage issues. The result of this effort is the vast improvement in storm drainage in many areas of the City and the occurrence of no significant storm damage. Storm water issues will continue to be addressed as many new projects are in either the construction or planning stage currently.

The Ohio Department of Transportation widened I-77 to three lanes in each direction from Rockside Road in Independence, Brecksville’s northern neighbor, to Oakes Road in Brecksville. This project has served to mostly eliminate rush hour traffic jams for commuters.

The dispatch center of the police station was reconfigured and remodeled into a more efficient work area. The renovation project included ceiling lights, wall covering, electrical upgrade, flooring, and new dispatch equipment consoles.

The City pays \$15,000 in annual dues to the Community Awareness Prevention Association (CAPA) and the student group, H.U.D.D.L.E., for a full time Drug Prevention Coordinator and staff to administer to our students, residents (including seniors) and employers within the City. CAPA is jointly funded by the Brecksville-Broadview Heights City School District, the City of Brecksville and the CARE Concerned Citizens Group. The CARE program entered its 29th year in 2010, attesting to the program’s longevity and commitment.

The Fire Department, in an attempt to provide the best possible service, via the best possible equipment, purchased a Stryker Power Stretcher for \$13,058. This cost may seem exorbitant but this state of the art stretcher provides the safest and best possible transportation of a patient. This stretcher also helps protect the City’s paramedics from back strain injuries common to transporting patients. In the long run, we believe this benefits both the patient and the paramedic.

The 28th Annual Yuletide Hunger Program and its companion program, Adopt-A-Family, distributed a two-week’s supply of food to 137 families and Christmas gifts to 63 of those families with children. This effort began in Brecksville in 1983 and now serves Brecksville residents and people in three adjoining communities.

Each December the City of Brecksville sponsors a variety of holiday events including the annual Children's Christmas Play. On the Old Town Hall stage magical tales told by lovable creatures and characters, including Santa himself, delight Brecksville's little ones and entertain their parents as well. The Children’s Christmas Play was the inspiration of former Mayor Jack A. Hruby, and since 1971 an original play has been produced most every year. This heartwarming, and often humorous, holiday tradition has been nurtured and guided by the current mayor who has written most of the productions his past 24 years in office. The cast and crew consist of City employees, their families and friends of the community. The Service Department was once again responsible for creating beautiful holiday lighting displays at a variety of locations in the City.

In 2011:

- 2011 will see a year-long observance of Breckville's Bicentennial. Many events are being planned by the more than 150 volunteers who make up the various committees. A gala ball in February, an expanded Home Days celebration in June with a parade, a Civil War re-enactment in August, and a variety of historical themed programs throughout the year highlight the planning. An obelisk featured memorial park will be created on City Hall property and the burying of a 50 year time capsule will be part of the service projects. A major fundraising effort will provide the funding for most activities along with City support. The observance began in December of 2010 with the traditional Christmas parade and a professionally produced show with a larger than life fireworks display themed to holiday music.
- The City received a "Powering Our Communities" grant from the Northern Ohio Public Energy Council. This grant totaling \$135,210 provides funding for the replacement of old inefficient windows at City Hall, the fire station, the City-owned building that houses the Brecksville Center for the Arts and Old Town Hall built in the 1870s. Installation of the windows started in 2010 and will be completed in 2011.
- Construction of a new pump station, force main and gravity sewer on Snowville Road in the City's southeastern residential area will begin in the summer of 2011. There will be tap-in fees ranging from \$3,000 to \$6,000 assessed to the residents.
- Work began on the Riverview Road Sanitary Sewer Project on the City's eastern border. The City will finance the project with funding from the Ohio Public Works Commission and by assessments to be paid by the benefitting property owners.
- An energy audit grant totaling \$64,500 was awarded by the Cuyahoga County Municipal Energy program. These funds will be used to conduct an ASHRAE Level II comprehensive energy audit on every municipally owned building. Audits results will be used in evaluating future capital improvements that, when completed, should positively effect our bottom line.
- Architects have been contacted to submit proposals for the construction of a new Service Department building. The plan for this much needed facility is to house equipment, salt, and handle waste related to street sweeping.
- The City hall cupola is much need of repair as no major work has been done to it since it's installation in 1971. In spring of 2011, the cupola will be removed, restored, and replaced.
- The Wiese Road retaining wall is slated for replacement. Engineering for the replacement wall began in 2008 and was completed in 2010. Also, in 2010, grant and loan funding of \$467,600 was awarded by the Ohio Public Works Commission for this project. The City has been monitoring this wall for failure for many years and is eager to put this funding to work as bidding for this project is expected to occur in the fall of 2011 with construction beginning in the spring of 2012.
- The Ohio Department of Natural Resources has awarded the City an \$18,750 grant to address problems with the Emerald Ash Borer. A large number of trees in the City are Ash and are susceptible to the damage by this borer. The grant funds will be used to remove and replace Ash trees.

Long-Term Financial Planning

The City imposed a hiring freeze in late 2008, which has affected every department. In most cases vacancies created by retirements and departures have been filled from within. In 2010, a reduction in general fund operating costs of 4.8 percent was consistent with the expected reduction of tax revenues. Reduced salary costs have been a major contributor to that reduction. The hiring freeze continues in effect into 2011. Since 2006, a total of 32 staff members have left the City, 21 in the last three years, and 10 in 2010. There were no employee raises in 2010 or 2011, including police personnel who are members of a union.

The City continues to pay down debt and anticipates retiring major capital bonds in 2012, including the remaining debt of the Community Center which opened in 1992. No additional debt was issued in 2010 while \$400,000 of short-term notes were retired.

While the City anticipates that revenue collections will continue to decline over the next couple of years, the City has worked diligently to reduce expenses accordingly. We will continue the hiring freeze except in instances where there is uniqueness to the position or a limited number of employees that must be maintained. No services have been cut, no services will be cut, and there will be no increase in taxes. We continue to live within our means and will continue that commitment for years to come.

Relevant Financial Policies

By City ordinance, \$2,280,000 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,200,000 to the buildings and improvements fund, and \$120,000 to the road improvements fund. The remainder is credited to the general fund.

There are ordinances in place which allocate 25 percent of all building permit fees collected into the recreation expansion fund and deposit sanitary sewer tap-in, septic conversion and sanitary repair fees into the public utility improvement fund.

An ordinance is also in place to allocate water connection permit fees to the water system maintenance and repair fund and the water system bond retirement fund based on a legislated schedule. These funds shall be used for future improvements of the City's water distribution system and any necessary debt funding thereof.

In 2010, a compensated absences fund, which is included with the general fund for reporting purposes, was created to capture anticipated expenses related to retirement. By setting aside funds in this account it provides for more efficient budgeting and more accurate financial reporting.

Billing for ambulance services was implemented in 2010. A third party collection company collects the transported patient's information, generates billing, and submits collections to the City. Residents are not billed above what their insurance will pay. Proceeds from these collections are recorded in a fund restricted to the purchase of fire department equipment. \$212,927 was collected for ambulance services in 2010.

Awards and Acknowledgements

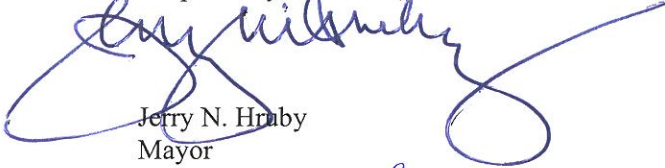
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Comprehensive Annual Financial Report for the year ended December 31, 2009. A Certificate of Achievement is valid for a period of one year only. The City of Brecksville believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

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

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

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

Respectfully submitted,



Jerry N. Hruby
Mayor



Virginia Price, CPA
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brecksville
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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 Brecksville, Ohio

City Officials

ELECTED OFFICIALS

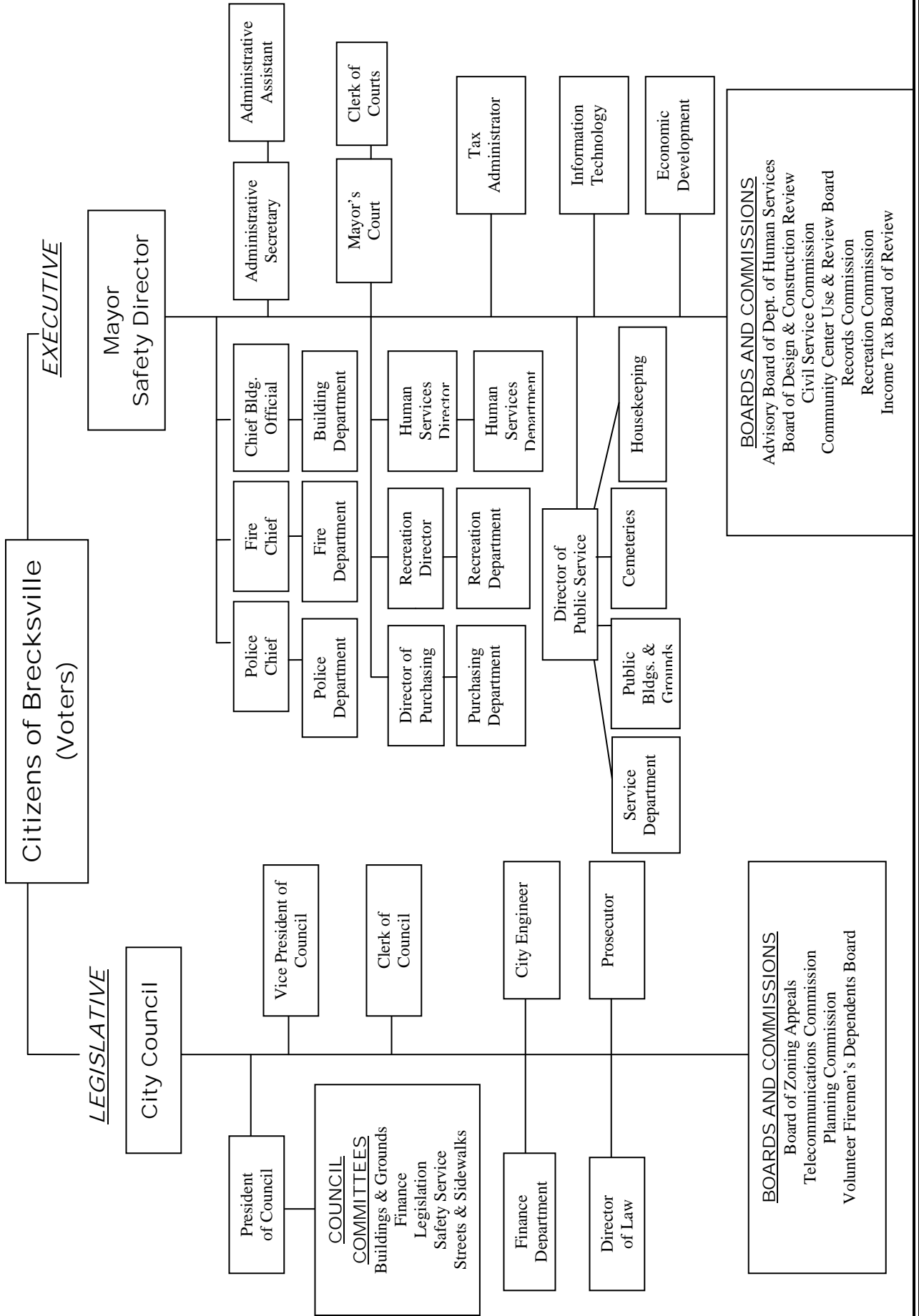
Mayor-Safety Director.....Jerry N. Hruby
President of Council..... Larry J. Potla
Vice-President of Council.....Gregory Skaljac
Council Member.....Gerald F. Broski
Council Member.....Louis N. Carouse
Council Member.....Michael T. Harwood
Council Member.....Rex E. Mack
Council Member.....Nora L. Murphy

APPOINTED OFFICIALS

Director of Finance.....Virginia Price
Police Chief.....Dennis A. Kancler
Fire ChiefEdwin D. Egut
Service Director.....Ron Weidig
Director of Purchasing.....Becki Burlingham
Chief Building Official.....Scott Packard
Clerk of Courts.....Shelley Kazimore
Director of Recreation.....Thomas Tupa
Director of Law.....Paul A. Grau
ProsecutorSergio I. Digeronimo
City Engineer.....Gerald M. Wise
Clerk of Council.....Mary Scullin

CITY OF BRECKSVILLE, OHIO

ORGANIZATIONAL CHART



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Capital Reinvestment

Brecksville is committed to a long-term goal of rebuilding its infrastructure and facilities, as evidenced by its ongoing five-year capital plan. The five-year capital plan provides for rebuilding major residential streets, water, sewer, and storm sewer lines, and improving and adding additional facilities to complement our current structures. Use of grants and loans, as well as short-term notes, enable the City to improve its capital assets, while maintaining our fund levels for use in current operations.

Land Improvements

Land improvements consist of betterments (site preparation and site improvements) other than buildings that ready the land for its intended use.

In August 2010, the City dedicated its new synthetic turf soccer and lacrosse field at the Blossom Property Complex.



As part of its construction, the City made several other land improvements to the site to accommodate additional foot and vehicle traffic as well as parking. The new soccer field is a major improvement to the City's recreation complex and will greatly benefit our sports programs. A decorative utility fence surrounds the field as well as portable bleacher seating. Another notable land improvement completed in 2010 was the dedication of a new war monument honoring those who served in all wars since and including World War II. The war memorial is proudly displayed in Public Square.



Storm Water Drainage Improvements:

Since 2006, Brecksville has implemented an aggressive program to correct storm drainage issues in various locations throughout the City. Several construction projects designed to control the flow of storm water were completed in 2010. The greatest drainage improvements were made to a series of drains and culverts in the Fitzwater and Greenhaven Road areas. Other significant storm water projects completed in 2010 include Vaughn Road bank stabilization, Riverview Road Storm and Slope, Riverview & Wiese channel restoration, Edgerton Road Retention Basin and Timber Trail. As a result, these locations showed vast improvement in storm water drainage and reported no further significant storm damage.

The City continues to address storm water issues through its five-year capital plan.



Greenhaven Road drainage improvements.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and the Fire Department funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during fiscal year 2010, the City adopted the provisions of the Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2011, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements and individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and "O".

Dave Yost
Auditor of State

June 10, 2011

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

The discussion and analysis of the City of Brecksville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- The assets of the City of Brecksville exceeded its liabilities by \$84,787,921. This is an increase of \$2,621,088 over last year's net assets. Of this amount, \$10,215,534 is available to use to meet the government's ongoing obligations to citizens and creditors. This unrestricted balance is \$3,444,039 more than last year and is a reflection of an increase in capital assets and a reduction in both current liabilities and outstanding debt.
- The City's return on assets was 2.48 percent. While this return is relatively low, it is nominally higher than last year and reflects the City's continued commitment of investing in long-term assets including equipment and infrastructure. While our general revenues decreased, our program revenues increased; particularly capital grants and contributions, which provided funding for storm drainage projects. In addition, we were able to decrease our expenses without reducing the level of service provided to our residents.
- Total expenses of all City services were \$22,467,561 in 2010, a decrease of \$867,462 (3.72 percent) from 2009. This decrease includes reduced improvement expenses in the recreation department, but primarily a reduction in employee costs due to employees leaving and not replacing them due to a hiring freeze implemented in 2008.
- Total liabilities decreased by \$2,081,221 or 8.98 percent from 2009. There are two primary contributors to this reduction. The first is no issuance of new bonds while annual debt service payments reduced outstanding bond balances by over one million. The second reason was a \$400,000 pay-off of notes issued for storm water sewer improvements and Katherine Boulevard access projects.
- Total Capital Assets increased by \$601,063, or 0.76 percent, over 2009. The City was able to finalize many of the storm water projects that have been on-going for the past couple of years. In addition, other areas of storm water drainage concerns are being evaluated and addressed. A storm and sanitary sewer fee, collected from the residents through the county's property tax billings, is a primary source of funding for these projects.
- The cash balance at the end of 2010, in the general fund of \$6,130,545, represents 120 days of operating expenditures for the City and is a reflection of its on-going viability.

Using This Annual Financial Report

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

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

Reporting the City of Brecksville as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2010?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of 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 change in assets is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets also needs to be evaluated.

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

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

Reporting the City of Brecksville's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of Brecksville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The presentation of the City's major funds begins on page 16. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brecksville, the major funds are the general, fire department, special assessment bond retirement, general municipal improvement, buildings and improvements and road improvements.

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

Proprietary Fund The City maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City's internal service fund accounts for medical and prescription drug self-insurance. The proprietary fund uses the accrual basis of accounting.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the City's programs. These funds use the accrual basis of accounting.

The City of Brecksville as a Whole

Recall that the Statement of Net Assets pictures the City as a whole. Table 1 provides a summary of the City's net assets for 2010 compared to 2009.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

Table 1
Net Assets

	Governmental Activities		
	2010	2009	Change
Assets			
Current and Other Assets	\$26,101,463	\$26,162,659	(\$61,196)
Capital Assets, Net	79,791,664	79,190,601	601,063
<i>Total Assets</i>	<u>105,893,127</u>	<u>105,353,260</u>	<u>539,867</u>
Liabilities			
Current and Other Liabilities	7,885,675	8,825,243	(939,568)
Long-Term Liabilities			
Due Within One Year	1,369,749	1,329,113	40,636
Due in More Than One Year	11,849,782	13,032,071	(1,182,289)
<i>Total Liabilities</i>	<u>21,105,206</u>	<u>23,186,427</u>	<u>(2,081,221)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	65,615,699	63,486,515	2,129,184
Restricted for:			
Capital Projects	801,922	1,937,585	(1,135,663)
Debt Service	5,713,451	6,445,832	(732,381)
Fire Department	424,696	706,135	(281,439)
Community Center	0	361,444	(361,444)
Road Maintenance	402,803	570,816	(168,013)
Street Construction, Maintenance, and Repair	825,033	1,170,024	(344,991)
Other Purposes	788,783	716,987	71,796
Unrestricted	10,215,534	6,771,495	3,444,039
<i>Total Net Assets</i>	<u>\$84,787,921</u>	<u>\$82,166,833</u>	<u>\$2,621,088</u>

Net assets may serve as a useful indicator of a government's financial position over time. In the case of the City of Brecksville, assets exceeded liabilities by \$84,787,921 at year end 2010. By far the largest portion of the City of Brecksville's net assets (77.39 percent) is its investment in capital assets including land, buildings, streets, water lines, storm water lines, and machinery net of related debt. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Brecksville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's net assets increased during the current year. One contributing factor to this is the increase in capital assets. The City budgets \$190,000 per month from income tax revenues to provide future funding for specific building or infrastructure improvements. Another factor for this increase is that current and long-term liabilities decreased from 2009. Both of these decreases were due to the retirement of debt, including notes and bonds. At the end of 2010, the City's total liabilities to net asset ratio was 24.89 percent.

The City carefully invests its cash and equivalents in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Investment Board, which consists of the Mayor, Finance Director, and Law Director, pay close attention to daily interest rates and long-term financial trends. The City realized \$320,959 in interest revenue. 2010's interest revenue is \$184,775 less than 2009's and is a direct result of the historically low interest rates industry wide. Interest revenue is utilized as part of the City's plan to pay off short-term debt or pay for future projects or improvements.

City of Brecksville
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Table 2 shows the changes in net assets for the year ended December 31, 2010 compared to 2009.

Table 2
Changes in Net Assets

	Governmental Activities		
	2010	2009	Change
Program Revenues			
Charges for Services and Operating Assessments	\$2,077,245	\$1,729,403	\$347,842
Operating Grants and Contributions	1,233,555	1,251,461	(17,906)
Capital Grants and Contributions	1,376,781	300,000	1,076,781
<i>Total Program Revenues</i>	<u>4,687,581</u>	<u>3,280,864</u>	<u>1,406,717</u>
General Revenues			
Property Taxes	4,276,912	4,643,870	(366,958)
Income Taxes	14,212,814	13,833,625	379,189
Grants and Entitlements	1,074,764	1,355,899	(281,135)
Investment Earnings	320,959	505,734	(184,775)
Gain on Sale of Capital Assets	13,730	0	13,730
Miscellaneous	501,889	490,451	11,438
<i>Total General Revenues</i>	<u>20,401,068</u>	<u>20,829,579</u>	<u>(428,511)</u>
<i>Total Revenues</i>	<u>25,088,649</u>	<u>24,110,443</u>	<u>978,206</u>
Program Expenses			
General Government:			
Legislative and Executive	5,647,128	6,097,065	449,937
Judicial	210,129	161,505	(48,624)
Public Safety:			
Police	3,977,695	4,560,315	582,620
Fire	2,413,597	2,096,299	(317,298)
Public Health and Social Services	1,407,173	1,195,863	(211,310)
Street Construction, Maintenance, and Repair	4,007,522	3,994,538	(12,984)
Housing and Community Development	833,662	855,329	21,667
Basic Utility Services	1,366,953	1,704,663	337,710
Recreational Activities	2,001,190	1,976,407	(24,783)
Interest and Fiscal Charges	602,512	693,039	90,527
<i>Total Program Expenses</i>	<u>22,467,561</u>	<u>23,335,023</u>	<u>867,462</u>
<i>Change in Net Assets</i>	2,621,088	775,420	1,845,668
Net Assets Beginning of Year	<u>82,166,833</u>	<u>81,391,413</u>	<u>775,420</u>
Net Assets End of Year	<u><u>\$84,787,921</u></u>	<u><u>\$82,166,833</u></u>	<u><u>\$2,621,088</u></u>

City of Brecksville
Management's Discussion and Analysis
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Governmental Activities

Several revenue sources fund our governmental activities with City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount for 2010 was \$14,212,814, which is \$379,189 above 2009. While overall the poor economy kept many of our resident companies from expanding, most were able to continue with minimal cut backs. Making up the difference was withholding tax from Brecksville's veteran hospital which continued operating at full capacity for all of 2010. The City enjoys an income tax base of numerous large and small businesses which provides stability in collections and insures that the City will be able to meet its financial needs even if the City loses one or more of the businesses. In addition, the City has an active economic development program which continually works on recruiting new establishments to the City while retaining its current businesses.

City income tax revenue of \$2,280,000 per year is earmarked for specific City improvements. \$80,000 per month, or \$960,000 per year, is allocated toward general municipal improvements. \$100,000 per month, or \$1,200,000 per year, is allocated toward building improvements. \$10,000 per month, or \$120,000 per year, is part of the funding designated for road improvements. These revenues are allocated by ordinance of City Council providing that a substantial portion of our income tax collections is designated for roads, City facilities and capital needs.

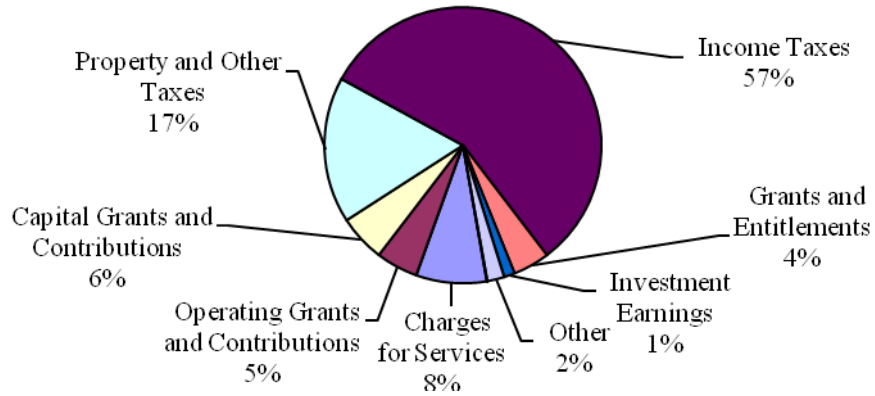
Property tax is the City's second largest revenue source. In 2010, the City recognized a decrease in property tax collections. This decrease was a direct result of reduced property assessed valuations. Property values in the City recognized a 4 percent reduction since 2008, with just a minimal reduction in the collection rate. Valuations provided for 2011 show a stabilizing of property values with a very slight increase. No further reduction in values are anticipated, and with construction completed on several new businesses in town, the value should rise respectfully in the future. These factors combined provide a stable picture for future property tax collections. Charges for service revenue increased by \$347,842 in 2010 and consisted of many factors including higher recreation collections, and increased police fees. The largest operating revenue increase was in the fire department as a new program to collect fees for ambulance services was implemented. In 2010, \$212,927 in ambulance fee revenue was collected to be used specifically for the purchase of fire equipment.

A large revenue increase in capital grant and contributions is due to capital project funding provided by county collected fees. All property owners in the City contribute to a county held fund used exclusively for the repair and improvement of sanitary and storm sewer systems. In 2010, the City constructed several of these projects for which the county provided reimbursement funding.

Of the \$25,088,649 in total revenue, income tax accounts for 56.65 percent of that total. Property taxes of \$4,276,912 accounts for 17.05 percent of total revenue, with program revenues, grants and entitlements, investment income and miscellaneous income accounting for the remaining 26.3 percent.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2010
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2010 Revenues by Source



Public safety, including the police and fire departments, accounted for program expenses of \$6,391,292 which is a combined 28.45 percent of total expenses. Our police department continues to improve their equipment to better serve our community and at the same time provide extra safety for our officers. We continue to strive to provide better police and fire service at a lower cost per man-hour. The police and fire departments live within their overtime budgets, which accounts for a small portion of the total cost of operating both departments.

The fire department is funded through Charter levy millage. All operating costs for maintaining the fire department 24 hours a day, 7 days a week are financed with this millage. In addition, a portion of the levied funds is budgeted toward capital improvements within the fire department.

The City's on-going commitment to infrastructure maintenance is reflected in the \$1,366,953 spent on utilities and \$4,007,522 spent on street construction and preservation. Combined, these two City services account for 23.92 percent of City expenses. Services provided by these activities include garbage removal, recycling, leaf pick-up, storm drainage, snow removal, street maintenance and vehicle upkeep.

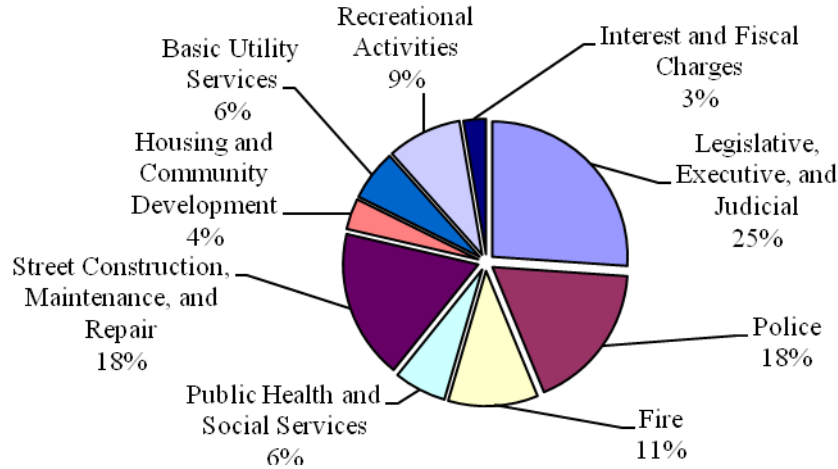
Public Health and Social Services expenses include charges for county health programs, cemetery maintenance, and the human service department. A 2010 increase in expenses for Public Health and Social Services include repairs to the City's cemeteries and the continued addition of programs in Human Services.

Costs contained within the legislative category include all administrative, legal, engineering and income tax collection costs. The legislative category also contains all costs associated with maintenance of City lands and buildings as well as major supplies such as gasoline and utility costs.

Overall, 2010 expenses decreased \$867,462 (3.72 percent) from 2009. The driving factor behind this reduction was the City-wide hiring freeze, which reduced staffing in most major departments by not replacing individuals who left.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

2010 Expenses by Function



The City's Funds

Information about the City's Governmental funds begins on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenue of \$25,092,246 and expenditures of \$23,910,302. The most significant fund is our general fund with an unassigned fund balance at year-end of \$5,768,584. With annual operating expenditures of \$14,679,185 and operating revenues of \$16,206,623, the general fund experienced operating gains of \$1,527,438. Combined with the other financing sources and uses, which is primarily transfers out to other funds, the fund realized a net increase of \$841,171. A combination of increased income tax collections coupled with a reduction in spending, particularly in the area of utilities equipment, generated the balance increase.

Another significant fund is the fire department fund with revenues of \$2,183,654 and expenditures of \$2,372,885, resulting in a net decrease of \$189,231 in fund balance. Its primary revenue source, property tax, had a slight decrease in 2010. Expenses increased in 2010 due to additional capital purchases including station updates and a new ambulance. The City has four other funds presented as major funds. These four funds are the special assessment bond retirement fund, the general municipal improvement fund, the buildings and improvements fund, and the road improvements fund. The general municipal improvement fund had transfers out to other funds in the amount of \$845,000, primarily for the Riverview Road Sanitary Sewer Ohio Public Works project. The buildings and improvements fund also had transfers out to the general obligation bond retirement fund in the amount of \$880,000 to provide for debt service payments of previously built properties.

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 2010, the City amended its general fund budget several times. The final budgeted revenues and other financing sources were \$934,397 higher than original budgeted revenues and other financing sources because the City prefers to take a conservative approach in original budgeting for its revenue projections and make necessary revisions after actual revenues become known. All general fund revenues, except for donations, were higher than the City anticipated in its final budget. The variance between final budget and actual expenditures was due to a need for additional economic development funding and the creation of a transfer to the newly created compensated absences fund. All recommendations for budget changes come to the Finance Committee of City Council for review before

City of Brecksville
Management's Discussion and Analysis
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going to the whole Council for ordinance enactment on the change. The general fund supports many of our major activities including the police department, recreation department, and most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

Capital Assets and Debt Administration

Capital Assets

Table 3
 Capital Assets at Year End

	Governmental Activities	
	2010	2009
Land	\$7,108,903	\$7,108,903
Construction in Progress	1,915,847	4,805,705
Land Improvements	3,480,085	2,827,767
Buildings and Improvements	18,175,183	18,694,586
Machinery and Equipment	5,171,062	4,848,484
Furniture and Fixtures	197,525	91,945
Infrastructure		
Roads	18,979,493	15,881,097
Sidewalks	738,550	828,299
Guardrails	73,287	44,558
Traffic Signals	1,508,196	1,615,525
Storm Sewer	5,958,185	5,709,030
Sanitary Sewer	9,600,327	9,782,729
Water Lines	6,885,021	6,951,973
Total Capital Assets	<u>\$79,791,664</u>	<u>\$79,190,601</u>

Total capital assets, net of depreciation, increased \$601,063 over 2009. The largest increase was \$3,098,396 of road improvements which included Greenhaven and several road repair projects performed by the service department. The increase in land improvements reflects the completion of the City's synthetic soccer field and accompanying fencing, driveway, and parking lot improvements.

As indicated by the steady increases in our capital assets, the City is committed to a long-term goal of rebuilding its infrastructure and facilities. We have a five year capital plan in place providing for rebuilding major residential streets, water, sewer and storm sewer lines, and adding additional facilities to complement our current structures. Use of grants and loans, as well as short-term notes, enable the City to improve its capital assets, and at the same time, maintain our fund levels. See Note 10 for additional information on the City's capital assets.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

Debt

As of December 31, 2010, the City of Brecksville had the following bonds, notes, loans, and compensated absences outstanding:

Table 4
 Outstanding Debt at Year End

	Governmental Activities	
	2010	2009
General Obligation Bonds	\$8,672,310	\$9,465,056
Special Assessment Bonds	3,166,959	3,467,090
Notes	2,000,000	2,400,000
OPWC Loans	547,643	601,527
Compensated Absences	832,619	827,511
Total	\$15,219,531	\$16,761,184

The General Obligation Bond Retirement bonds are composed of two Community Center Bonds, one for \$421,547 and one for \$330,000, a Human Services Facility Bond of \$4,433,762 and the 2005 Tree Farm Property Bond for \$3,487,001. On November 7, 1989, effective January 1, 1990, voters passed a ½ percent City income tax increase (from 1½ percent to 2 percent with 100 percent credit). The ½ percent was designated for the construction of a Community Center, the purchase of Blossom Hill property (\$1,000,000) and capital improvements. Each month, \$80,000 of income tax proceeds is put into a General Municipal Improvement Fund. Money is transferred into the General Obligation Bond Retirement fund for payment of the Community Center bonds.

The Special Assessment Bonds consist of Oakhurst-Fitzwater Sanitary Sewer Refunding, Southpointe Parkway, Four Seasons Sewer and Water, the Service Road Sewer and Water, Route 21/Hilton/Whitewood Sewer and Storm, and Route 21 Access Road. Principal and interest for these bonds are paid from the collection of special assessments by the County Auditor.

In 1997 the City refunded the Community Center Improvement and Oakhurst-Fitzwater Sanitary Sewer bond issues. In 2004 the City refunded the Community Center Improvement Bonds of 1992. The bonds were reissued along with \$6,000,000 of new bonds for the Human Service Facility project.

The OPWC Loans are paid semi-annually from the Issue II Fund and will be paid in full in the year 2027. The City's overall debt decreased in 2010 by \$1,541,653, primarily due to the retirement of a \$2,400,000 note, partially offset by the issuance of a \$2,000,000 various purpose improvement note. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2010 was \$62.11 million. The aggregated outstanding debt subject to the five and one half percent limitation is \$8.44 million. The difference of \$53.67 million between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one-half percent limitation. See Note 16 and Note 17 for additional information on the City's debt.

Current Financial Related Activities

The City of Brecksville is continues to remain financially strong even in light of the current economic recession. While the City has seen a slight reduction in revenue over the past two years, it has implemented measures to try to offset those declining revenues. In 1990, we increased our income tax from 1.5 to 2 percent promising our constituents that the City of Brecksville would improve its facilities and infrastructure and increase its level of services without the need for additional taxes. Since that time we built our Community Center, acquired the 83-acre Blossom property, and expanded our Municipal Parking Lot,

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

Service Department and recreational playing fields. The current addition to our Community Center building provides additional space for recreational activities and a diverse operations center for our Human Services department including classrooms, meeting rooms, food service facilities and a physical therapy pool. The 102 acre tree farm property provides opportunities for additional recreational and cemetery use and includes the addition of a new state of the art soccer field installed this year.

The City monitors its fund balances, particularly the general fund, to insure that adequate balances are in place to safeguard future years. In particular, the general fund balance is compared to forty-five percent of the previous year's expenses in accordance with rating agency standards.

For many years the City has reduced its health care costs by operating a self-funded insurance program and joining a group rating workers' compensation program. While the cost increases for medical insurance are unavoidable in today's environment, the City is working diligently to maintain a high level of coverage for its employees at the lowest cost possible. In 2004, the City created a health care cost committee comprised of representatives from all departments to address the issue of rising health care and develop strategies to minimize increases. In 2010, the City's overall health care expenses increased 1 percent compared to 2009. However this increase was spread over fewer covered employees so that the actual increase per covered employee was 8.6 percent. Calculation of the five year moving average indicates an annual increase of 6 percent per year over the past five years with no change in benefit coverage. 2010 was the first year of a negotiated a three-year agreement with Medical Mutual to lock in lower administrative fees.

The Finance Director, Mayor, and City Council work extremely hard at keeping our debt low. We plan our finances so that we can pay cash for many of the facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain our level of services. We live within our means and plan ahead knowing that our budget enables us to spend less than the revenues we receive. To help maintain fiscal soundness, the City created the compensated absences fund in 2010, which is transferred money for anticipated retirement-related expenses. Having these funds set aside insures that the balances necessary to cover these expenses are available.

Since 2001, the City of Brecksville has enjoyed a Moody's Investors Service bond rating of Aa1. In 2010, Moody's recalibrated their rating criteria to level the ratings between government and private ratings. The result of this recalibration is that Brecksville's bond rating was increased to Aaa. This rating places Brecksville at an elite level of government ratings.

The City has received the Government Finance Officers Award (GFOA) Certificate of Achievement for Excellence since 1990, the year of our first Comprehensive Annual Financial Report. The City prepared a Popular Annual Financial Report (PAFR) for the first time for the year ended December 31, 2006. The financial information for this report is taken from the Comprehensive Annual Financial Report and condensed into a ten page reader friendly financial publication. The report was submitted to the GFOA where it received an Award for Outstanding Achievement. The City has subsequently prepared PAFRs annually and received awards for all. Our commitment to our residents has always been one of full disclosure of the financial position of the City and work to make that information available to them. The City's website www.brecksville.oh.us contains both the CAFR and PAFR, as well as other financial information related to revenue, expenditures, and property and income tax.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and demonstrate the City's accountability for all money it receives, spends, and invests. Please direct any questions about this report or financial information inquiries to Finance Director Virginia Price, City of Brecksville, 9069 Brecksville Road, Brecksville, Ohio 44141, email vprice@brecksville.oh.us or telephone 440-526-4351.

City of Brecksville, Ohio

Statement of Net Assets

December 31, 2010

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$14,022,090
Cash and Cash Equivalents in Segregated Accounts	26,111
Materials and Supplies Inventory	297,873
Accounts Receivable	59,330
Accrued Interest Receivable	19,809
Intergovernmental Receivable	1,087,262
Prepaid Items	89,252
Municipal Income Taxes Receivable	2,537,719
Property Taxes Receivable	4,471,126
Deferred Charges	78,225
Special Assessments Receivable	3,412,666
Nondepreciable Capital Assets	9,024,750
Depreciable Capital Assets, Net	<u>70,766,914</u>
<i>Total Assets</i>	<u>105,893,127</u>
Liabilities	
Accounts Payable	162,551
Contracts Payable	108,083
Retainage Payable	11,280
Accrued Wages	531,631
Intergovernmental Payable	225,571
Matured Compensated Absences Payable	24,112
Deferred Revenue	4,234,777
Accrued Interest Payable	60,425
Claims Payable	160,936
Notes Payable	2,000,000
Vacation Benefits Payable	366,309
Long-Term Liabilities:	
Due Within One Year	1,369,749
Due In More Than One Year	<u>11,849,782</u>
<i>Total Liabilities</i>	<u>21,105,206</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	65,615,699
Restricted for:	
Capital Projects	801,922
Debt Service	5,713,451
Fire Department	424,696
Road Maintenance	402,803
Street Construction, Maintenance, and Repair	825,033
Other Purposes	788,783
Unrestricted	<u>10,215,534</u>
<i>Total Net Assets</i>	<u>\$84,787,921</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Activities
For the Year Ended December 31, 2010

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Governmental Activities
Governmental Activities					
General Government:					
Legislative and Executive	\$5,647,128	\$286,925	\$1,675	\$0	(\$5,358,528)
Judicial System	210,129	25,697	54	0	(184,378)
Public Safety:					
Police	3,977,695	217,057	36,852	0	(3,723,786)
Fire	2,413,597	240,339	394,314	0	(1,778,944)
Public Health and Social Services	1,407,173	56,109	345	0	(1,350,719)
Street Construction, Maintenance, and Repair	4,007,522	91,510	792,508	0	(3,123,504)
Housing and Community Development	833,662	54,910	253	0	(778,499)
Basic Utility Services	1,366,953	125,501	3,939	1,081,781	(155,732)
Recreational Activities	2,001,190	979,197	3,615	295,000	(723,378)
Interest and Fiscal Charges	602,512	0	0	0	(602,512)
<i>Total Governmental Activities</i>	<u>\$22,467,561</u>	<u>\$2,077,245</u>	<u>\$1,233,555</u>	<u>\$1,376,781</u>	<u>(17,779,980)</u>
General Revenues					
Property Taxes Levied for:					
					1,817,177
General Purposes					1,779,370
Fire Department					523,345
Streets					157,003
Police Department					17
Debt Service					
Municipal Income Taxes Levied for:					
General Purposes					11,932,814
Capital Outlay					2,280,000
Grants and Entitlements not Restricted					
to Specific Programs					1,074,764
Investment Earnings					320,959
Gain on Sale of Capital Assets					13,730
Miscellaneous					501,889
<i>Total General Revenues</i>					<u>20,401,068</u>
Change in Net Assets					2,621,088
<i>Net Assets Beginning of Year</i>					<u>82,166,833</u>
<i>Net Assets End of Year</i>					<u><u>\$84,787,921</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Balance Sheet
Governmental Funds
December 31, 2010

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Assets						
Equity in Pooled Cash and Cash Equivalents	\$6,130,545	\$530,552	\$369,885	\$1,280,556	\$821,808	\$259,640
Cash and Cash Equivalents						
In Segregated Accounts	26,111	0	0	0	0	0
Materials and Supplies Inventory	168,887	77,055	0	0	0	0
Accounts Receivable	32,688	0	0	0	0	0
Interfund Receivable	215,000	0	0	0	0	0
Accrued Interest Receivable	19,809	0	0	0	0	0
Intergovernmental Receivable	405,593	135,297	0	0	181,831	0
Prepaid Items	89,084	168	0	0	0	0
Municipal Income Taxes Receivable	2,347,719	0	0	80,000	100,000	10,000
Property Taxes Receivable	1,911,530	1,851,624	0	0	0	0
Special Assessments Receivable	0	0	3,412,666	0	0	0
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	5,536	0	0	0	0	0
Total Assets	\$11,352,502	\$2,594,696	\$3,782,551	\$1,360,556	\$1,103,639	\$269,640
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$61,484	\$3,693	\$0	\$150	\$0	\$34,260
Contracts Payable	85,411	8,045	0	10,867	0	0
Retainage Payable	0	0	0	11,280	0	0
Notes Payable	0	0	0	2,000,000	0	0
Accrued Wages	414,169	82,683	0	0	0	0
Interfund Payable	0	0	0	149,738	0	65,262
Accrued Interest Payable	0	0	0	17,213	0	275
Matured Compensated Absences Payable	24,112	0	0	0	0	0
Intergovernmental Payable	170,220	36,703	0	0	0	0
Deferred Revenue	3,476,347	1,986,921	3,412,666	0	181,831	0
Total Liabilities	4,231,743	2,118,045	3,412,666	2,189,248	181,831	99,797
Fund Balances						
Nonspendable	257,971	77,223	0	0	0	0
Restricted	5,536	399,428	369,885	0	0	0
Committed	776,399	0	0	0	921,808	169,843
Assigned	312,269	0	0	0	0	0
Unassigned (Deficit)	5,768,584	0	0	(828,692)	0	0
Total Fund Balances (Deficit)	7,120,759	476,651	369,885	(828,692)	921,808	169,843
Total Liabilities and Fund Balances	\$11,352,502	\$2,594,696	\$3,782,551	\$1,360,556	\$1,103,639	\$269,640

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2010*

Other Governmental Funds	Total Governmental Funds			\$12,200,091
		Total Governmental Fund Balances		
		<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
\$3,957,903	\$13,350,889	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	79,791,664	
0	26,111	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
51,931	297,873	Property Taxes	236,349	
26,642	59,330	Intergovernmental	935,835	
0	215,000	Municipal Income Taxes	1,257,139	
0	19,809	Special Assessments	3,412,666	
364,541	1,087,262	Total		5,841,989
0	89,252	An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		504,729
0	2,537,719	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(42,937)	
707,972	4,471,126	Vacation benefits payables is not expected to be paid with expendable available financial resources and therefore are not reported in the funds.	(366,309)	
0	3,412,666	In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued.	78,225	
0	5,536	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
\$5,108,989	\$25,572,573	General Obligation Bonds	(8,672,310)	
		Special Assessment Bonds	(3,166,959)	
		OPWC Loans	(547,643)	
		Compensated Absences	(832,619)	
		Total		(13,219,531)
		<i>Net Assets of Governmental Activities</i>		\$84,787,921
\$62,964	\$162,551			
3,760	108,083			
0	11,280			
0	2,000,000			
34,779	531,631			
0	215,000			
0	17,488			
0	24,112			
18,648	225,571			
1,019,001	10,076,766			
1,139,152	13,372,482			
51,931	387,125			
2,524,716	3,299,565			
628,315	2,496,365			
764,875	1,077,144			
0	4,939,892			
3,969,837	12,200,091			
\$5,108,989	\$25,572,573			

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Revenues						
Property Taxes	\$1,834,145	\$1,787,083	\$0	\$0	\$0	\$0
Municipal Income Taxes	12,145,759	0	0	960,000	1,200,000	120,000
Charges for Services	37,063	0	0	0	0	0
Licenses and Permits	406,417	0	0	0	0	0
Fines and Forfeitures	290,884	0	0	0	0	0
Intergovernmental	1,067,176	378,305	0	899,590	0	0
Special Assessments	0	0	304,429	14,148	0	6,164
Interest	81,592	13,203	117,772	22,991	10,265	4,524
Donations	4,523	0	0	0	0	0
Rentals	1,948	0	0	0	0	0
Miscellaneous	337,116	5,063	0	29,128	100,000	0
<i>Total Revenues</i>	<u>16,206,623</u>	<u>2,183,654</u>	<u>422,201</u>	<u>1,925,857</u>	<u>1,310,265</u>	<u>130,688</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	5,539,853	0	0	0	0	0
Judicial System	171,745	0	0	0	0	0
Public Safety:						
Police	3,936,733	0	0	0	0	0
Fire	17,733	2,372,885	0	0	0	0
Public Health and Social Services	1,105,458	0	0	0	0	0
Street Construction, Maintenance, and Repair	1,670,488	0	0	0	0	0
Housing and Community Development	808,377	0	0	0	0	0
Basic Utility Services	1,428,798	0	0	0	0	0
Recreational Activities	0	0	0	0	0	0
Capital Outlay	0	0	0	1,008,518	33,886	117,808
Debt Service:						
Principal Retirement	0	0	300,000	0	0	0
Interest and Fiscal Charges	0	0	169,431	42,135	0	3,422
<i>Total Expenditures</i>	<u>14,679,185</u>	<u>2,372,885</u>	<u>469,431</u>	<u>1,050,653</u>	<u>33,886</u>	<u>121,230</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,527,438</u>	<u>(189,231)</u>	<u>(47,230)</u>	<u>875,204</u>	<u>1,276,379</u>	<u>9,458</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	13,733	0	0	0	0	0
Transfers In	0	0	0	0	0	0
Transfers Out	(700,000)	0	0	(845,000)	(880,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(686,267)</u>	<u>0</u>	<u>0</u>	<u>(845,000)</u>	<u>(880,000)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	841,171	(189,231)	(47,230)	30,204	396,379	9,458
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>6,279,588</u>	<u>665,882</u>	<u>417,115</u>	<u>(858,896)</u>	<u>525,429</u>	<u>160,385</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$7,120,759</u>	<u>\$476,651</u>	<u>\$369,885</u>	<u>(\$828,692)</u>	<u>\$921,808</u>	<u>\$169,843</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2010*

Other Governmental Funds	Total Governmental Funds
\$683,314	\$4,304,542
0	14,425,759
1,140,713	1,177,776
119,389	525,806
17,532	308,416
834,532	3,179,603
0	324,741
56,756	307,103
3,615	8,138
42,987	44,935
14,120	485,427
<u>2,912,958</u>	<u>25,092,246</u>
1,631	5,541,484
36,333	208,078
99,552	4,036,285
0	2,390,618
0	1,105,458
1,789,822	3,460,310
5,038	813,415
3,499	1,432,297
1,846,298	1,846,298
172,398	1,332,610
838,884	1,138,884
389,577	604,565
<u>5,183,032</u>	<u>23,910,302</u>
<u>(2,270,074)</u>	<u>1,181,944</u>
0	13,733
2,447,956	2,447,956
(22,956)	(2,447,956)
<u>2,425,000</u>	<u>13,733</u>
154,926	1,195,677
<u>3,814,911</u>	<u>11,004,414</u>
<u>\$3,969,837</u>	<u>\$12,200,091</u>

Net Change in Fund Balances - Total Governmental Funds \$1,195,677

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

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

Capital Asset Additions:	
Capital Outlays	3,428,891
Capital Contributions	295,000
Current Year Depreciation	<u>(3,122,825)</u>

Total 601,066

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. (3)

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

Property Taxes	(27,630)
Intergovernmental	202,359
Municipal Income Taxes	(212,945)
Special Assessments	<u>(304,429)</u>

Total (342,645)

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,138,884

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

Accrued Interest on Bonds	3,211
Amortization of Issuance Cost	(9,035)
Amortization of Premium on Bonds	9,805
Amortization of Accounting Loss	<u>(1,928)</u>

Total 2,053

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

Compensated Absences	(5,108)
Vacation Payable	<u>25,950</u>

Total 20,842

The internal service fund used by management to charge the individual funds is reported in the district-wide statement of activities.

Governmental fund expenditures and related internal service fund revenues are eliminated. 5,214

Change in Net Assets of Governmental Activities \$2,621,088

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,725,860	\$1,833,540	\$1,834,145	\$605
Municipal Income Taxes	11,314,089	12,020,000	12,087,230	67,230
Charges for Services	49,887	53,000	54,805	1,805
Licenses and Permits	295,089	313,500	409,602	96,102
Fines and Forfeitures	240,024	255,000	287,722	32,722
Intergovernmental	985,249	1,046,721	1,056,298	9,577
Interest	98,934	105,107	110,413	5,306
Donations	7,060	7,500	4,523	(2,977)
Rentals	3,765	4,000	7,201	3,201
Miscellaneous	238,330	253,200	337,116	83,916
<i>Total Revenues</i>	<u>14,958,287</u>	<u>15,891,568</u>	<u>16,189,055</u>	<u>297,487</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	6,639,258	6,996,734	6,238,196	758,538
Judicial System	176,221	179,699	168,227	11,472
Public Safety:				
Police	4,389,270	4,476,053	4,198,353	277,700
Fire	29,220	29,813	17,733	12,080
Public Health and Social Services	949,242	968,292	872,576	95,716
Street Construction, Maintenance, and Repair	1,782,524	1,817,867	1,680,277	137,590
Housing and Community Development	912,462	930,674	870,857	59,817
Basic Utility Services	1,811,636	1,848,158	1,657,600	190,558
<i>Total Expenditures</i>	<u>16,689,833</u>	<u>17,247,290</u>	<u>15,703,819</u>	<u>1,543,471</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,731,546)</u>	<u>(1,355,722)</u>	<u>485,236</u>	<u>1,840,958</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	8,471	10,000	13,733	3,733
General Obligation Bonds Issued	9,413	9,000	0	(9,000)
Transfers Out	(900,000)	(700,000)	(700,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(882,116)</u>	<u>(681,000)</u>	<u>(686,267)</u>	<u>(5,267)</u>
<i>Net Change in Fund Balance</i>	(2,613,662)	(2,036,722)	(201,031)	1,835,691
<i>Fund Balance Beginning of Year</i>	5,034,085	5,034,085	5,034,085	0
Prior Year Encumbrances Appropriated	495,999	495,999	495,999	0
<i>Fund Balance End of Year</i>	<u>\$2,916,422</u>	<u>\$3,493,362</u>	<u>\$5,329,053</u>	<u>\$1,835,691</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,780,646	\$1,783,115	\$1,787,083	\$3,968
Intergovernmental	375,246	375,766	378,305	2,539
Interest	17,122	17,146	13,203	(3,943)
Miscellaneous	0	0	5,063	5,063
<i>Total Revenues</i>	2,173,014	2,176,027	2,183,654	7,627
Expenditures				
Current:				
Public Safety:				
Fire	2,738,457	2,737,937	2,445,622	292,315
<i>Net Change in Fund Balance</i>	(565,443)	(561,910)	(261,968)	299,942
<i>Fund Balance Beginning of Year</i>	613,975	613,975	613,975	0
Prior Year Encumbrances Appropriated	143,612	143,612	143,612	0
<i>Fund Balance (Deficit) End of Year</i>	\$192,144	\$195,677	\$495,619	\$299,942

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fund Net Assets
Proprietary Fund
December 31, 2010

	<u>Internal Service Fund - Insurance</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$665,665
Liabilities	
Claims Payable	<u>160,936</u>
Net Assets	
Unrestricted	<u><u>\$504,729</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Assets
Proprietary Fund
For the Year Ended December 31, 2010*

	Internal Service Fund - Insurance
Operating Revenues	
Charges for Services	\$300,000
Miscellaneous	16,462
<i>Total Operating Revenues</i>	316,462
Operating Expenses	
Purchased Services	1,580
Claims	323,524
<i>Total Operating Expenses</i>	325,104
<i>Operating Loss</i>	(8,642)
Non-Operating Revenues	
Interest	13,856
<i>Change in Net Assets</i>	5,214
<i>Net Assets Beginning of Year</i>	499,515
<i>Net Assets End of Year</i>	\$504,729

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2010

	Internal Service Fund - Insurance
<i>Increase (Decrease) In Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Customers	\$300,000
Cash Received from Other Operating Sources	16,462
Cash Payments to Suppliers for Goods and Services	(1,580)
Cash Payments for Claims	(345,000)
<i>Net Cash Used In Operating Activities</i>	(30,118)
Cash Flows from Investing Activities	
Interest	13,856
<i>Net Increase In Cash and Cash Equivalents</i>	(16,262)
<i>Cash and Cash Equivalents Beginning of Year</i>	681,927
<i>Cash and Cash Equivalents End of Year</i>	\$665,665
 Reconciliation of Operating Loss to Net Cash Used In Operating Activities	
<i>Operating Loss</i>	(\$8,642)
Adjustments:	
Increase in Claims Payable	(21,476)
<i>Net Cash Used In Operating Activities</i>	(\$30,118)

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2010

	Private Purpose Trust	
	Cemetery	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$3,213	\$716,031
Liabilities		
Undistributed Monies	0	\$31,077
Deposits Held and Due to Others	0	684,954
<i>Total Liabilities</i>	0	\$716,031
Net Assets		
Held in Trust for Cemetery	213	
Endowments	3,000	
<i>Total Net Assets</i>	\$3,213	

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Year Ended December 31, 2010

	Private Purpose Trust
	Cemetery
Additions	
Interest	\$57
Deductions	
Materials and Supplies	123
<i>Change in Net Assets</i>	(66)
<i>Net Assets Beginning of Year</i>	3,279
<i>Net Assets End of Year</i>	\$3,213

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 1 – Description of the City and Reporting Entity

The City of Brecksville (the "City") was incorporated under the laws of the State of Ohio in 1921, and adopted its first charter in 1956. The Charter provides for a Mayor-Council form of government. The Mayor is elected for a four-year term and the seven Council members are elected at large for staggered terms. Four Council members are elected at each regular municipal election in November of odd numbered years. Of the four elected, the three receiving the highest number of votes serve a term of four years and the fourth serves a term of two years.

Reporting Entity

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

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

The City participates in one insurance purchasing pool, the Ohio Association of Public Treasurers rating pool and two jointly governed organizations, the Southwest Council of Governments and the Northeast Ohio Public Energy Council. A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is neither ongoing financial interest nor responsibility on the part of the participating governments. These organizations are discussed in Note 19 and 20 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service fund unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the City's accounting policies are described below.

Basis of Presentation

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. These statements usually distinguish between those activities of the City that are governmental and those that are considered business-type. The City, however, has no business-type activities.

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

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

Fund Accounting

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

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

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

Fire Department Fund This fund is used to account for monies derived from a 3.4 mill charter levy restricted to providing equipment and personnel for the department.

Special Assessment Bond Retirement Fund This fund is used to account for the collection of special assessments levied against benefited properties restricted for the payment of special assessment related costs.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

General Municipal Improvement Fund This fund accounts for the .5 percent increase in City income tax committed for the acquisition, construction, and improvement of various facilities within the City.

Buildings and Improvements Fund This fund accounts for City income tax committed to the acquisition, construction, and improvement of major capital facilities.

Road Improvements Fund This fund accounts for income tax monies committed to the improvements of various City roads.

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

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

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only internal service fund is a health fund that accounts for prescription drug and hospital/medical claims of the City employees.

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

Measurement Focus

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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 changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

Basis of Accounting

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

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 8) 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), grants, fees and rentals.

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, 2010, but which were levied to finance year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

Budgetary Process

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

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

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

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through the City's 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.

During 2010, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio 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 STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2010.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to all funds. Interest revenue credited to the general fund during 2010 amounted to \$81,592, none of which was assigned from other 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies.

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

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

The City's infrastructure consists of roads, sidewalks, guardrails, traffic signals, storm sewers, sanitary sewers, and water lines and includes infrastructure acquired prior to December 31, 1980.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” Interfund balance amounts are eliminated in the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

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

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

The entire compensated absence liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employee who has accumulated unpaid leave is paid.

Accrued Liabilities and Long-Term Obligations

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

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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 enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include law enforcement, court computerization, recycling, tree planting, and natureworks.

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Operating Revenues and Expenses

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

Internal Activity

Transfers between governmental activities are eliminated on the government wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

Bond Issuance Costs

Bond issuance costs for underwriting fees and bond insurance for the community center refunding bonds and human services facility general obligation bonds are being amortized using the straight-line method over the life of the bonds on the government-wide statements. The straight-line method of amortization is not materially different from the effective-interest method. On the governmental financial statements, issuance costs are reported as an expenditure in the fiscal year in which the bonds are issued. Bond issuance costs are generally paid from bond proceeds.

As permitted by State Statute, the City paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

Bond Premium

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are receipted in the year the bonds are issued.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Deferred Loss on Refunding

The difference between the reacquisition price (funds required to refund the old debt) of the Community Center refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense. The accounting loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as part of the general obligation bonds payable on the statement of net assets.

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.

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 – Changes in Accounting Principles

For fiscal year 2010, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 51, “Accounting and Reporting for Intangible Assets” and Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”.

GASB Statement No. 51 establishes accounting and financial reporting of such assets to reduce inconsistencies, thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any change to the City’s financial statements.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement did not result in a change in total fund balance, but only the classification of fund balance on the City’s financial statements.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 4 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Fire Department	Special Assessments Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements	Other Governmental	Total
<u>Nonspendable:</u>								
Inventory	\$168,887	\$77,055	\$0	\$0	\$0	\$0	\$51,931	\$297,873
Prepays	89,084	168	0	0	0	0	0	89,252
<i>Total Nonspendable</i>	<u>257,971</u>	<u>77,223</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>51,931</u>	<u>387,125</u>
<u>Restricted for:</u>								
Unclaimed Funds	5,536	0	0	0	0	0	0	5,536
Police Department	0	0	0	0	0	0	237,603	237,603
Fire Department	0	399,428	0	0	0	0	0	399,428
Debt Service Retirement	0	0	369,885	0	0	0	106,559	476,444
Street Maintenance	0	0	0	0	0	0	980,112	980,112
Court Computerization	0	0	0	0	0	0	261,107	261,107
Recycling Demo	0	0	0	0	0	0	11,782	11,782
Other Purposes	0	0	0	0	0	0	927,553	927,553
<i>Total Restricted</i>	<u>5,536</u>	<u>399,428</u>	<u>369,885</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,524,716</u>	<u>3,299,565</u>
<u>Committed to:</u>								
Building and Improvements	0	0	0	0	921,808	0	0	921,808
Road Improvements	0	0	0	0	0	169,843	0	169,843
Community Center	0	0	0	0	0	0	246,696	246,696
Enforcement and Education	0	0	0	0	0	0	15,195	15,195
Public Utility Improvement	0	0	0	0	0	0	169,770	169,770
Fire Ambulance Capital	0	0	0	0	0	0	180,493	180,493
Other Purposes	776,399	0	0	0	0	0	16,161	792,560
<i>Total Committed</i>	<u>776,399</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>921,808</u>	<u>169,843</u>	<u>628,315</u>	<u>2,496,365</u>
<u>Assigned to:</u>								
Compensated Absences	66,640	0	0	0	0	0	0	66,640
Other Purposes	245,629	0	0	0	0	0	0	245,629
Capital Improvements	0	0	0	0	0	0	764,875	764,875
<i>Total Assigned</i>	<u>312,269</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>764,875</u>	<u>1,077,144</u>
Unassigned (Deficit)	<u>5,768,584</u>	<u>0</u>	<u>0</u>	<u>(828,692)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,939,892</u>
Total Fund Balances	<u>\$7,120,759</u>	<u>\$476,651</u>	<u>\$369,885</u>	<u>(\$828,692)</u>	<u>\$921,808</u>	<u>\$169,843</u>	<u>\$3,969,837</u>	<u>\$12,200,091</u>

Note 5 – Accountability

At December 31, 2010, the general municipal improvement capital projects fund had an individual fund deficit in the amount of \$828,692. The deficit is caused by the recognition of expenditures on the modified accrual basis of accounting. The general fund is liable for the deficit in this fund and provides transfers when cash is required, not when accruals occur.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 6 – Budgetary Basis of Accounting

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

The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as restricted, committed, or assigned fund balances (GAAP).
4. Investments reported at cost (budget) rather than fair value (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the Budget basis are as follows:

	Net Change in Fund Balance	
	General	Fire Department
GAAP Basis	\$841,171	(\$189,231)
Net Adjustment for Revenue Accruals	(14,318)	0
Beginning Fair Value Adjustment for Investments	(3,250)	0
Net Adjustment for Expenditure Accruals	(2,606)	(37,804)
Encumbrances	(1,022,028)	(34,933)
Budget Basis	<u>(\$201,031)</u>	<u>(\$261,968)</u>

Note 7 – Deposits and Investments

The City has chosen to follow State statutes and 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 monies 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 Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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 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 securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (Star Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Investments

Investments are reported at fair value. As of December 31, 2010, the City's only investment was STAR Ohio.

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City investment policy also limits security purchases to those that mature in five years unless specifically matched to a specific cash flow.

Credit Risk is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. All investments of the City carry a rating AAA by Standard & Poor's. Ohio law requires that investments in commercial paper are limited to notes rated at the time of purchase to the highest classification established by two nationally recognized standard rating services.

Note 8 – Receivables

Receivables at December 31, 2010, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), special assessments, interfund, and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for special assessments and delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$2,882,666 in the special assessments bond retirement fund. At December 31, 2010 the amount of delinquent special assessments was \$32,666.

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 2010 for real and public utility property taxes represents collections of the 2009 taxes. Property tax payments received during 2010 for tangible personal property (other than public utility property) is for 2010 taxes.

2010 real property taxes are levied after October 1, 2010 on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2010 real property taxes are collected in and intended to finance 2011.

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2010 public utility property taxes which became a lien on December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes.

Tangible personal property tax revenue received during 2010 (other than public utility property tax) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2010, was \$8.21 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate:	
Residential/Agricultural	\$468,585,650
Other Real Estate	107,226,880
Tangible Personal Property	
Public Utility	15,680,600
Total Assessed Values	\$591,493,130

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Brecksville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2010 and for which there is an enforceable legal claim. In the general, fire department, road maintenance, bond retirement and police pension funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes during the available period are not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

Income Tax

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

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, \$2,280,000 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,200,000 to the buildings and improvements fund, and \$120,000 to the road improvements fund.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

Governmental Activities:	
Homestead and Rollback	\$273,992
Local Government	190,474
Gasoline Tax	174,096
NOPEC Grant	135,210
Excise Tax	85,770
Inheritance Tax	69,955
Department of Energy Grant	64,500
Auto Registration	44,598
DARE Grant	27,789
Permissive Tax	16,692
EMS Grant	3,950
Other	236
Total	\$1,087,262

Note 9 – Interfund Transfers and Balances

Interfund Transfers

Interfund transfers for the year ended December 31, 2010 consisted of the following:

	Transfers To
Transfers From	Other Governmental Funds
General	\$700,000
General Municipal Improvement	845,000
Buildings and Improvements	880,000
Other Governmental Funds	22,956
<i>Total All Funds</i>	\$2,447,956

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. A transfer from the general fund to the community center fund of \$700,000 was to fund its operations. To provide funds for loan payments, transfers totaling \$547,956 were made to the issue II fund from the general municipal improvement fund and the road maintenance fund. The general bond retirement fund is funded for loan payment obligations from the buildings and improvements fund. In 2010, this amount was \$1,200,000.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Interfund Balances

The general municipal improvement and road improvements major capital projects funds had interfund payable balances of \$149,748 and \$65,252, respectively, and the general fund had an interfund receivable balance of \$215,000 due to the issuance of a manuscript bond.

The manuscript bond represents a special assessment bond that was issued on August 13, 2008, at 5.05 percent. This bond is due on December 1, 2025, and was used for construction of an access road off Route 21. The manuscript bond was issued by the City and purchased by the general fund.

Note 10 – Capital Assets

A summary of changes in capital assets during 2010 follows:

Governmental Activities	Balance 12/31/2009	Additions	Deductions	Balance 12/31/2010
<i>Capital Assets not being Depreciated:</i>				
Land	\$7,108,903	\$0	\$0	\$7,108,903
Construction in Progress	4,805,705	2,080,071	(4,969,929)	1,915,847
Total Capital Assets not being Depreciated	11,914,608	2,080,071	(4,969,929)	9,024,750
<i>Capital Assets being Depreciated:</i>				
Land Improvements	3,615,421	843,031	(15,655)	4,442,797
Buildings and Improvements	27,770,985	150,167	(27,500)	27,893,652
Machinery and Equipment	10,875,362	964,917	(322,180)	11,518,099
Furniture and Fixtures	266,254	169,727	(130,830)	305,151
Infrastructure:				
Roads	36,827,204	4,153,822	0	40,981,026
Sidewalks	3,589,949	0	0	3,589,949
Guardrails	425,927	18,823	0	444,750
Traffic Signals	2,314,614	0	0	2,314,614
Storm Sewers	7,758,543	313,262	0	8,071,805
Sanitary Sewers	12,775,039	0	(3,748)	12,771,291
Water Lines	9,469,758	0	0	9,469,758
Total Capital Assets being Depreciated	115,689,056	6,613,749	(499,913)	121,802,892
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(787,654)	(190,713)	15,655	(962,712)
Buildings and Improvements	(9,076,399)	(669,570)	27,500	(9,718,469)
Machinery and Equipment	(6,026,878)	(642,336)	322,177	(6,347,037)
Furniture and Fixtures	(174,309)	(64,147)	130,830	(107,626)
Infrastructure:				
Roads	(20,946,107)	(1,055,426)	0	(22,001,533)
Sidewalks	(2,774,238)	(77,161)	0	(2,851,399)
Guardrails	(368,781)	(2,682)	0	(371,463)
Traffic Signals	(699,089)	(107,329)	0	(806,418)
Storm Sewers	(2,049,513)	(64,107)	0	(2,113,620)
Sanitary Sewers	(2,992,310)	(182,402)	3,748	(3,170,964)
Water Lines	(2,517,785)	(66,952)	0	(2,584,737)
Total Accumulated Depreciation	(48,413,063)	(3,122,825)*	499,910	(51,035,978)
Total Capital Assets being Depreciated, Net	67,275,993	3,490,924	(3)	70,766,914
Governmental Activities Capital Assets, Net	\$79,190,601	\$5,570,995	(\$4,969,932)	\$79,791,664

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

*Depreciation expense was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$211,543
Public Safety:	
Police	104,204
Fire	154,181
Public Health Services	301,701
Street Construction, Maintenance and Repair	1,314,092
Housing and Community Development	36,158
Basic Utility Services	643,599
Recreational Activities	357,347
Total Depreciation Expense	<u>\$3,122,825</u>

Note 11 – Contingencies

Grants

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2010.

Litigation

There are three lawsuits pending against the City and none contain monetary claims, so there is no pending liability at this time.

Note 12 – Other Employee Benefits

Compensated Absences

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

Employees earn sick leave at the rate of 6.46 hours per pay for firefighters and 4.61 hours per pay for all other employees. Sick leave accumulation is limited to 120 days for police and unlimited for all others. Upon retirement or death, an employee can be paid thirty-three percent of accumulated, unused sick leave.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Dental Insurance

The City provides dental benefits to employees through Assurant. The family and single premiums for 2010 were \$85.36 and \$27.55, respectively.

Note 13 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, 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 Pension 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. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2010, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 10.5 percent and 11.1 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2010, member and employer contribution rates were consistent across all three plans.

The City's 2010 contribution rate was 14 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.87 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010. Employer contribution rates are actuarially determined.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2010, 2009, and 2008 were \$565,365, \$528,136, and \$462,707, respectively. For 2010, 92.95 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008. Contributions to the Member-Directed Plan for 2010 were \$11,001 made by the City and \$9,644 made by plan members.

Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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 OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code requires plan members to contribute 10 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters were \$284,347 and \$204,291 for the year ended December 31, 2010, \$287,975 and \$204,702 for the year ended December 31, 2009, and \$287,133 and \$208,926 for the year ended December 31, 2008, respectively. For 2010, 91.31 percent for police and 91.18 percent for firefighters has been contributed with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

Note 14 – Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

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

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14 percent of covered payroll, and public safety and law enforcement employers contributed at 17.87 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2010, 2009, and 2008 were \$322,311, \$381,884, and \$462,707, respectively. For 2010, 92.95 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Police and Firemen's Disability and Pension Fund

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

OP&F provides access to post-retirement health care coverage for 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. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24 percent of covered payroll for police and fire employers, respectively. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2010, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$150,537 and \$79,940 for the year ended December 31, 2010, \$152,458 and \$80,101 for the year ended December 31, 2009, and \$152,011 and \$81,754 for the year ended December 31, 2008, respectively. For 2010, 91.31 percent has been contributed for police and 91.18 percent has been contributed for firefighters with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 15 – Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2010, the City contracted with Wichert Insurance Services for various types of insurance as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Wichert Insurance Services	Blanket Building/Contents	\$42,625,685
	Boiler and Machinery	44,203,613
	Contractors Equipment	1,219,587
	Crime	250,000
	Public Officials Liability	1,000,000
	General Liability	1,000,000
	Garage Keepers Liability	120,000
	Auto	1,000,000
	Umbrella Liability	10,000,000

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

Workers' Compensation

The City participates in the Ohio Association of Public Treasurers (OAPT) rating pool (See Note 19). The intent of the OAPT is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management by virtue of its grouping and representation with other participants. The workers' compensation experience rating of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the OAPT. Each participant pays its workers' compensation premium to the State based on the rate for the OAPT group rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the OAPT. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the OAPT. Participation in the OAPT is limited to cities that can meet the OAPT's selection criteria. The firm of Integrated Consulting Services provides administrative, cost control and actuarial services to the OAPT.

Employee Insurance Benefits

The City manages employee prescriptions and health benefits on a self-insured basis. The employee health benefit plan provides basic health coverage through Medical Mutual, the third-party administrator of the program, which reviews and pays the claims. A specific excess loss coverage insurance (stop-loss) policy with Medical Mutual covers claims in excess of \$85,000 per person per year to a maximum specific benefit of \$2,500,000 per person.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

The claims liability of \$160,936, reported in the self-insurance fund at December 31, 2010, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

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

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payment</u>	<u>Balance at End of Year</u>
2009	\$104,122	\$360,764	\$282,474	\$182,412
2010	182,412	323,524	345,000	160,936

Note 16 – Long-Term Obligations

The original issue date, interest rate, original issuance amount and maturity date for each of the City's long-term obligations follows:

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
General Obligation				
Community Center Refunding - 1997	1997	3.75% to 5.10%	1,585,000	December 1, 2012
Community Center Refunding - 2004	2004	2.00% to 3.00%	1,785,000	December 1, 2012
Human Services Facility	2004	2.10% to 5.00%	6,000,000	December 1, 2023
Tree Farm Property	2005	3.00% to 4.75%	4,205,000	December 1, 2025
Special Assessment				
Route 21 Access Road	2005	3.10% to 4.75%	165,000	December 1, 2025
Oakhurst-Fitzwater Sanitary Sewer Refunding	1997	3.75% to 5.10%	875,000	December 1, 2012
Southpointe Parkway	1997	3.85% to 5.35%	1,190,000	December 1, 2017
Service Road Sewer and Water	2001	4.00% to 4.90%	935,000	December 1, 2021
Four Seasons Sewer and Water	2001	4.00% to 4.90%	1,265,000	December 1, 2021
Route 21, Hilton, Whitewood Sewer and Storm	2005	3.00% to 5.00%	1,075,000	December 1, 2025
OPWC Loans				
Elm Street Improvement	1996	0.00%	234,638	January 1, 2016
Fairview, Pershing, Wallings Water Main	1999	0.00%	224,480	January 1, 2019
Brecksville Center and Old Town Water Main	1999	0.00%	224,475	July 1, 2019
Route 21, Hilton, Whitewood Sanitary Sewer	2005	0.00%	231,143	July 1, 2025
Fitzwater, Riverview, Wiese, Carriage Hill Cleaning	2006	0.00%	162,934	January 1, 2027

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

A schedule of changes in bonds and other long-term obligations of the City during 2010 follows:

	Principal Outstanding 12/31/2009	Additions	Deletions	Principal Outstanding 12/31/2010	Amounts Due in One Year
Governmental Activities					
<i>General Obligations Bonds:</i>					
Community Center Refunding - 1997	\$485,000	\$0	(\$155,000)	\$330,000	\$160,000
Community Center Refunding - 2004	630,000	0	(205,000)	425,000	210,000
Unamortized Loss	(5,782)	0	1,928	(3,854)	0
Premium on Refunding Bonds	601	0	(200)	401	0
Total Community Center Refunding Bonds	624,819	0	(203,272)	421,547	210,000
Human Services Facility Bonds	4,615,000	0	(255,000)	4,360,000	265,000
Premium on Bonds	79,436	0	(5,674)	73,762	0
Total Human Services Facility Bonds	4,694,436	0	(260,674)	4,433,762	265,000
Tree Farm Property Bonds	3,600,000	0	(170,000)	3,430,000	175,000
Premium on Bonds	60,801	0	(3,800)	57,001	0
Total Tree Farm Property Bonds	3,660,801	0	(173,800)	3,487,001	175,000
Total General Obligation Bonds	9,465,056	0	(792,746)	8,672,310	810,000
<i>Special Assessment Bonds with Governmental Commitment:</i>					
Route 21 Access Road	150,000	0	(5,000)	145,000	5,000
Premium on Bonds	2,090	0	(131)	1,959	0
Total Route 21 Access Road	152,090	0	(5,131)	146,959	5,000
Oakhurst-Fitzwater Sanitary Sewer Refunding	270,000	0	(85,000)	185,000	90,000
Southpointe Parkway	605,000	0	(65,000)	540,000	65,000
Service Road Sewer and Water	615,000	0	(45,000)	570,000	50,000
Four Seasons Sewer and Water	890,000	0	(60,000)	830,000	60,000
Route 21, Hilton, Whitewood Sewer and Storm	935,000	0	(40,000)	895,000	45,000
Total Special Assessment Bonds	3,467,090	0	(300,131)	3,166,959	315,000
<i>OPWC Loans:</i>					
Elm Street Improvement	76,257	0	(11,732)	64,525	11,732
Fairview, Pershing, Walling Water Main	101,016	0	(11,224)	89,792	11,224
Brecksville Center and Old Town Water Main	106,625	0	(11,224)	95,401	11,224
Route 21, Hilton, Whitewood Sanitary Sewer	179,136	0	(11,557)	167,579	11,557
Fitzwater, Riverview Wiese, Carriage Hill Cleaning	138,493	0	(8,147)	130,346	8,147
Total OPWC Loans	601,527	0	(53,884)	547,643	53,884
Compensated Absences	827,511	138,468	(133,360)	832,619	190,865
Total Governmental Activities	\$14,361,184	\$138,468	(\$1,280,121)	\$13,219,531	\$1,369,749

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

The OPWC loans will be paid with monies from the Issue II capital projects fund. The OPWC administers Issue II loans. Compensated absences will be paid from the general fund and the fire department and community center special revenue funds.

On September 1, 1991, the City issued \$2,000,000 in general obligation bonds for construction of the Brecksville Community Center. The bonds were issued for a twenty year period with final maturity at December 1, 2012. On October 9, 1997, \$1,585,000 of these bonds were refunded and re-issued at a lower interest rate with final maturity at December 1, 2012. At December 31, 2010, \$330,000 of these bonds were outstanding.

On September 8, 1992 the City issued \$3,000,000 in general obligation bonds for construction of the Brecksville Community Center. The bonds were issued for a twenty year period with final maturity at December 1, 2012. On March 1, 2004, \$1,785,000 of these bonds were refunded and re-issued at a lower interest rate with final maturity at December 1, 2012.

On March 1, 2004, the City issued \$6,000,000 in general obligation bonds for construction of the Human Services Facility and Community Center expansion. The bonds were issued for a twenty year period with final maturity at December 1, 2023.

On October 27, 2005, the City issued \$4,205,000 in general obligation bonds for the purchase of the Cleveland Tree Farm property. The bonds were issued for a twenty year period with final maturity at December 1, 2025.

On October 19, 2005, the City issued \$165,000 in special assessment bonds for construction of an access road off Route 21. The bonds were issued for a twenty year period with final maturity at December 1, 2025.

On September 1, 1991, the City issued \$1,000,000 in special assessment bonds for sanitary sewer construction on Oakhurst Road and Fitzwater Road. The bonds were issued for a twenty one year period with final maturity at December 1, 2012. On October 9, 1997, \$875,000 of these bonds were refunded and re-issued at a lower rate with final maturity at December 1, 2012.

On October 9, 1997, the City issued \$1,190,000 in special assessment bonds for improvements to Southpointe Parkway including storm sewers, sanitary sewers, water mains and road construction. The bonds were issued for a twenty year period with final maturity at December 1, 2017.

On September 1, 2001, the City issued \$935,000 in special assessment bonds for sanitary sewer and water main construction on Service Road. The bonds were issued for a twenty year period with final maturity at December 1, 2021.

On September 1, 2001, the City issued \$1,265,000 in special assessment bonds for sanitary sewer and water main construction in the Four Seasons of Brecksville subdivision. The bonds were issued for a twenty year period with final maturity at December 1, 2021.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

On September 8, 2005, the City issued \$1,075,000 in special assessment bonds for sanitary sewer construction on Route 21 and on Hilton and Whitewood Roads. The bonds were issued for a twenty year period with final maturity at December 1, 2025.

The City's overall legal debt margin was \$53,668,338 at December 31, 2010. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2010, are as follows:

	General Obligation Bonds		Special Assessment Bonds		OPWC Loans	Totals
	Principal	Interest	Principal	Interest	Principal	
2011	\$810,000	\$389,524	\$315,000	\$151,811	\$53,884	\$1,720,219
2012	835,000	348,063	335,000	137,712	53,884	1,709,659
2013	465,000	295,703	235,000	129,991	53,884	1,179,578
2014	485,000	279,942	245,000	111,449	53,884	1,175,275
2015	505,000	262,868	255,000	99,986	53,884	1,176,738
2016-2020	2,840,000	1,009,030	1,195,000	314,582	177,338	5,535,950
2021-2025	2,605,000	326,838	585,000	75,107	92,744	3,684,689
2026	0	0	0	0	8,141	8,141
Total	\$8,545,000	\$2,911,968	\$3,165,000	\$1,020,638	\$547,643	\$16,190,249

Note 17 – Notes Payable

	Principal Outstanding 12/31/2009	Additions	Deletions	Principal Outstanding 12/31/2010
Various Purpose Note - 2009	\$2,400,000	\$0	(\$2,400,000)	\$0
Various Purpose Note - 2010	0	2,000,000	0	2,000,000
Total	\$2,400,000	\$2,000,000	(\$2,400,000)	\$2,000,000

On June 16, 2010, the City retired the \$2,400,000 Various Purpose Bond Anticipation Note that was issued in 2009 with an interest rate of 1.50 percent. On June 15, 2010, the City issued a \$2,000,000 Various Purpose Bond Anticipation Note. The note has an interest rate of .85 percent and a maturity date of June 15, 2011. The total principal and interest amount due on the maturity date will be \$2,029,880. The \$2,000,000 note is split for the following projects: \$800,000 for storm water sewer improvements and \$1,200,000 for the Katherine Boulevard access.

Note 18 – Operating Lease

During 2004, the City entered into an operating lease with the Cuyahoga County Port Authority for a piece of land. The lease is an economic development program designed to bring consolidated operations of the House of LaRose distribution center and corporate offices into the City of Brecksville from their existing facilities in Akron and Cuyahoga Heights. As an incentive for the House of LaRose to locate within the City, the City developed a plan whereby the Cleveland-Cuyahoga County Port Authority agreed to purchase a portion of the land needed for this consolidation and expansion project which in turn leased this land to the City of Brecksville. The City in turn subleased the property to the House of LaRose. Recognizing the job creation and revenue generation potential for the City and County, the City and Port Authority utilized the following structure to bring this consolidation and expansion project to

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

fruition. The Port Authority agreed to issue tax-exempt revenue bonds and use the proceeds of the bonds to acquire the land. The City and Port Authority then entered into an annual lease agreement (renewable for ten years) where the City leases the land for an amount equal to the bond payment of the Port Authority plus some administrative fees. The City then subleases the property to the House of LaRose for their operations for \$1 a year. In return for the House of LaRose's sublease, they agree to reach a job creation and retention goal along with an aggregate wage structure for these jobs. Provided the House of LaRose complies with the terms of the economic development agreement for the ten-year period, they have the option to purchase the land from the Port Authority for \$10. The City's participation in the annual lease would end at that time, and it would have no future obligation related to the agreement or acquire any assets. The City paid \$257,175 on the lease in 2010.

The City will be making the following lease payments in:

2011	\$258,675
2012	259,750
2013	255,400
2014	<u>475,838</u>
Total	<u><u>\$1,249,663</u></u>

Note 19 – Insurance Purchasing Pool

The Ohio Association of Public Treasurers rating pool has created a group insurance pool for purpose of creating a group rating plan for workers' compensation. The governing body is comprised of the members who have been appointed by the respective governing body of each member.

The intent of the pool is to achieve a reduced rate for the City and the other group members. The injury claim history of all participating members is used to calculate a common rate for the group. An annual fee is paid to Integrated Consulting to administer the group and to manage any injury claims. Premium savings created by the group are prorated to each member entity annually based on claims experience of each member as compared to the total claims experience of the group.

Note 20 – Jointly Governed Organizations

Southwest Council of Governments

The Southwest Council of Governments (the Council) 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 2010, the City contributed \$13,000, which represents 5.55 percent of total contributions.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

The Council has established two subsidiary organizations, the Hazardous Material Response Team (“HAZ MAT”) which provides hazardous material protections and assistance and the Southwest Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team. The Council’s financial statements may be obtained by contacting the Southwest Council of Governments, 11 Berea Commons, Berea, Ohio 44017.

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

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. In 2010, the City made no contributions. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting Joseph Migliorini, the Board Chairman, at 31320 Solon Road, Suite 20 Solon, Ohio, 44139 or at the website www.nopecinfo.org.

Note 21 – Contractual Commitments

At December 31, 2010, the City’s significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
Storm Drainage Projects	\$421,452	\$302,473	\$118,979
Street Construction	135,623	30,191	105,432
Sanitary Sewer	85,240	75,950	9,290
Land Improvement	2,900	437	2,463
Building Improvements	151,450	0	151,450
Software	192,411	160,615	31,796
Retaining Walls	12,312	4,581	7,731
Professional Services	325,043	233,439	91,604
Social Services	3,920	1,960	1,960
Police Equipment	14,000	2,353	11,647
Fire Equipment	33,919	28,754	5,165
Service Equipment	153,638	0	153,638
Totals	<u>\$1,531,908</u>	<u>\$840,753</u>	<u>\$691,155</u>

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 22 – Donor Restricted Endowments

The City's private purpose trust fund includes donor restricted endowments. Endowments, in the amount of \$3,000, represent the principal portion. The amount of interest on donor restricted investments that is available for expenditures by the City is \$213 and is included as held in trust for cemetery. State law permits the City to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used for the decoration of specifically named graves.

Note 23 – Subsequent Event

On May 3, 2011, the City issued bond anticipation notes in the amount of \$400,000 for Tamarack Trail storm water system improvements for a detention basin and culverts. Also, on this date, the City issued \$900,000 in bond anticipation notes for a sanitary sewer and connecting laterals on Riverview Road.

**Combining and Individual
Fund Statements and Schedules**

Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

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

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

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

Community Center Fund - This fund accounts for membership fees, program fees, and general fund subsidies committed to the operations of the Community Center.

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

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

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

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

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

Natureworks Grants Fund - This fund accounts for grant monies and investment interest restricted for the purpose of adding a recreational facility to the Blossom Complex.

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

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

Law Enforcement Mandatory Drug Fund - This fund accounts for monies received from drug fines and forfeited bonds restricted for drug investigations.

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

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

Memorial Fund - This fund accounts for donations committed to memorials for deceased community members.

Peace Officer Training Fund - This fund accounts for the collection and disbursement of certain grant funds received from the State of Ohio restricted to certain law enforcement trainings.

Nonmajor Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

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

Nonmajor Capital Projects Funds

Capital projects funds are used to account and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds or for assets that will be held in trust.

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

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

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Capital Projects Funds (continued)

Police Station Building Fund - This fund accounts for monies assigned for the financing, construction, and related costs of improvements to the police station building.

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

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

Fire Ambulance Capital Fund - This fund shall receive funds primarily from the billing of ambulance services provided by the fire department. Expenditures from this fund shall be committed to the acquisition of fire department equipment.

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,952,042	\$106,559	\$1,899,302	\$3,957,903
Materials and Supplies Inventory	51,931	0	0	51,931
Accounts Receivable	131	0	26,511	26,642
Intergovernmental Receivable	364,541	0	0	364,541
Property Taxes Receivable	707,972	0	0	707,972
<i>Total Assets</i>	<u>\$3,076,617</u>	<u>\$106,559</u>	<u>\$1,925,813</u>	<u>\$5,108,989</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$54,211	\$0	\$8,753	\$62,964
Contracts Payable	3,760	0	0	3,760
Accrued Wages	34,779	0	0	34,779
Intergovernmental Payable	18,648	0	0	18,648
Deferred Revenue	1,019,001	0	0	1,019,001
<i>Total Liabilities</i>	<u>1,130,399</u>	<u>0</u>	<u>8,753</u>	<u>1,139,152</u>
Fund Balances				
Nonspendable	51,931	0	0	51,931
Restricted	1,616,235	106,559	801,922	2,524,716
Committed	278,052	0	350,263	628,315
Assigned	0	0	764,875	764,875
<i>Total Fund Balances</i>	<u>1,946,218</u>	<u>106,559</u>	<u>1,917,060</u>	<u>3,969,837</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,076,617</u>	<u>\$106,559</u>	<u>\$1,925,813</u>	<u>\$5,108,989</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$683,297	\$17	\$0	\$683,314
Charges for Services	901,275	0	239,438	1,140,713
Licenses and Permits	30,634	0	88,755	119,389
Fines and Forfeitures	17,532	0	0	17,532
Intergovernmental	834,172	0	360	834,532
Interest	41,694	0	15,062	56,756
Donations	3,615	0	0	3,615
Rentals	42,987	0	0	42,987
Miscellaneous	14,120	0	0	14,120
<i>Total Revenues</i>	<u>2,569,326</u>	<u>17</u>	<u>343,615</u>	<u>2,912,958</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	1,631	0	0	1,631
Judicial System	36,333	0	0	36,333
Public Safety:				
Police	99,552	0	0	99,552
Street Construction, Maintenance, and Repair	1,789,822	0	0	1,789,822
Housing and Community Development	5,038	0	0	5,038
Basic Utility Services	3,499	0	0	3,499
Recreational Activities	1,846,298	0	0	1,846,298
Capital Outlay	0	0	172,398	172,398
Debt Service:				
Principal Retirement	0	785,000	53,884	838,884
Interest and Fiscal Charges	0	389,577	0	389,577
<i>Total Expenditures</i>	<u>3,782,173</u>	<u>1,174,577</u>	<u>226,282</u>	<u>5,183,032</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,212,847)</u>	<u>(1,174,560)</u>	<u>117,333</u>	<u>(2,270,074)</u>
Other Financing Sources (Uses)				
Transfers In	700,000	1,200,000	547,956	2,447,956
Transfers Out	(22,956)	0	0	(22,956)
<i>Total Other Financing Sources (Uses)</i>	<u>677,044</u>	<u>1,200,000</u>	<u>547,956</u>	<u>2,425,000</u>
<i>Net Change in Fund Balances</i>	(535,803)	25,440	665,289	154,926
<i>Fund Balances Beginning of Year</i>	<u>2,482,021</u>	<u>81,119</u>	<u>1,251,771</u>	<u>3,814,911</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,946,218</u></u>	<u><u>\$106,559</u></u>	<u><u>\$1,917,060</u></u>	<u><u>\$3,969,837</u></u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center	Road Maintenance	Federal Equitable Sharing
Assets						
Equity in Pooled Cash and Cash Equivalents	\$26,546	\$491,468	\$67,944	\$312,679	\$383,947	\$4,585
Materials and Supplies Inventory	0	51,931	0	0	0	0
Accounts Receivable	0	0	0	56	0	0
Intergovernmental Receivable	16,692	281,634	22,830	0	33,373	0
Property Taxes Receivable	0	0	0	0	544,594	0
<i>Total Assets</i>	<u>\$43,238</u>	<u>\$825,033</u>	<u>\$90,774</u>	<u>\$312,735</u>	<u>\$961,914</u>	<u>\$4,585</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$0	\$0	\$0	\$8,852	\$43,305	\$0
Contracts Payable	0	0	0	3,760	0	0
Accrued Wages	0	0	0	34,779	0	0
Intergovernmental Payable	0	0	0	18,648	0	0
Deferred Revenue	13,924	234,695	19,025	0	577,967	0
<i>Total Liabilities</i>	<u>13,924</u>	<u>234,695</u>	<u>19,025</u>	<u>66,039</u>	<u>621,272</u>	<u>0</u>
Fund Balances						
Nonspendable	0	51,931	0	0	0	0
Restricted	29,314	538,407	71,749	0	340,642	4,585
Committed	0	0	0	246,696	0	0
<i>Total Fund Balances</i>	<u>29,314</u>	<u>590,338</u>	<u>71,749</u>	<u>246,696</u>	<u>340,642</u>	<u>4,585</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$43,238</u>	<u>\$825,033</u>	<u>\$90,774</u>	<u>\$312,735</u>	<u>\$961,914</u>	<u>\$4,585</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2010

	Indigent Drivers	Enforcement and Education	Court Computerization	Natureworks Grants	Recycling Demo	Tree Planting Grants
Assets						
Equity in Pooled Cash and Cash Equivalents	\$18,500	\$31,707	\$261,771	\$950	\$11,782	\$124,681
Materials and Supplies Inventory	0	0	0	0	0	0
Accounts Receivable	0	30	0	0	0	0
Intergovernmental Receivable	0	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$18,500</u>	<u>\$31,737</u>	<u>\$261,771</u>	<u>\$950</u>	<u>\$11,782</u>	<u>\$124,681</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$0	\$0	\$664	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0	0
Accrued Wages	0	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>664</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances						
Nonspendable	0	0	0	0	0	0
Restricted	18,500	16,542	261,107	950	11,782	124,681
Committed	0	15,195	0	0	0	0
<i>Total Fund Balances</i>	<u>18,500</u>	<u>31,737</u>	<u>261,107</u>	<u>950</u>	<u>11,782</u>	<u>124,681</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$18,500</u>	<u>\$31,737</u>	<u>\$261,771</u>	<u>\$950</u>	<u>\$11,782</u>	<u>\$124,681</u>

Law Enforcement	Law Enforcement Mandatory Drug	Vehicle Immobilization	Police Pension	Memorial	Peace Officer Training	Total Nonmajor Special Revenue Funds
\$47,155	\$41,730	\$50,600	\$54,702	\$17,551	\$3,744	\$1,952,042
0	0	0	0	0	0	51,931
45	0	0	0	0	0	131
0	0	0	10,012	0	0	364,541
0	0	0	163,378	0	0	707,972
<u>\$47,200</u>	<u>\$41,730</u>	<u>\$50,600</u>	<u>\$228,092</u>	<u>\$17,551</u>	<u>\$3,744</u>	<u>\$3,076,617</u>
\$0	\$0	\$0	\$0	\$1,390	\$0	\$54,211
0	0	0	0	0	0	3,760
0	0	0	0	0	0	34,779
0	0	0	0	0	0	18,648
0	0	0	173,390	0	0	1,019,001
0	0	0	173,390	1,390	0	1,130,399
0	0	0	0	0	0	51,931
47,200	41,730	50,600	54,702	0	3,744	1,616,235
0	0	0	0	16,161	0	278,052
<u>47,200</u>	<u>41,730</u>	<u>50,600</u>	<u>54,702</u>	<u>16,161</u>	<u>3,744</u>	<u>1,946,218</u>
<u>\$47,200</u>	<u>\$41,730</u>	<u>\$50,600</u>	<u>\$228,092</u>	<u>\$17,551</u>	<u>\$3,744</u>	<u>\$3,076,617</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	901,275
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	35,882	600,961	48,337	0
Interest	492	10,816	852	9,809
Donations	0	0	0	3,615
Rentals	0	0	0	42,987
Miscellaneous	0	0	0	14,120
<i>Total Revenues</i>	<u>36,374</u>	<u>611,777</u>	<u>49,189</u>	<u>971,806</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial System	0	0	0	0
Public Safety:				
Police	0	0	0	0
Street Construction, Maintenance, and Repair	30,000	955,285	16,425	0
Housing and Community Development	0	0	0	0
Basic Utility Services	0	0	0	0
Recreational Activities	0	0	0	1,846,298
<i>Total Expenditures</i>	<u>30,000</u>	<u>955,285</u>	<u>16,425</u>	<u>1,846,298</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,374</u>	<u>(343,508)</u>	<u>32,764</u>	<u>(874,492)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	700,000
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>700,000</u>
<i>Net Change in Fund Balances</i>	6,374	(343,508)	32,764	(174,492)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>22,940</u>	<u>933,846</u>	<u>38,985</u>	<u>421,188</u>
<i>Fund Balances End of Year</i>	<u>\$29,314</u>	<u>\$590,338</u>	<u>\$71,749</u>	<u>\$246,696</u>

Road Maintenance	Federal Equitable Sharing	Indigent Drivers	Enforcement and Education	Court Computerization	Natureworks Grants
\$525,613	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	16,884	0
0	0	600	2,126	0	0
109,564	0	0	2,400	0	0
11,158	80	318	875	4,795	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>646,335</u>	<u>80</u>	<u>918</u>	<u>5,401</u>	<u>21,679</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	36,333	0
0	0	27	25,835	0	0
788,112	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>788,112</u>	<u>0</u>	<u>27</u>	<u>25,835</u>	<u>36,333</u>	<u>0</u>
<u>(141,777)</u>	<u>80</u>	<u>891</u>	<u>(20,434)</u>	<u>(14,654)</u>	<u>0</u>
0	0	0	0	0	0
<u>(22,956)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(22,956)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(164,733)</u>	<u>80</u>	<u>891</u>	<u>(20,434)</u>	<u>(14,654)</u>	<u>0</u>
<u>505,375</u>	<u>4,505</u>	<u>17,609</u>	<u>52,171</u>	<u>275,761</u>	<u>950</u>
<u>\$340,642</u>	<u>\$4,585</u>	<u>\$18,500</u>	<u>\$31,737</u>	<u>\$261,107</u>	<u>\$950</u>

(continued)

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2010

	Recycling Demo	Tree Planting Grants	Law Enforcement	Law Enforcement Mandatory Drug
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0
Licenses and Permits	0	13,750	0	0
Fines and Forfeitures	0	0	9,471	1,800
Intergovernmental	3,499	0	0	0
Interest	205	0	680	704
Donations	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>3,704</u>	<u>13,750</u>	<u>10,151</u>	<u>2,504</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial System	0	0	0	0
Public Safety:				
Police	0	0	0	0
Street Construction, Maintenance, and Repair	0	0	0	0
Housing and Community Development	0	5,038	0	0
Basic Utility Services	3,499	0	0	0
Recreational Activities	0	0	0	0
<i>Total Expenditures</i>	<u>3,499</u>	<u>5,038</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>205</u>	<u>8,712</u>	<u>10,151</u>	<u>2,504</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	205	8,712	10,151	2,504
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>11,577</u>	<u>115,969</u>	<u>37,049</u>	<u>39,226</u>
<i>Fund Balances End of Year</i>	<u><u>\$11,782</u></u>	<u><u>\$124,681</u></u>	<u><u>\$47,200</u></u>	<u><u>\$41,730</u></u>

Vehicle Immobilization	Police Pension	Memorial	Peace Officer Training	Total Nonmajor Special Revenue Funds
\$0	\$157,684	\$0	\$0	\$683,297
0	0	0	0	901,275
0	0	0	0	30,634
3,535	0	0	0	17,532
0	32,869	0	660	834,172
848	0	0	62	41,694
0	0	0	0	3,615
0	0	0	0	42,987
0	0	0	0	14,120
<u>4,383</u>	<u>190,553</u>	<u>0</u>	<u>722</u>	<u>2,569,326</u>
0	0	1,631	0	1,631
0	0	0	0	36,333
0	73,690	0	0	99,552
0	0	0	0	1,789,822
0	0	0	0	5,038
0	0	0	0	3,499
0	0	0	0	1,846,298
<u>0</u>	<u>73,690</u>	<u>1,631</u>	<u>0</u>	<u>3,782,173</u>
<u>4,383</u>	<u>116,863</u>	<u>(1,631)</u>	<u>722</u>	<u>(1,212,847)</u>
0	0	0	0	700,000
0	0	0	0	(22,956)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>677,044</u>
4,383	116,863	(1,631)	722	(535,803)
<u>46,217</u>	<u>(62,161)</u>	<u>17,792</u>	<u>3,022</u>	<u>2,482,021</u>
<u>\$50,600</u>	<u>\$54,702</u>	<u>\$16,161</u>	<u>\$3,744</u>	<u>\$1,946,218</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010

	Issue II	Recreation Expansion	Police Station Building
Assets			
Equity in Pooled Cash and Cash Equivalents	\$805,491	\$72,304	\$519,196
Accounts Receivable	0	0	0
<i>Total Assets</i>	<u>\$805,491</u>	<u>\$72,304</u>	<u>\$519,196</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$3,569	\$5,184	\$0
Fund Balances			
Restricted	801,922	0	0
Committed	0	0	0
Assigned	0	67,120	519,196
<i>Total Fund Balances</i>	<u>801,922</u>	<u>67,120</u>	<u>519,196</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$805,491</u>	<u>\$72,304</u>	<u>\$519,196</u>

Sewer Improvement	Public Utility Improvement	Fire Ambulance Capital	Total Nonmajor Capital Projects Funds
\$79,955	\$268,374	\$153,982	\$1,899,302
0	0	26,511	26,511
<u>\$79,955</u>	<u>\$268,374</u>	<u>\$180,493</u>	<u>\$1,925,813</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$8,753</u>
0	0	0	801,922
0	169,770	180,493	350,263
<u>79,955</u>	<u>98,604</u>	<u>0</u>	<u>764,875</u>
<u>79,955</u>	<u>268,374</u>	<u>180,493</u>	<u>1,917,060</u>
<u>\$79,955</u>	<u>\$268,374</u>	<u>\$180,493</u>	<u>\$1,925,813</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010

	Issue II	Recreation Expansion	Police Station Building
Revenues			
Charges for Services	\$0	\$0	\$0
Licenses and Permits	0	34,935	0
Intergovernmental	360	0	0
Interest	10,861	1,384	0
<i>Total Revenues</i>	<u>11,221</u>	<u>36,319</u>	<u>0</u>
Expenditures			
Capital Outlay	49,774	52,415	0
Debt Service:			
Principal Retirement	53,884	0	0
<i>Total Expenditures</i>	<u>103,658</u>	<u>52,415</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(92,437)	(16,096)	0
Other Financing Sources			
Transfers In	547,956	0	0
<i>Net Change in Fund Balances</i>	455,519	(16,096)	0
<i>Fund Balances Beginning of Year</i>	<u>346,403</u>	<u>83,216</u>	<u>519,196</u>
<i>Fund Balances End of Year</i>	<u><u>\$801,922</u></u>	<u><u>\$67,120</u></u>	<u><u>\$519,196</u></u>

Sewer Improvement	Public Utility Improvement	Fire Ambulance Capital	Total Nonmajor Capital Projects Funds
\$0	\$0	\$239,438	\$239,438
0	53,820	0	88,755
0	0	0	360
1,395	377	1,045	15,062
1,395	54,197	240,483	343,615
0	10,219	59,990	172,398
0	0	0	53,884
0	10,219	59,990	226,282
1,395	43,978	180,493	117,333
0	0	0	547,956
1,395	43,978	180,493	665,289
78,560	224,396	0	1,251,771
<u>\$79,955</u>	<u>\$268,374</u>	<u>\$180,493</u>	<u>\$1,917,060</u>

Combining Statements - Fiduciary Funds

Fiduciary Funds

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

Private Purpose Trust Fund

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

Agency Funds

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

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

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

City of Brecksville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010

	Beginning Balance 12/31/09	Additions	Deductions	Ending Balance 12/31/10
Senior Citizens' Programs				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$20,923	\$14,398	\$4,244	\$31,077
Liabilities				
Undistributed Monies	\$20,923	\$14,398	\$4,244	\$31,077
Street Openings				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$222,992	\$18,050	\$8,750	\$232,292
Liabilities				
Deposits Held and Due to Others	\$222,992	\$18,050	\$8,750	\$232,292
Deposits and Fees				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$333,006	\$433,315	\$313,659	\$452,662
Liabilities				
Deposits Held and Due to Others	\$333,006	\$433,315	\$313,659	\$452,662
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$576,921	\$465,763	\$326,653	\$716,031
Liabilities				
Undistributed Monies	\$20,923	\$14,398	\$4,244	\$31,077
Deposits Held and Due to Others	555,998	451,365	322,409	684,954
<i>Total Liabilities</i>	\$576,921	\$465,763	\$326,653	\$716,031

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

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,725,860	\$1,833,540	\$1,834,145	\$605
Municipal Income Taxes	11,314,089	12,020,000	12,087,230	67,230
Charges for Services	49,887	53,000	54,805	1,805
Licenses and Permits	295,089	313,500	409,602	96,102
Fines and Forfeitures	240,024	255,000	287,722	32,722
Intergovernmental	985,249	1,046,721	1,056,298	9,577
Interest	98,934	105,107	110,413	5,306
Donations	7,060	7,500	4,523	(2,977)
Rentals	3,765	4,000	7,201	3,201
Miscellaneous	238,330	253,200	337,116	83,916
<i>Total Revenues</i>	<u>14,958,287</u>	<u>15,891,568</u>	<u>16,189,055</u>	<u>297,487</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Mayor:				
Salaries and Wages	165,196	168,547	164,319	4,228
Fringe Benefits	59,678	60,724	59,734	990
Materials and Supplies	7,547	7,700	2,266	5,434
Total Mayor	<u>232,421</u>	<u>236,971</u>	<u>226,319</u>	<u>10,652</u>
Finance Director:				
Salaries and Wages	258,248	263,486	250,608	12,878
Fringe Benefits	79,429	80,832	75,874	4,958
Materials and Supplies	10,553	10,767	8,822	1,945
Total Finance Director	<u>348,230</u>	<u>355,085</u>	<u>335,304</u>	<u>19,781</u>
Purchasing Department:				
Salaries and Wages	156,115	159,282	133,180	26,102
Fringe Benefits	39,378	41,081	41,081	0
Materials and Supplies	3,509	2,563	550	2,013
Total Purchasing Department	<u>199,002</u>	<u>202,926</u>	<u>174,811</u>	<u>28,115</u>
Legal Department:				
Salaries and Wages	106,702	108,866	106,475	2,391
Fringe Benefits	17,967	18,281	18,279	2
Purchased Services	122,515	125,000	124,636	364
Materials and Supplies	490	500	0	500
Total Legal Department	<u>247,674</u>	<u>252,647</u>	<u>249,390</u>	<u>3,257</u>
Legislative:				
Salaries and Wages	179,140	182,774	179,920	2,854
Fringe Benefits	55,210	56,177	55,434	743
Purchased Services	12,806	13,066	9,500	3,566
Materials and Supplies	11,889	12,130	2,575	9,555
Total Legislative	<u>\$259,045</u>	<u>\$264,147</u>	<u>\$247,429</u>	<u>\$16,718</u>

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Civil Service:				
Salaries and Wages	\$1,132	\$1,155	\$168	\$987
Purchased Services	24,993	22,750	1,972	20,778
Materials and Supplies	490	3,250	3,250	0
Total Civil Service	26,615	27,155	5,390	21,765
Information Technology:				
Salaries and Wages	188,339	192,159	188,897	3,262
Fringe Benefits	66,632	67,798	67,611	187
Purchased Services	83,831	85,531	45,705	39,826
Materials and Supplies	80,672	93,478	93,478	0
Capital Outlay	83,354	73,875	44,275	29,600
Total Information Technology	502,828	512,841	439,966	72,875
Land and Building:				
Salaries and Wages	595,141	607,213	576,477	30,736
Fringe Benefits	589,313	336,195	224,959	111,236
Purchased Services	202,889	375,613	375,613	0
Materials and Supplies	166,136	265,350	265,350	0
Total Land and Building	1,553,479	1,584,371	1,442,399	141,972
Engineer:				
Salaries and Wages	50,220	60,425	60,425	0
Fringe Benefits	56,861	57,953	22,377	35,576
Purchased Services	126,974	120,364	63,612	56,752
Materials and Supplies	5,881	6,000	65	5,935
Total Engineer	239,936	244,742	146,479	98,263
County Auditor and Treasurer:				
Fringe Benefits	87,206	88,743	84,396	4,347
Income Tax Administration:				
Salaries and Wages	20,986	21,412	21,200	212
Fringe Benefits	4,027	4,098	3,982	116
Purchased Services	417,041	425,983	425,983	0
Materials and Supplies	490	17	16	1
Total Income Tax Administration	442,544	451,510	451,181	329
Administrative Support:				
Salaries and Wages	76,516	78,068	77,214	854
Fringe Benefits	348,230	354,895	278,128	76,767
Purchased Services	1,583,006	1,840,116	1,619,488	220,628
Materials and Supplies	470,982	480,536	438,824	41,712
Capital Outlay	17,882	18,245	18,245	0
Other	3,662	3,736	3,233	503
Total Administrative Support	2,500,278	2,775,596	2,435,132	340,464
Total Legislative and Executive	\$6,639,258	\$6,996,734	\$6,238,196	\$758,538

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Judicial System:				
Mayor's Court:				
Salaries and Wages	\$108,342	\$110,540	\$107,781	\$2,759
Fringe Benefits	34,555	35,159	35,131	28
Purchased Services	24,601	25,100	20,979	4,121
Materials and Supplies	8,723	8,900	4,336	4,564
Total Judicial System	<u>176,221</u>	<u>179,699</u>	<u>168,227</u>	<u>11,472</u>
Total General Government	<u>6,815,479</u>	<u>7,176,433</u>	<u>6,406,423</u>	<u>770,010</u>
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	2,725,332	2,780,613	2,716,341	64,272
Fringe Benefits	744,984	758,072	736,667	21,405
Purchased Services	187,346	191,146	127,020	64,126
Materials and Supplies	83,405	85,097	54,440	30,657
Capital Outlay	259,358	264,619	240,882	23,737
Total Law Enforcement	<u>4,000,425</u>	<u>4,079,547</u>	<u>3,875,350</u>	<u>204,197</u>
Prisoner Support:				
Salaries and Wages	178,523	182,144	131,105	51,039
Fringe Benefits	63,126	64,231	63,771	460
Purchased Services	17,642	18,000	7,759	10,241
Materials and Supplies	26,463	27,000	24,946	2,054
Total Prisoner Support	<u>285,754</u>	<u>291,375</u>	<u>227,581</u>	<u>63,794</u>
Traffic Control				
Purchased Services	21,563	21,523	21,493	30
Materials and Supplies	1,764	2,277	2,277	0
Total Traffic Control	<u>23,327</u>	<u>23,800</u>	<u>23,770</u>	<u>30</u>
Animal Control:				
Salaries and Wages	51,983	53,037	48,830	4,207
Fringe Benefits	19,139	19,476	18,458	1,018
Purchased Services	6,878	7,018	3,151	3,867
Materials and Supplies	1,764	1,800	1,213	587
Total Animal Control	<u>79,764</u>	<u>81,331</u>	<u>71,652</u>	<u>9,679</u>
Total Police	<u>4,389,270</u>	<u>4,476,053</u>	<u>4,198,353</u>	<u>277,700</u>
Fire:				
Hydrants:				
Salaries and Wages	9,618	9,813	7,034	2,779
Purchased Services	11,761	12,000	5,503	6,497
Materials and Supplies	7,841	8,000	5,196	2,804
Total Fire	<u>29,220</u>	<u>29,813</u>	<u>17,733</u>	<u>12,080</u>
Total Public Safety	<u>\$4,418,490</u>	<u>\$4,505,866</u>	<u>\$4,216,086</u>	<u>\$289,780</u>

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Health and Social Services:				
Cemetery:				
Salaries and Wages	\$108,128	\$110,321	\$101,564	\$8,757
Materials and Supplies	5,595	5,708	3,939	1,769
Purchased Services	3,920	4,000	0	4,000
Other	1,470	1,500	825	675
Total Cemetery	<u>119,113</u>	<u>121,529</u>	<u>106,328</u>	<u>15,201</u>
Board of Health:				
Purchased Services	48,529	49,513	49,513	0
Human Services Department:				
Salaries and Wages	268,521	273,968	269,770	4,198
Fringe Benefits	80,845	82,281	74,259	8,022
Purchased Services	301,529	314,840	314,840	0
Materials and Supplies	62,925	64,201	57,866	6,335
Capital Outlay	67,780	61,960	0	61,960
Total Human Services Department	<u>781,600</u>	<u>797,250</u>	<u>716,735</u>	<u>80,515</u>
Total Public Health and Social Services	<u>949,242</u>	<u>968,292</u>	<u>872,576</u>	<u>95,716</u>
Street Construction, Maintenance, and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	619,149	631,708	570,258	61,450
Fringe Benefits	292,461	297,578	296,427	1,151
Purchased Services	46,066	47,000	44,706	2,294
Materials and Supplies	25,483	26,000	21,608	4,392
Total Street Repairs and Maintenance	<u>983,159</u>	<u>1,002,286</u>	<u>932,999</u>	<u>69,287</u>
Snow and Ice Removal:				
Salaries and Wages	201,034	205,112	193,462	11,650
Purchased Services	44,105	45,000	36,405	8,595
Materials and Supplies	13,559	13,834	10,210	3,624
Total Snow and Ice Removal	<u>258,698</u>	<u>263,946</u>	<u>240,077</u>	<u>23,869</u>
Vehicle Maintenance:				
Salaries and Wages	284,786	290,563	284,153	6,410
Fringe Benefits	80,237	81,865	81,854	11
Purchased Services	113,840	116,149	111,491	4,658
Materials and Supplies	61,804	63,058	29,703	33,355
Total Vehicle Maintenance	<u>540,667</u>	<u>551,635</u>	<u>507,201</u>	<u>44,434</u>
Total Street Construction, Maintenance and Repair	<u>\$1,782,524</u>	<u>\$1,817,867</u>	<u>\$1,680,277</u>	<u>\$137,590</u>

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Housing and Community Development:				
Planning Commission:				
Salaries and Wages	\$1,960	\$2,000	\$1,149	\$851
Fringe Benefits	331	337	206	131
Purchased Services	9,801	10,000	3,310	6,690
Total Planning Commission	12,092	12,337	4,665	7,672
Housing and Building Inspection:				
Salaries and Wages	368,602	376,079	363,341	12,738
Fringe Benefits	100,190	107,679	107,679	0
Purchased Services	126,079	122,883	108,688	14,195
Materials and Supplies	3,650	3,724	2,080	1,644
Total Housing and Building Inspection	598,521	610,365	581,788	28,577
Urban Forestry:				
Salaries and Wages	256,776	261,985	242,980	19,005
Purchased Services	37,608	32,239	27,676	4,563
Capital Outlay	7,465	13,748	13,748	0
Total Urban Forestry	301,849	307,972	284,404	23,568
Total Housing and Community Development	912,462	930,674	870,857	59,817
Basic Utility Services:				
Storm Sewers and Drains:				
Salaries and Wages	22,112	22,561	795	21,766
Materials and Supplies	7,351	7,500	2,081	5,419
Capital Outlay	9,801	10,000	4,513	5,487
Total Storm Sewers and Drains	39,264	40,061	7,389	32,672
Solid Waste and Recycling:				
Salaries and Wages	689,936	703,931	600,148	103,783
Purchased Services	369,446	376,940	363,328	13,612
Materials and Supplies	5,881	6,000	3,592	2,408
Total Solid Waste and Recycling	1,065,263	1,086,871	967,068	119,803
Service Department:				
Salaries and Wages	236,417	241,213	216,362	24,851
Fringe Benefits	82,294	83,737	82,316	1,421
Purchased Services	262,008	267,323	256,722	10,601
Materials and Supplies	13,431	13,703	12,493	1,210
Total Service Department	\$594,150	\$605,976	\$567,893	\$38,083

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Street Lighting:				
Purchased Services	\$112,959	\$115,250	\$115,250	\$0
Total Basic Utility Services	1,811,636	1,848,158	1,657,600	190,558
<i>Total Expenditures</i>	<u>16,689,833</u>	<u>17,247,290</u>	<u>15,703,819</u>	<u>1,543,471</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,731,546)</u>	<u>(1,355,722)</u>	<u>485,236</u>	<u>1,840,958</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	8,471	10,000	13,733	3,733
General Obligation Bonds Issued	9,413	9,000	0	(9,000)
Transfers Out	(900,000)	(700,000)	(700,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(882,116)</u>	<u>(681,000)</u>	<u>(686,267)</u>	<u>(5,267)</u>
<i>Net Change in Fund Balance</i>	<u>(2,613,662)</u>	<u>(2,036,722)</u>	<u>(201,031)</u>	<u>1,835,691</u>
<i>Fund Balance Beginning of Year</i>	5,034,085	5,034,085	5,034,085	0
Prior Year Encumbrances Appropriated	495,999	495,999	495,999	0
<i>Fund Balance End of Year</i>	<u>\$2,916,422</u>	<u>\$3,493,362</u>	<u>\$5,329,053</u>	<u>\$1,835,691</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,780,646	\$1,783,115	\$1,787,083	\$3,968
Intergovernmental	375,246	375,766	378,305	2,539
Interest	17,122	17,146	13,203	(3,943)
Miscellaneous	0	0	5,063	5,063
<i>Total Revenues</i>	<u>2,173,014</u>	<u>2,176,027</u>	<u>2,183,654</u>	<u>7,627</u>
Expenditures				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,709,576	1,709,259	1,584,229	125,030
Fringe Benefits	501,828	501,729	475,586	26,143
Purchased Services	252,818	252,768	207,239	45,529
Materials and Supplies	25,457	25,452	12,625	12,827
Capital Outlay	248,778	248,729	165,943	82,786
<i>Total Expenditures</i>	<u>2,738,457</u>	<u>2,737,937</u>	<u>2,445,622</u>	<u>292,315</u>
<i>Net Change in Fund Balance</i>	(565,443)	(561,910)	(261,968)	299,942
<i>Fund Balance Beginning of Year</i>	613,975	613,975	613,975	0
Prior Year Encumbrances Appropriated	<u>143,612</u>	<u>143,612</u>	<u>143,612</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$192,144</u>	<u>\$195,677</u>	<u>\$495,619</u>	<u>\$299,942</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Special Assessments	\$349,741	\$324,741	\$324,741	\$0
Interest	100,259	125,259	117,772	(7,487)
<i>Total Revenues</i>	<u>450,000</u>	<u>450,000</u>	<u>442,513</u>	<u>(7,487)</u>
Expenditures				
Current:				
Debt Service:				
Principal Retirement	309,000	309,000	309,000	0
Interest and Fiscal Charges	196,237	196,237	180,743	15,494
<i>Total Expenditures</i>	<u>505,237</u>	<u>505,237</u>	<u>489,743</u>	<u>15,494</u>
<i>Net Change in Fund Balance</i>	(55,237)	(55,237)	(47,230)	8,007
<i>Fund Balance Beginning of Year</i>	<u>417,115</u>	<u>417,115</u>	<u>417,115</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$361,878</u></u>	<u><u>\$361,878</u></u>	<u><u>\$369,885</u></u>	<u><u>\$8,007</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Municipal Improvement Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$1,531,725	\$960,000	\$960,000	\$0
Intergovernmental	1,101,045	690,074	899,590	209,516
Interest	43,965	27,555	35,871	8,316
Miscellaneous	2,394	1,500	16,248	14,748
<i>Total Revenues</i>	2,679,129	1,679,129	1,911,709	232,580
Expenditures				
Capital Outlay:				
Capital Outlay	3,101,134	2,441,206	1,674,721	766,485
Debt Service:				
Principal Retirement	2,400,000	2,400,000	2,400,000	0
Interest and Fiscal Charges	36,000	36,000	36,000	0
Total Debt Service	2,436,000	2,436,000	2,436,000	0
<i>Total Expenditures</i>	5,537,134	4,877,206	4,110,721	766,485
<i>Excess of Revenues Under Expenditures</i>	(2,858,005)	(3,198,077)	(2,199,012)	999,065
Other Financing Sources (Uses)				
General Obligation Notes Issued	2,000,000	2,000,000	2,000,000	0
Transfers Out	(845,000)	(845,000)	(845,000)	0
<i>Total Other Financing Sources (Uses)</i>	1,155,000	1,155,000	1,155,000	0
<i>Net Change in Fund Balance</i>	(1,703,005)	(2,043,077)	(1,044,012)	999,065
<i>Fund Balance Beginning of Year</i>	1,233,735	1,233,735	1,233,735	0
Prior Year Encumbrances Appropriated	855,356	855,356	855,356	0
<i>Fund Balance (Deficit) End of Year</i>	\$386,086	\$46,014	\$1,045,079	\$999,065

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Buildings and Improvements Fund
For the Year Ended December 31, 2010*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$1,200,000	\$1,200,000	\$1,200,000	\$0
Interest	7,689	7,689	10,265	2,576
Miscellaneous	100,000	100,000	100,000	0
<i>Total Revenues</i>	1,307,689	1,307,689	1,310,265	2,576
Expenditures				
Capital Outlay:				
Capital Outlay	396,820	396,820	165,310	231,510
<i>Excess of Revenues Over Expenditures</i>	910,869	910,869	1,144,955	234,086
Other Financing Uses				
Transfers Out	(880,000)	(880,000)	(880,000)	0
<i>Net Change in Fund Balance</i>	30,869	30,869	264,955	234,086
<i>Fund Balance Beginning of Year</i>	423,609	423,609	423,609	0
Prior Year Encumbrances Appropriated	1,820	1,820	1,820	0
<i>Fund Balance End of Year</i>	<u>\$456,298</u>	<u>\$456,298</u>	<u>\$690,384</u>	<u>\$234,086</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Improvements Fund
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$120,000	\$120,000	\$120,000	\$0
Interest	6,657	6,657	4,524	(2,133)
<i>Total Revenues</i>	126,657	126,657	124,524	(2,133)
Expenditures				
Capital Outlay:				
Road Repaving:				
Purchased Services	120,000	120,000	119,048	952
<i>Net Change in Fund Balance</i>	6,657	6,657	5,476	(1,181)
<i>Fund Balance Beginning of Year</i>	218,663	218,663	218,663	0
<i>Fund Balance End of Year</i>	<u>\$225,320</u>	<u>\$225,320</u>	<u>\$224,139</u>	<u>(\$1,181)</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$34,000	\$34,000	\$35,818	\$1,818
Interest	174	174	492	318
<i>Total Revenues</i>	34,174	34,174	36,310	2,136
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Street Repair and Maintenance:				
Capital Outlay	30,000	30,000	30,000	0
<i>Net Change in Fund Balance</i>	4,174	4,174	6,310	2,136
<i>Fund Balance Beginning of Year</i>	20,236	20,236	20,236	0
<i>Fund Balance End of Year</i>	<u>\$24,410</u>	<u>\$24,410</u>	<u>\$26,546</u>	<u>\$2,136</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Repair and Maintenance Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$536,329	\$600,000	\$600,648	\$648
Interest	11,192	12,521	10,816	(1,705)
<i>Total Revenues</i>	<u>547,521</u>	<u>612,521</u>	<u>611,464</u>	<u>(1,057)</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Snow and Ice Removal:				
Purchased Services	609,528	609,528	607,558	1,970
Materials and Supplies	20,000	20,000	7,400	12,600
Capital Outlay	376,723	376,723	376,723	0
<i>Total Expenditures</i>	<u>1,006,251</u>	<u>1,006,251</u>	<u>991,681</u>	<u>14,570</u>
<i>Net Change in Fund Balance</i>	(458,730)	(393,730)	(380,217)	13,513
<i>Fund Balance Beginning of Year</i>	739,220	739,220	739,220	0
Prior Year Encumbrances Appropriated	<u>132,465</u>	<u>132,465</u>	<u>132,465</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$412,955</u></u>	<u><u>\$477,955</u></u>	<u><u>\$491,468</u></u>	<u><u>\$13,513</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$41,500	\$48,200	\$48,313	\$113
Interest	243	543	852	309
<i>Total Revenues</i>	<u>41,743</u>	<u>48,743</u>	<u>49,165</u>	<u>422</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Route 21 Center Strip:				
Salaries and Wages	12,000	12,000	8,425	3,575
Purchased Services	29,810	29,810	9,700	20,110
<i>Total Expenditures</i>	<u>41,810</u>	<u>41,810</u>	<u>18,125</u>	<u>23,685</u>
<i>Net Change in Fund Balance</i>	(67)	6,933	31,040	24,107
<i>Fund Balance Beginning of Year</i>	35,094	35,094	35,094	0
Prior Year Encumbrances Appropriated	<u>1,810</u>	<u>1,810</u>	<u>1,810</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$36,837</u></u>	<u><u>\$43,837</u></u>	<u><u>\$67,944</u></u>	<u><u>\$24,107</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Center Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$839,253	\$848,500	\$901,219	\$52,719
Interest	7,774	7,860	9,809	1,949
Donations	2,967	3,000	3,615	615
Rentals	42,729	43,200	42,987	(213)
Miscellaneous	14,877	15,040	14,120	(920)
<i>Total Revenues</i>	<u>907,600</u>	<u>917,600</u>	<u>971,750</u>	<u>54,150</u>
Expenditures				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	937,567	950,295	908,108	42,187
Fringe Benefits	281,094	284,910	260,525	24,385
Purchased Services	618,733	627,133	580,608	46,525
Materials and Supplies	106,923	108,375	88,577	19,798
Capital Outlay	84,356	85,500	59,136	26,364
<i>Total Expenditures</i>	<u>2,028,673</u>	<u>2,056,213</u>	<u>1,896,954</u>	<u>159,259</u>
<i>Excess of Revenues Under Expenditures</i>	(1,121,073)	(1,138,613)	(925,204)	213,409
Other Financing Sources				
Transfers In	700,000	700,000	700,000	0
<i>Net Change in Fund Balance</i>	(421,073)	(438,613)	(225,204)	213,409
<i>Fund Balance Beginning of Year</i>	454,613	454,613	454,613	0
Prior Year Encumbrances Appropriated	29,058	29,058	29,058	0
<i>Fund Balance End of Year</i>	<u>\$62,598</u>	<u>\$45,058</u>	<u>\$258,467</u>	<u>\$213,409</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Maintenance Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$524,171	\$526,858	\$525,613	(\$1,245)
Intergovernmental	109,941	110,505	109,564	(941)
Interest	9,332	9,380	11,158	1,778
<i>Total Revenues</i>	<u>643,444</u>	<u>646,743</u>	<u>646,335</u>	<u>(408)</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Street Repair and Maintenance:				
Salaries and Wages	200,000	200,000	200,000	0
Purchased Services	700,000	700,000	614,439	85,561
<i>Total Expenditures</i>	<u>900,000</u>	<u>900,000</u>	<u>814,439</u>	<u>85,561</u>
<i>Excess of Revenues Under Expenditures</i>	(256,556)	(253,257)	(168,104)	85,153
Other Financing Uses				
Transfers Out	(22,956)	(22,956)	(22,956)	0
<i>Net Change in Fund Balance</i>	(279,512)	(276,213)	(191,060)	85,153
<i>Fund Balance Beginning of Year</i>	<u>505,375</u>	<u>505,375</u>	<u>505,375</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$225,863</u>	<u>\$229,162</u>	<u>\$314,315</u>	<u>\$85,153</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equitable Sharing Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$67	\$67	\$80	\$13
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Federal Equitable Sharing				
Other	4,000	4,000	0	4,000
<i>Net Change in Fund Balance</i>	(3,933)	(3,933)	80	4,013
<i>Fund Balance Beginning of Year</i>	4,505	4,505	4,505	0
<i>Fund Balance End of Year</i>	<u>\$572</u>	<u>\$572</u>	<u>\$4,585</u>	<u>\$4,013</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Fund
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$350	\$350	\$600	\$250
Interest	259	259	318	59
<i>Total Revenues</i>	609	609	918	309
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	16,000	16,000	27	15,973
<i>Net Change in Fund Balance</i>	(15,391)	(15,391)	891	16,282
<i>Fund Balance Beginning of Year</i>	17,609	17,609	17,609	0
<i>Fund Balance End of Year</i>	<u>\$2,218</u>	<u>\$2,218</u>	<u>\$18,500</u>	<u>\$16,282</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,275	\$1,275	\$2,096	\$821
Intergovernmental	1,500	1,500	2,400	900
Interest	792	792	875	83
<i>Total Revenues</i>	<u>3,567</u>	<u>3,567</u>	<u>5,371</u>	<u>1,804</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	3,785	3,785	2,543	1,242
Purchased Services	27,881	28,379	12,540	15,839
Capital Outlay	10,819	10,819	10,819	0
<i>Total Expenditures</i>	<u>42,485</u>	<u>42,983</u>	<u>25,902</u>	<u>17,081</u>
<i>Net Change in Fund Balance</i>	(38,918)	(39,416)	(20,531)	18,885
<i>Fund Balance Beginning of Year</i>	<u>52,171</u>	<u>52,171</u>	<u>52,171</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,253</u></u>	<u><u>\$12,755</u></u>	<u><u>\$31,640</u></u>	<u><u>\$18,885</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computerization Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$17,000	\$17,000	\$16,884	(\$116)
Interest	2,043	4,043	4,795	752
<i>Total Revenues</i>	<u>19,043</u>	<u>21,043</u>	<u>21,679</u>	<u>636</u>
Expenditures				
Current:				
General Government:				
Judicial:				
Court Computerization:				
Purchased Services	10,000	10,000	7,117	2,883
Capital Outlay	228,824	228,824	45,956	182,868
<i>Total Expenditures</i>	<u>238,824</u>	<u>238,824</u>	<u>53,073</u>	<u>185,751</u>
<i>Net Change in Fund Balance</i>	(219,781)	(217,781)	(31,394)	186,387
<i>Fund Balance Beginning of Year</i>	256,937	256,937	256,937	0
Prior Year Encumbrances Appropriated	<u>18,824</u>	<u>18,824</u>	<u>18,824</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$55,980</u></u>	<u><u>\$57,980</u></u>	<u><u>\$244,367</u></u>	<u><u>\$186,387</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Natureworks Grants Fund
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Recreational Activities:				
Extracurricular:				
Capital Outlay	<u>940</u>	<u>940</u>	<u>0</u>	<u>940</u>
<i>Net Change in Fund Balance</i>	(940)	(940)	0	940
<i>Fund Balance Beginning of Year</i>	<u>950</u>	<u>950</u>	<u>950</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$10</u>	<u>\$10</u>	<u>\$950</u>	<u>\$940</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Demo Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$3,500	\$3,499	(\$1)
Interest	120	120	205	85
<i>Total Revenues</i>	<u>120</u>	<u>3,620</u>	<u>3,704</u>	<u>84</u>
Expenditures				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Purchased Services	6,731	6,731	3,499	3,232
Capital Outlay	1,269	1,269	1,269	0
<i>Total Expenditures</i>	<u>8,000</u>	<u>8,000</u>	<u>4,768</u>	<u>3,232</u>
<i>Net Change in Fund Balance</i>	(7,880)	(4,380)	(1,064)	3,316
<i>Fund Balance Beginning of Year</i>	<u>11,577</u>	<u>11,577</u>	<u>11,577</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,697</u></u>	<u><u>\$7,197</u></u>	<u><u>\$10,513</u></u>	<u><u>\$3,316</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tree Planting Grants Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$5,000	\$13,000	\$13,750	\$750
Expenditures				
Current:				
Housing and Community Development:				
Tree Planning:				
Salaries and Wages	5,775	5,775	1,845	3,930
Materials and Supplies	14,000	12,000	3,193	8,807
<i>Total Expenditures</i>	<u>19,775</u>	<u>17,775</u>	<u>5,038</u>	<u>12,737</u>
<i>Net Change in Fund Balance</i>	(14,775)	(4,775)	8,712	13,487
<i>Fund Balance Beginning of Year</i>	<u>115,969</u>	<u>115,969</u>	<u>115,969</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$101,194</u></u>	<u><u>\$111,194</u></u>	<u><u>\$124,681</u></u>	<u><u>\$13,487</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$2,500	\$2,500	\$9,426	\$6,926
Interest	551	551	680	129
<i>Total Revenues</i>	3,051	3,051	10,106	7,055
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	35,000	35,000	0	35,000
<i>Net Change in Fund Balance</i>	(31,949)	(31,949)	10,106	42,055
<i>Fund Balance Beginning of Year</i>	37,049	37,049	37,049	0
<i>Fund Balance End of Year</i>	<u>\$5,100</u>	<u>\$5,100</u>	<u>\$47,155</u>	<u>\$42,055</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Mandatory Drug Fund
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,000	\$1,000	\$1,800	\$800
Interest	584	584	704	120
<i>Total Revenues</i>	1,584	1,584	2,504	920
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	35,000	35,000	0	35,000
<i>Net Change in Fund Balance</i>	(33,416)	(33,416)	2,504	35,920
<i>Fund Balance Beginning of Year</i>	39,226	39,226	39,226	0
<i>Fund Balance End of Year</i>	<u>\$5,810</u>	<u>\$5,810</u>	<u>\$41,730</u>	<u>\$35,920</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vehicle Immobilization Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$3,200	\$3,200	\$3,535	\$335
Interest	677	677	848	171
<i>Total Revenues</i>	3,877	3,877	4,383	506
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	40,000	40,000	0	40,000
<i>Net Change in Fund Balance</i>	(36,123)	(36,123)	4,383	40,506
<i>Fund Balance Beginning of Year</i>	46,217	46,217	46,217	0
<i>Fund Balance End of Year</i>	<u>\$10,094</u>	<u>\$10,094</u>	<u>\$50,600</u>	<u>\$40,506</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$152,540	\$151,157	\$157,684	\$6,527
Intergovernmental	33,245	32,943	32,869	(74)
<i>Total Revenues</i>	<u>185,785</u>	<u>184,100</u>	<u>190,553</u>	<u>6,453</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Fringe Benefits	175,000	175,000	175,000	0
Purchased Services	500	500	117	383
<i>Total Expenditures</i>	<u>175,500</u>	<u>175,500</u>	<u>175,117</u>	<u>383</u>
<i>Net Change in Fund Balance</i>	10,285	8,600	15,436	6,836
<i>Fund Balance Beginning of Year</i>	<u>39,266</u>	<u>39,266</u>	<u>39,266</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$49,551</u></u>	<u><u>\$47,866</u></u>	<u><u>\$54,702</u></u>	<u><u>\$6,836</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Memorial Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Memorials:				
Materials and Supplies	5,000	5,000	426	4,574
Capital Outlay	12,000	12,000	0	12,000
Total Expenditures	17,000	17,000	426	16,574
<i>Net Change in Fund Balance</i>	(17,000)	(17,000)	(426)	16,574
<i>Fund Balance Beginning of Year</i>	17,792	17,792	17,792	0
<i>Fund Balance End of Year</i>	<u>\$792</u>	<u>\$792</u>	<u>\$17,366</u>	<u>\$16,574</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Peace Officer Training Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$3,000	\$700	\$660	(\$40)
Interest	45	45	62	\$17
<i>Total Revenues</i>	<u>3,045</u>	<u>745</u>	<u>722</u>	<u>(23)</u>
Expenditures				
Current:				
Public Safety:				
Peace Officer Training:				
Fringe Benefits	2,700	2,700	0	2,700
Purchased Services	1,300	1,000	0	1,000
<i>Total Expenditures</i>	<u>4,000</u>	<u>3,700</u>	<u>0</u>	<u>3,700</u>
<i>Net Change in Fund Balance</i>	(955)	(2,955)	722	3,677
<i>Fund Balance Beginning of Year</i>	<u>3,022</u>	<u>3,022</u>	<u>3,022</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,067</u></u>	<u><u>\$67</u></u>	<u><u>\$3,744</u></u>	<u><u>\$3,677</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$0	\$0	\$17	\$17
Expenditures				
Current:				
Debt Service:				
Principal Retirement	785,000	785,000	785,000	0
Interest and Fiscal Charges	397,532	397,532	389,577	7,955
<i>Total Expenditures</i>	<u>1,182,532</u>	<u>1,182,532</u>	<u>1,174,577</u>	<u>7,955</u>
<i>Excess of Revenues Under Expenditures</i>	(1,182,532)	(1,182,532)	(1,174,560)	7,972
Other Financing Sources				
Transfers In	1,200,000	1,200,000	1,200,000	0
<i>Net Change in Fund Balance</i>	17,468	17,468	25,440	7,972
<i>Fund Balance Beginning of Year</i>	<u>81,119</u>	<u>81,119</u>	<u>81,119</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$98,587</u>	<u>\$98,587</u>	<u>\$106,559</u>	<u>\$7,972</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$177,482	\$0	\$360	\$360
Interest	\$4,000	\$5,554	\$10,861	\$5,307
<i>Total Revenues</i>	181,482	5,554	11,221	5,667
Expenditures				
Capital Outlay:				
Purchased Services	5,000	5,000	0	5,000
Capital Outlay	1,003,207	827,279	60,712	766,567
Total Capital Outlay	1,008,207	832,279	60,712	771,567
Debt Service:				
Principal Retirement	53,884	53,884	53,884	0
<i>Total Expenditures</i>	1,062,091	886,163	114,596	771,567
<i>Excess of Revenues Under Expenditures</i>	(880,609)	(880,609)	(103,375)	777,234
Other Financing Sources				
Transfers In	547,956	547,956	547,956	0
<i>Net Change in Fund Balance</i>	(332,653)	(332,653)	444,581	777,234
<i>Fund Balance Beginning of Year</i>	346,403	346,403	346,403	0
<i>Fund Balance (Deficit) End of Year</i>	\$13,750	\$13,750	\$790,984	\$777,234

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Expansion Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$25,000	\$35,000	\$34,935	(\$65)
Interest	1,243	1,243	1,384	141
<i>Total Revenues</i>	<u>26,243</u>	<u>36,243</u>	<u>36,319</u>	<u>76</u>
Expenditures				
Capital Outlay:				
Capital Outlay	76,412	76,412	63,481	12,931
Other	3,000	3,000	1,625	1,375
<i>Total Expenditures</i>	<u>79,412</u>	<u>79,412</u>	<u>65,106</u>	<u>14,306</u>
<i>Net Change in Fund Balance</i>	(53,169)	(43,169)	(28,787)	14,382
<i>Fund Balance Beginning of Year</i>	76,804	76,804	76,804	0
Prior Year Encumbrances Appropriated	6,412	6,412	6,412	0
<i>Fund Balance End of Year</i>	<u>\$30,047</u>	<u>\$40,047</u>	<u>\$54,429</u>	<u>\$14,382</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Station Building Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Miscellaneous	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Capital Outlay	400,000	400,000	0	400,000
<i>Net Change in Fund Balance</i>	(400,000)	(400,000)	0	400,000
<i>Fund Balance Beginning of Year</i>	519,196	519,196	519,196	0
<i>Fund Balance End of Year</i>	\$119,196	\$119,196	\$519,196	\$400,000

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Improvement Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$1,169	\$1,169	\$1,395	\$226
Expenditures				
Capital Outlay	78,000	78,000	0	78,000
<i>Net Change in Fund Balance</i>	(76,831)	(76,831)	1,395	78,226
<i>Fund Balance Beginning of Year</i>	78,560	78,560	78,560	0
<i>Fund Balance End of Year</i>	\$1,729	\$1,729	\$79,955	\$78,226

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Utility Improvement Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and Permits	\$110,900	\$45,400	\$53,820	\$8,420
Interest	102	102	377	275
<i>Total Revenues</i>	111,002	45,502	54,197	8,695
Expenditures				
Capital Outlay:				
Contractual Services	288,000	188,000	14,219	173,781
Capital Outlay	49,000	49,000	0	49,000
<i>Total Expenditures</i>	337,000	237,000	14,219	222,781
<i>Net Change in Fund Balance</i>	(225,998)	(191,498)	39,978	231,476
<i>Fund Balance Beginning of Year</i>	224,396	224,396	224,396	0
Prior Year Encumbrances Appropriated	4,000	4,000	4,000	0
<i>Fund Balance (Deficit) End of Year</i>	\$2,398	\$36,898	\$268,374	\$231,476

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Ambulance Capital Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$150,000	\$200,000	\$212,927	\$12,927
Interest	1,500	1,500	1,045	(455)
<i>Total Revenues</i>	<u>151,500</u>	<u>201,500</u>	<u>213,972</u>	<u>12,472</u>
Expenditures				
Capital Outlay:				
Capital Outlay	99,500	104,500	64,721	39,779
<i>Net Change in Fund Balance</i>	52,000	97,000	149,251	52,251
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$52,000</u></u>	<u><u>\$97,000</u></u>	<u><u>\$149,251</u></u>	<u><u>\$52,251</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$300,000	\$300,000	\$300,000	\$0
Interest	9,946	9,946	13,856	3,910
Miscellaneous	16,500	16,500	16,462	(38)
<i>Total Revenues</i>	326,446	326,446	330,318	3,872
Expenses				
Purchased Services	3,500	3,500	1,580	1,920
Claims	345,000	345,000	345,000	0
<i>Total Expenses</i>	348,500	348,500	346,580	1,920
<i>Net Change in Fund Equity</i>	(22,054)	(22,054)	(16,262)	5,792
<i>Fund Equity Beginning of Year</i>	681,927	681,927	681,927	0
<i>Fund Equity End of Year</i>	<u>\$659,873</u>	<u>\$659,873</u>	<u>\$665,665</u>	<u>\$5,792</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$49	\$49	\$57	\$8
Expenses				
Materials and Supplies	3,000	250	123	127
<i>Net Change in Fund Equity</i>	(2,951)	(201)	(66)	135
<i>Fund Equity Beginning of Year</i>	3,279	3,279	3,279	0
<i>Fund Equity End of Year</i>	<u>\$328</u>	<u>\$3,078</u>	<u>\$3,213</u>	<u>\$135</u>

Bicentennial Facts

- ❖ In 1811, Brecksville Township was founded. In 1921, Brecksville Village split from Brecksville Township to become a separate entity that ultimately grew to be the City of Brecksville. Brecksville Township remained until 1927 when it was incorporated as the Village of Broadview Heights.
- ❖ There have been 11 Mayors who have served the City of Brecksville since 1922 when the Village formed a Mayor and City Council government. The longest serving Mayor served to date 24 years, the shortest term was 45 days.
- ❖ Brecksville was the first location to construct a concrete roadway in the County of Cuyahoga. That road was Mill Road.
- ❖ The Old Town Hall erected in 1824 remained the seat of the Brecksville government until 1972 when City Hall was dedicated. The Old Town Hall was placed on the National Register of Historical Places in 1973, the first structure in Brecksville to receive that designation.
- ❖ The original bandstand was erected in the early 1870s and was removed from the Square in the 1930s to make way for a much larger structure. The original bandstand was returned to the Square in a cooperative effort with the Chamber of Commerce and the City of Brecksville in 1981.
- ❖ In 1988 a clock/announcement board was erected by the Brecksville Kiwanis Club in memory of Mayor Jack A. Hruby.



- ❖ Brecksville's government began in 1814 and it was not until the year 1958 that a female was elected to serve in the City government. To date four women have served as members of Council with three also serving terms as Council President.
- ❖ Brecksville was known for its brick structures and brick roads and at times was called Bricksville. The founding family, the Breck Family, built a brick-making operation in Newburg Heights, Ohio. The U. S. Post Office recognized the name Bricksville and had a Bricksville Post Office listed in the mid 1800s. Col. John Breck, namesake for the City of Brecksville, served as Postmaster appointed by President George Washington.
- ❖ Brecksville is located along the "Emerald Necklace" of the Cuyahoga Valley National Park. Developed in the early 1900's as a leisure activity area, it was established as the Cuyahoga Valley National Recreation Area in 1974. In 2000, Congress designated the total 33 thousand acres as a national park; the only national park in Ohio.
- ❖ There were originally five operating mills in the City. The mills were used for grist and lumber and were a significant contributor to the city's growth. Built in 1903, the Jaite Company paper Mill in the area of Riverview Road and Vaughn Road was added to the National Register of Historic Places in 1979.
- ❖ Opened in 1825, Erie Canal provided a major transportation route through Brecksville. Powered by horse, mule or oxen, flat boats were pulled along the canal using the parallel towpath. Buried in Brecksville cemetery are many unknown builders who succumbed to malaria or injury in the construction of the canal. Today, the towpath is a designated National Heritage Corridor and receives over 2 million visitors each year.



Statistical Section

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

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S13</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S14 – S21</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S22 – S25</i>
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	<i>S26 – S27</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S28 – S33</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement No. 34 in 2000; schedules presenting government-wide information include information beginning in that year.

City of Brecksville, Ohio
Net Assets By Component
Last Ten Years
(Accrual Basis of Accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$65,615,699	\$63,486,515	\$60,276,377	\$58,749,092
Restricted:				
Capital Projects	801,922	1,937,585	5,036,864	5,991,605
Debt Service	5,713,451	6,445,832	4,407,165	4,811,900
Fire Department	424,696	706,135	514,548	375,265
Community Center	N/A	361,444	538,139	282,524
Road Maintenance	402,803	570,816	589,223	N/A
Street Construction, Maintenance, and Repair	825,033	1,170,024	927,115	876,258
Other Purposes	788,783	716,987	734,022	1,296,150
Unrestricted	<u>10,215,534</u>	<u>6,771,495</u>	<u>8,367,960</u>	<u>8,379,624</u>
<i>Total Governmental Activities Net Assets</i>	<u><u>\$84,787,921</u></u>	<u><u>\$82,166,833</u></u>	<u><u>\$81,391,413</u></u>	<u><u>\$80,762,418</u></u>

Note: 2003 was the first year other purposes were further identified.

2006	2005	2004	2003	2002	2001
\$56,037,345	\$53,341,748	\$50,304,248	\$43,334,818	\$36,834,979	\$32,991,492
4,400,084	5,885,715	4,953,157	6,896,322	6,919,152	4,904,140
5,162,626	5,320,046	4,493,213	4,786,541	6,111,400	6,344,837
279,010	429,565	370,646	265,884	N/A	N/A
218,840	151,056	185,522	117,212	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
1,110,622	1,195,093	999,759	393,836	N/A	N/A
697,202	502,465	642,334	1,143,615	2,854,699	2,568,737
9,390,837	7,318,052	5,689,748	5,494,860	6,105,475	7,347,422
<u>\$77,296,566</u>	<u>\$74,143,740</u>	<u>\$67,638,627</u>	<u>\$62,433,088</u>	<u>\$58,825,705</u>	<u>\$54,156,628</u>

City of Brecksville, Ohio
Changes in Net Assets
Last Ten Years
(Accrual Basis of Accounting)

	2010	2009	2008	2007
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government:				
Legislative and Executive	\$286,925	\$403,381	\$769,088	\$513,336
Judicial System	25,697	22,352	25,311	201,864
Public Safety:				
Police	217,057	185,652	277,326	9,085
Fire	240,339	794	1,340	3,255
Public Health and Social Services	56,109	6,327	7,328	7,906
Street Construction, Maintenance, and Repair	91,510	73,991	117,325	105,053
Housing and Community Development	54,910	45,320	54,992	55,745
Basic Utility Services	125,501	107,303	124,950	116,823
Recreational Activities	979,197	884,283	1,012,924	910,748
Subtotal - Charges for Services	<u>2,077,245</u>	<u>1,729,403</u>	<u>2,390,584</u>	<u>1,923,815</u>
Operating Grants and Contributions:				
General Government:				
Legislative and Executive	1,675	21,673	5,378	5,010
Judicial System	54	35	112	131
Public Safety:				
Police	36,852	39,224	10,071	29,040
Fire	394,314	387,424	14,629	175
Public Health and Social Services	345	33	117	114
Street Construction, Maintenance, and Repair	792,508	794,864	697,756	668,446
Housing and Community Development	253	189	727	583
Basic Utility Services	3,939	4,002	5,226	3,376
Recreational Activities	3,615	4,017	3,197	2,788
Subtotal - Operating Grants and Contributions	<u>1,233,555</u>	<u>1,251,461</u>	<u>737,213</u>	<u>709,663</u>
Capital Grants and Contributions:				
General Government				
Legislative and Executive	0	0	0	0
Public Safety:				
Fire	0	0	0	0
Public Health and Social Services	0	0	0	0
Street Construction, Maintenance, and Repair	0	0	0	0
Housing and Community Development	0	0	0	0
Basic Utility Services	1,081,781	300,000	0	0
Recreational Activities	295,000	0	0	0
Subtotal - Capital Grants and Contributions	<u>1,376,781</u>	<u>300,000</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government Program Revenues</i>	<u>\$4,687,581</u>	<u>\$3,280,864</u>	<u>\$3,127,797</u>	<u>\$2,633,478</u>

2006	2005	2004	2003	2002	2001
\$350,725	\$87,170	\$151,662	\$146,626	\$214,328	\$136,062
316,831	326,593	349,991	335,897	346,837	366,916
42,463	20,849	8,841	5,774	40,233	55,580
50	669	2,853	2,092	3,843	2,420
37,060	37,965	93,342	90,250	19,691	28,734
0	0	0	340	330	1,420
186,792	214,392	192,314	183,530	162,026	127,232
31,480	56,030	39,616	56,635	0	77,320
862,767	884,160	782,684	717,068	602,448	605,477
<u>1,828,168</u>	<u>1,627,828</u>	<u>1,621,303</u>	<u>1,538,212</u>	<u>1,389,736</u>	<u>1,401,161</u>
2,590	1,330	11,400	5,781	4,696	13,368
0	0	0	0	0	0
25,883	33,445	41,675	21,666	41,587	26,555
6,816	7,584	0	6,525	5,542	6,200
325	0	0	0	0	0
639,195	638,155	637,407	539,875	479,926	441,349
0	2,281	0	0	222,928	27,325
0	7,745	5,907	11,666	20,000	0
9,086	8,846	4,836	3,348	3,684	726
<u>683,895</u>	<u>699,386</u>	<u>701,225</u>	<u>588,861</u>	<u>778,363</u>	<u>515,523</u>
0	0	0	95,000	0	0
0	0	0	0	4,050	0
0	0	0	0	0	30,000
48,859	2,619,017	1,394,171	3,532,626	1,436,541	0
4,236	0	0	0	0	0
0	278,298	0	0	43,490	2,201,667
0	0	724,841	0	23,440	200,000
<u>53,095</u>	<u>2,897,315</u>	<u>2,119,012</u>	<u>3,627,626</u>	<u>1,507,521</u>	<u>2,431,667</u>
<u>\$2,565,158</u>	<u>\$5,224,529</u>	<u>\$4,441,540</u>	<u>\$5,754,699</u>	<u>\$3,675,620</u>	<u>\$4,348,351</u>

(continued)

City of Brecksville, Ohio
Changes in Net Assets (continued)
Last Ten Years
(Accrual Basis of Accounting)

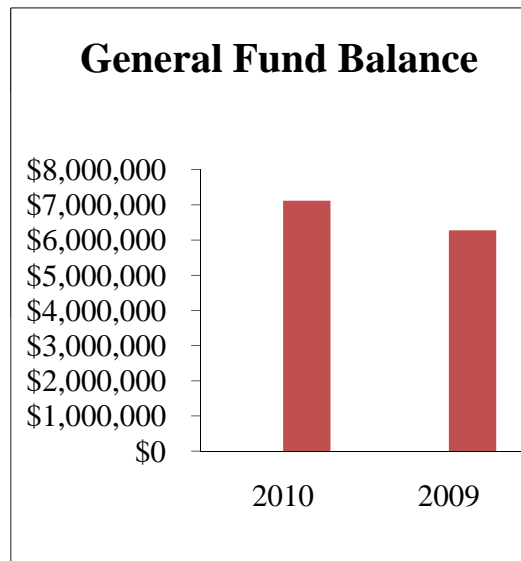
	2010	2009	2008	2007
Expenses				
Governmental Activities:				
General Government:				
Legislative and Executive	\$5,647,128	\$6,097,065	\$6,102,755	\$5,592,721
Judicial System	210,129	161,505	123,977	179,656
Public Safety:				
Police	3,977,695	4,560,315	4,276,131	4,148,827
Fire	2,413,597	2,096,299	2,241,102	2,294,629
Public Health and Social Services	1,407,173	1,195,863	126,790	154,672
Street Construction, Maintenance, and Repair	4,007,522	3,994,538	4,499,947	4,220,016
Housing and Community Development	833,662	855,329	1,177,227	1,092,407
Basic Utility Services	1,366,953	1,704,663	2,081,050	2,128,748
Recreational Activities	2,001,190	1,976,407	2,498,487	1,940,978
Interest and Fiscal Charges	602,512	693,039	773,876	768,970
<i>Total Governmental Activities Expenses</i>	<u>22,467,561</u>	<u>23,335,023</u>	<u>23,901,342</u>	<u>22,521,624</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(17,779,980)</u>	<u>(20,054,159)</u>	<u>(20,773,545)</u>	<u>(19,888,146)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	1,817,177	1,919,648	1,803,685	2,028,243
Fire Department	1,779,370	1,859,488	1,746,733	1,964,679
Streets	523,345	546,908	513,746	577,846
Police Department	157,003	164,072	154,125	173,354
Debt Service	17	153,754	200,360	225,361
Other Purposes	0	0	0	0
Municipal Income Taxes levied for:				
General Purposes	11,932,814	11,743,625	11,564,512	12,386,754
Capital Outlay	2,280,000	2,090,000	2,264,852	2,574,193
Grants and Entitlements not Restricted to				
Specific Programs	1,074,764	1,355,899	1,856,007	1,659,652
Investment Earnings	320,959	505,734	913,806	1,047,479
Gain on Sale of Capital Assets	13,730	0	70,777	10,011
Miscellaneous	501,889	490,451	313,937	706,426
<i>Total Governmental Activities</i>	<u>20,401,068</u>	<u>20,829,579</u>	<u>21,402,540</u>	<u>23,353,998</u>
Change in Net Assets				
Governmental Activities	<u>\$2,621,088</u>	<u>\$775,420</u>	<u>\$628,995</u>	<u>\$3,465,852</u>

2006	2005	2004	2003	2002	2001
\$5,443,397	\$4,355,622	\$4,246,585	\$4,135,163	\$4,088,405	\$3,793,602
171,607	157,222	151,584	151,387	158,683	125,666
3,996,184	3,811,772	3,930,138	3,901,614	3,655,090	3,060,371
2,248,157	2,027,052	1,862,540	1,964,919	1,374,110	1,738,761
153,476	122,266	113,498	118,442	145,378	54,214
3,913,477	4,280,735	3,433,446	4,132,195	2,784,828	2,760,673
956,383	1,079,752	860,061	1,186,316	830,697	883,503
2,048,065	1,946,379	2,457,634	1,884,812	1,701,700	1,659,828
1,843,775	1,466,915	1,568,851	1,859,992	1,522,030	1,437,308
808,230	725,075	496,051	519,414	577,384	651,325
21,582,751	19,972,790	19,120,388	19,854,254	16,838,305	16,165,251
(19,017,593)	(14,748,261)	(14,678,848)	(14,099,555)	(13,162,685)	(11,816,900)
1,838,138	1,832,776	1,772,674	1,646,088	1,586,320	1,574,747
1,780,532	1,777,908	1,716,753	1,593,930	1,535,769	0
523,686	522,913	504,927	468,802	0	0
157,106	156,874	151,478	140,640	0	0
200,877	256,235	245,481	278,400	221,332	219,672
0	0	0	0	587,206	2,107,068
12,732,659	11,350,171	10,309,796	8,930,938	8,684,168	9,806,736
2,481,438	2,495,169	2,452,992	2,442,323	2,376,998	2,380,619
1,545,865	1,494,661	1,760,102	1,307,353	1,781,468	1,186,863
636,011	644,426	594,442	634,052	714,986	964,378
4,087	0	0	16,532	18,321	1,915
270,020	722,241	375,742	247,880	325,194	676,866
22,170,419	21,253,374	19,884,387	17,706,938	17,831,762	18,918,864
\$3,152,826	\$6,505,113	\$5,205,539	\$3,607,383	\$4,669,077	\$7,101,964

City of Brecksville, Ohio
Fund Balances, Governmental Funds
Last Two Years
(modified accrual basis of accounting)

	2010	2009
General Fund		
Nonspendable	\$257,971	\$232,445
Restricted	5,536	5,536
Committed	776,399	0
Assigned	312,269	495,999
Unassigned	5,768,584	5,545,608
<i>Total General Fund</i>	<u>7,120,759</u>	<u>6,279,588</u>
All Other Governmental Funds		
Nonspendable	129,154	135,439
Restricted	3,294,029	3,440,021
Committed	1,719,966	1,312,186
Assigned	764,875	758,237
Unassigned (Deficit)	(828,692)	(921,057)
<i>Total All Other Governmental Funds</i>	<u>5,079,332</u>	<u>4,724,826</u>
<i>Total Governmental Funds</i>	<u><u>\$12,200,091</u></u>	<u><u>\$11,004,414</u></u>

Note: The City implemented GASB 54 in 2010.

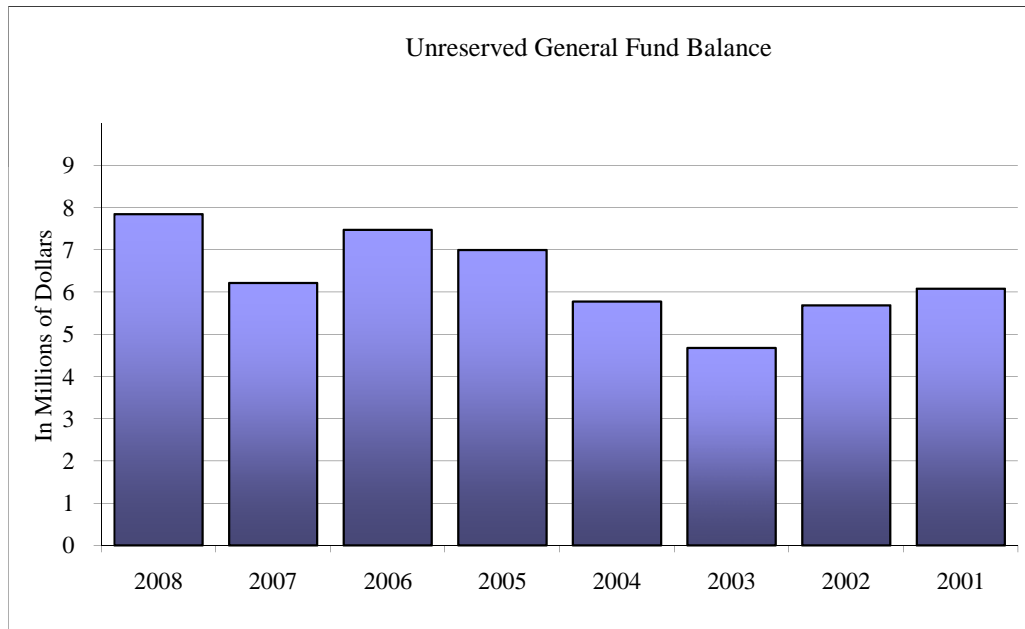


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City of Brecksville, Ohio
Fund Balances, Governmental Funds
Last Eight Years
(Modified Accrual Basis of Accounting)

	2008	2007	2006	2005
General Fund				
Reserved	\$286,045	\$446,930	\$521,033	\$205,703
Unreserved	7,849,898	6,213,938	7,472,841	7,000,511
Total General Fund	8,135,943	6,660,868	7,993,874	7,206,214
All Other Governmental Funds				
Reserved	863,642	4,134,754	1,583,769	2,405,842 *
Unreserved, Undesignated, Reported in:				
Special Revenue funds	2,868,361	1,958,225	1,784,046	1,493,502
Debt Service funds	575,497	809,373	781,115	757,229
Capital Projects funds	1,131,583	1,793,269	2,588,372	2,841,013
Total All Other Governmental Funds	5,439,083	8,695,621	6,737,302	7,497,586
Total Governmental Funds	\$13,575,026	\$15,356,489	\$14,731,176	\$14,703,800

Note: During 2010, the City implemented GASB 54.



* The large change from the prior year is due to encumbrances for the construction of the Human Services facility in the prior year.

2004	2003	2002	2001
\$152,799	\$129,821	\$186,479	\$348,005
5,774,941	4,678,964	5,688,101	6,082,777
5,927,740	4,808,785	5,874,580	6,430,782
8,161,824	2,708,943	3,026,921	1,328,730
1,573,035	1,382,265	1,464,612	2,237,924
542,934	719,213	478,266	394,277
2,476,285	3,756,795	4,158,804	3,927,051
12,754,078	8,567,216	9,128,603	7,887,982
<u>\$18,681,818</u>	<u>\$13,376,001</u>	<u>\$15,003,183</u>	<u>\$14,318,764</u>

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

	2010	2009	2008	2007	2006
Revenues					
Taxes (1)	\$18,730,301	\$17,441,398	\$20,355,101	\$19,556,957	\$18,082,865
Charges for Services	1,177,776	905,024	1,006,940	928,599	795,817
Licenses and Permits	525,806	362,044	387,068	370,401	370,661
Fines and Forfeitures	308,416	279,459	338,338	281,554	318,741
Intergovernmental	3,179,603	2,946,251	2,612,165	2,394,732	2,201,360
Special Assessments	324,741	428,519	620,735	624,415	612,128
Interest	307,103	485,075	894,042	1,028,720	624,763
Donations	8,138	7,477	16,756	14,475	21,267
Rentals	44,935	46,261	218,333	119,234	99,195
Miscellaneous	485,427	469,189	313,740	705,695	270,020
<i>Total Revenues</i>	<u>25,092,246</u>	<u>23,370,697</u>	<u>26,763,218</u>	<u>26,024,782</u>	<u>23,396,817</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	5,541,484	5,819,602	5,941,778	5,464,710	5,220,680
Judicial System	208,078	165,677	122,934	188,321	169,613
Public Safety:					
Police	4,036,285	4,467,546	4,217,591	4,063,261	3,848,371
Fire	2,390,618	2,107,045	2,106,263	2,139,383	2,046,088
Public Health and Social Services	1,105,458	910,160	129,648	137,731	150,617
Street Construction, Maintenance, and Repair	3,460,310	2,966,943	3,439,482	3,166,873	2,765,761
Housing and Community Development	813,415	900,852	846,644	836,660	807,590
Basic Utility Services	1,432,297	2,256,844	1,925,652	1,913,731	1,777,645
Recreational Activities	1,846,298	1,862,876	1,598,784	1,677,602	1,553,328
Capital Outlay	1,332,610	2,535,718	5,577,837	3,742,989	3,155,119
Debt Service:					
Principal Retirement	1,138,884	1,270,884	1,933,884	1,338,884	1,271,233
Repayment to Refunded Bond Escrow Agent	0	0	0	0	0
Interest and Fiscal Charges	604,565	694,576	779,233	764,362	777,817
Bond Issuance Costs	0	0	0	0	0
<i>Total Expenditures</i>	<u>23,910,302</u>	<u>25,958,723</u>	<u>28,619,730</u>	<u>25,434,507</u>	<u>23,543,862</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,181,944</u>	<u>(2,588,026)</u>	<u>(1,856,512)</u>	<u>590,275</u>	<u>(147,045)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	13,733	17,414	75,049	35,038	11,487
Bond Anticipation Notes Issued	0	0	0	0	0
General Obligation Bonds Issued	0	0	0	0	0
Special Assessment Bonds Issued	0	0	0	0	0
OPWC Loan Issued	0	0	0	0	162,934
Premium on Issuance of Debt	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
Payment to Refund Notes	0	0	0	0	0
Transfers In	2,447,956	2,231,175	3,798,793	5,601,367	4,641,971
Transfers Out	(2,447,956)	(2,231,175)	(3,798,793)	(5,601,367)	(4,641,971)
<i>Total Other Financing Sources (Uses)</i>	<u>13,733</u>	<u>17,414</u>	<u>75,049</u>	<u>35,038</u>	<u>174,421</u>
<i>Net Change in Fund Balances</i>	<u>\$1,195,677</u>	<u>(\$2,570,612)</u>	<u>(\$1,781,463)</u>	<u>\$625,313</u>	<u>\$27,376</u>
Debt Service as a Percentage of Noncapital Expenditures	8.5%	9.0%	11.9%	9.9%	10.2%

(1) Includes All Taxes

2005	2004	2003	2002	2001
\$18,112,579	\$18,163,891	\$15,798,469	\$15,605,768	\$16,544,343
780,783	763,763	757,802	621,980	640,568
426,845	433,896	382,356	335,530	290,325
315,131	331,702	321,007	353,697	394,319
3,381,031	3,445,386	2,776,961	3,496,062	1,869,874
723,870	335,895	327,902	325,000	265,000
633,497	587,077	629,781	714,986	960,118
13,142	32,231	9,734	8,611	15,130
105,069	91,942	77,047	150,939	75,949
719,916	270,539	223,698	415,384	641,602
<u>25,211,863</u>	<u>24,456,322</u>	<u>21,304,757</u>	<u>22,027,957</u>	<u>21,697,228</u>
4,332,900	4,142,258	4,024,845	3,490,750	3,606,295
157,402	148,162	150,947	154,019	132,114
3,710,648	3,853,278	3,699,440	3,419,938	3,250,985
1,866,348	1,797,479	1,845,131	1,641,677	1,521,449
123,716	119,739	118,588	142,703	103,780
3,060,674	2,803,466	3,327,036	2,568,880	2,299,218
835,066	818,070	1,183,455	963,679	761,285
1,678,032	1,593,358	1,640,660	1,324,054	1,246,551
1,655,893	1,781,954	1,661,078	1,492,749	1,264,053
13,663,395	8,203,769	3,997,138	4,825,124	2,959,846
1,880,949	2,040,170	1,810,170	760,170	685,170
0	12,867	0	0	0
722,436	437,710	502,644	584,633	617,742
0	141,470	0	0	0
<u>33,687,459</u>	<u>27,893,750</u>	<u>23,961,132</u>	<u>21,368,376</u>	<u>18,448,488</u>
<u>(8,475,596)</u>	<u>(3,437,428)</u>	<u>(2,656,375)</u>	<u>659,581</u>	<u>3,248,740</u>
42,820	32,446	29,193	24,838	21,281
1,550,000	2,550,000	1,000,000	0	0
4,205,000	7,785,000	0	0	2,200,000
1,240,000	0	0	0	0
231,143	0	0	0	0
78,615	115,282	0	0	0
0	(1,739,483)	0	0	0
(2,850,000)	0	0	0	0
4,254,600	5,386,125	6,465,396	6,082,372	6,157,935
<u>(4,254,600)</u>	<u>(5,386,125)</u>	<u>(6,465,396)</u>	<u>(6,082,372)</u>	<u>(6,157,935)</u>
<u>4,497,578</u>	<u>8,743,245</u>	<u>1,029,193</u>	<u>24,838</u>	<u>2,221,281</u>
<u>(\$3,978,018)</u>	<u>\$5,305,817</u>	<u>(\$1,627,182)</u>	<u>\$684,419</u>	<u>\$5,470,021</u>
13.4%	13.4%	13.1%	8.8%	9.2%

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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2010	\$468,585,650	\$107,226,880	\$1,645,178,657	\$15,680,600	\$17,818,864
2009	487,768,500	104,494,650	1,692,180,429	15,167,690	17,236,011
2008	486,131,280	106,177,280	1,692,310,171	14,924,650	16,959,830
2007	481,735,920	115,062,150	1,705,137,343	19,525,150	22,187,670
2006	441,195,080	107,170,670	1,566,759,286	19,629,130	22,305,830
2005	433,727,390	91,010,670	1,499,251,600	20,730,430	23,557,307
2004	424,437,130	89,385,240	1,468,063,914	21,523,860	24,458,932
2003	390,955,440	87,535,460	1,367,116,857	20,984,450	23,845,966
2002	377,071,210	83,881,000	1,317,006,314	21,668,560	24,623,364
2001	366,435,280	80,782,980	1,277,766,457	33,447,710	38,008,761

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

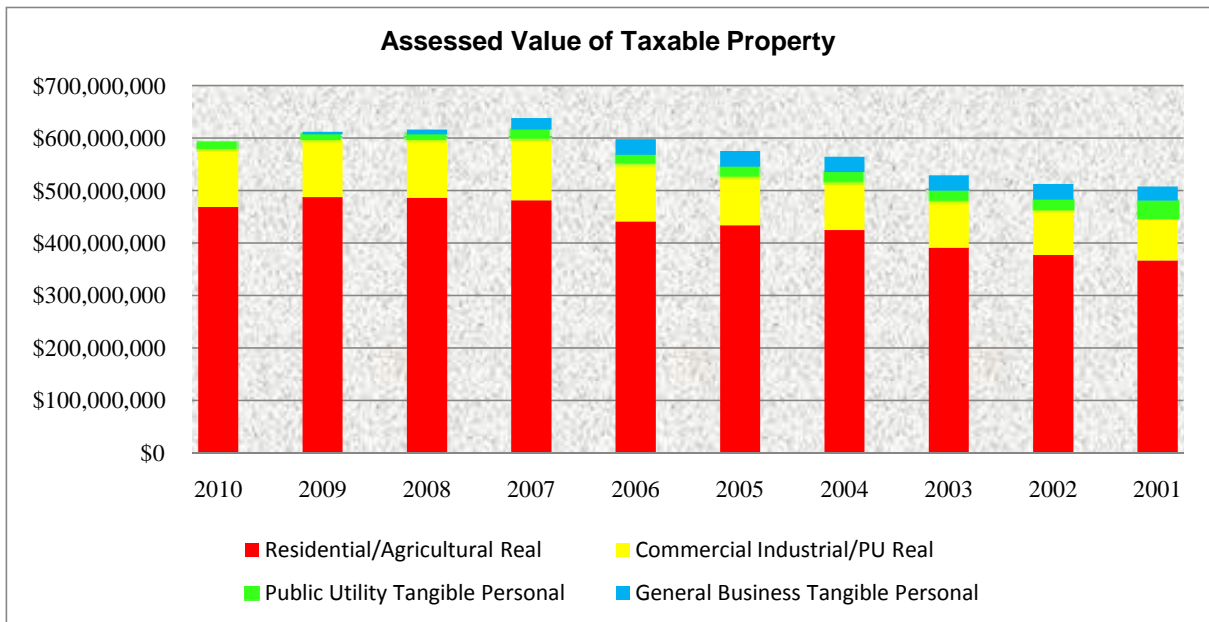
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

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

Source: Cuyahoga County, Ohio; County Auditor

Tangible Personal Property

General Business		Total		Ratio	Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$591,493,130	\$1,662,997,521	35.57%	\$8.21
4,678,850	74,861,600	612,109,690	1,784,278,040	34.31	8.50
8,871,057	141,936,912	616,104,267	1,851,206,913	33.28	8.60
22,088,288	176,706,304	638,411,508	1,904,031,317	33.53	8.60
30,089,242	160,475,957	598,084,122	1,749,541,073	34.19	8.70
29,751,764	119,007,056	575,220,254	1,641,815,963	35.04	8.70
28,958,950	115,835,800	564,305,180	1,608,358,646	35.09	8.70
29,509,649	118,038,596	528,984,999	1,509,001,419	35.06	8.70
30,013,647	120,054,588	512,634,417	1,461,684,266	35.07	8.70
27,244,402	108,977,608	507,910,372	1,424,752,827	35.65	8.70



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

	2010	2009	2008	2007
Unvoted Millage				
Operating	\$3.5100	\$3.5100	\$3.5100	\$3.5100
Police Pension	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>
Charter Millage				
1982 Charter/Fire	3.4000	3.4000	3.4000	3.4000
1987 Charter/Road Improvement	1.0000	1.0000	1.0000	1.0000
<i>Total Charter Millage</i>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>
Voted Millage				
Library	0.0000	0.2900	0.3900	0.3900
Total Millage	<u><u>\$8.2100</u></u>	<u><u>\$8.5000</u></u>	<u><u>\$8.6000</u></u>	<u><u>\$8.6000</u></u>

Overlapping Rates by Taxing District

Brecksville-Broadview Heights City School District				
Residential/Agricultural Real	\$39.1175	\$37.2338	\$37.1756	\$39.9809
Commerical/Industrial and Public Utility Real	42.8641	43.4071	43.1759	46.3679
General Business and Public Utility Personal	77.2000	77.1000	77.1000	77.4000
Cuyahoga Valley Career Center				
Residential/Agricultural Real	2.0000	2.0000	2.0000	2.0000
Commerical/Industrial and Public Utility Real	2.0000	2.0000	2.0000	2.0000
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000
Cuyahoga County Commissioner				
Residential/Agricultural Real	13.1866	12.6607	11.8688	11.7227
Commerical/Industrial and Public Utility Real	12.8413	12.8153	12.4535	12.5880
General Business and Public Utility Personal	13.3200	13.3200	13.4200	13.5200
Special Taxing Districts (1)				
Residential/Agricultural Real	7.3870	6.6597	5.9676	6.2900
Commerical/Industrial and Public Utility Real	7.3450	6.8911	6.2519	6.5596
General Business and Public Utility Personal	7.5800	7.2800	6.7800	6.7800

Source: Cuyahoga County Auditor

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

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

Charter millage is consistently applied to all types of property as opposed to the voted levies of the overlapping taxing districts.

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

(1) Metro Parks, Port Authority, County Library, Community College

2006	2005	2004	2003	2002	2001
\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
3.8100	3.8100	3.8100	3.8100	3.8100	3.8100
3.4000	3.4000	3.4000	3.4000	3.4000	3.4000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
4.4000	4.4000	4.4000	4.4000	4.4000	4.4000
0.4900	0.4900	0.4900	0.4900	0.4900	0.4900
\$8.7000	\$8.7000	\$8.7000	\$8.7000	\$8.7000	\$8.7000

\$39.9810	\$40.2141	\$34.0346	\$36.0269	\$36.0663	\$29.5048
46.3680	46.4754	40.5435	41.7308	41.8723	35.5571
77.4000	77.6000	71.4000	71.5000	71.5000	64.8000

2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000

11.7227	10.9754	10.9899	12.4609	11.3815	11.3967
12.5762	11.9846	12.0433	12.8764	12.0023	11.9298
13.5200	13.5200	13.5200	14.6500	14.6500	14.6500

6.2900	6.2880	4.7783	2.5323	2.5354	2.5422
6.5552	6.5067	5.1811	2.5497	2.5320	2.5253
6.7800	6.7800	5.8800	2.9500	2.9500	2.9500

City of Brecksville, Ohio
Principal Real Property Taxpayers
 2010 and 2001

Taxpayer	<i>2010</i>	
	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$14,288,630	2.48 %
Ohio Bell Telephone Company	8,461,150	1.47
PDM Group, Inc	7,334,740	1.27
Grand Bay of Brecksville	6,663,290	1.16
Cleveland Cuyahoga	6,413,230	1.11
Gateway Association	4,629,870	0.80
Creekview Commons, LLC	3,961,620	0.69
Treeline Inc.	3,779,220	0.66
C E I	3,144,050	0.55
Millers Crossing, LLC	2,556,860	0.44
Total	\$61,232,660	10.63 %
Total Real Property Assessed Valuation	\$575,812,530	
	<i>2001</i>	
Taxpayer	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
CEI	\$18,327,540	4.10 %
Ohio Bell Telephone Company	11,786,390	2.64
PMB Group, Inc.	8,065,610	1.80
Grand Bay of Brecksville	6,511,980	1.46
Gateway Association III & IV	4,459,430	1.00
Treeline	3,123,440	0.70
South Point Association	2,692,840	0.60
Brecksville Shopping Center	2,620,840	0.59
Brecksville Corporate Center	2,096,080	0.47
FOGG - Snowville	1,887,620	0.41
Total	\$61,571,770	13.77 %
Total Real Property Assessed Valuation	\$447,218,260	

Source: Cuyahoga County Auditor

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

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2010	\$4,864,431	\$4,702,865	96.68%	\$146,148	\$4,849,013	99.68%	\$229,099	4.71%
2009	5,179,840	5,013,860	96.80	113,222	5,127,082	98.98	263,979	5.10
2008	5,343,912	5,052,543	94.55	123,527	5,176,070	96.86	225,651	4.22
2007	5,471,368	5,218,601	95.38	122,322	5,340,923	97.62	246,600	4.51
2006	5,080,922	4,893,297	96.31	101,802	4,995,099	98.31	182,408	3.59
2005	5,186,465	4,835,607	93.24	112,123	4,947,730	95.40	162,105	3.13
2004	5,038,544	4,681,595	92.92	129,800	4,811,394	95.49	198,671	3.94
2003	4,845,764	4,480,297	92.46	132,706	4,613,003	95.20	204,120	4.21
2002	4,614,317	4,307,338	93.35	103,464	4,410,802	95.59	192,446	4.17
2001	4,643,484	4,258,919	91.72	102,292	4,361,211	93.92	178,606	3.85

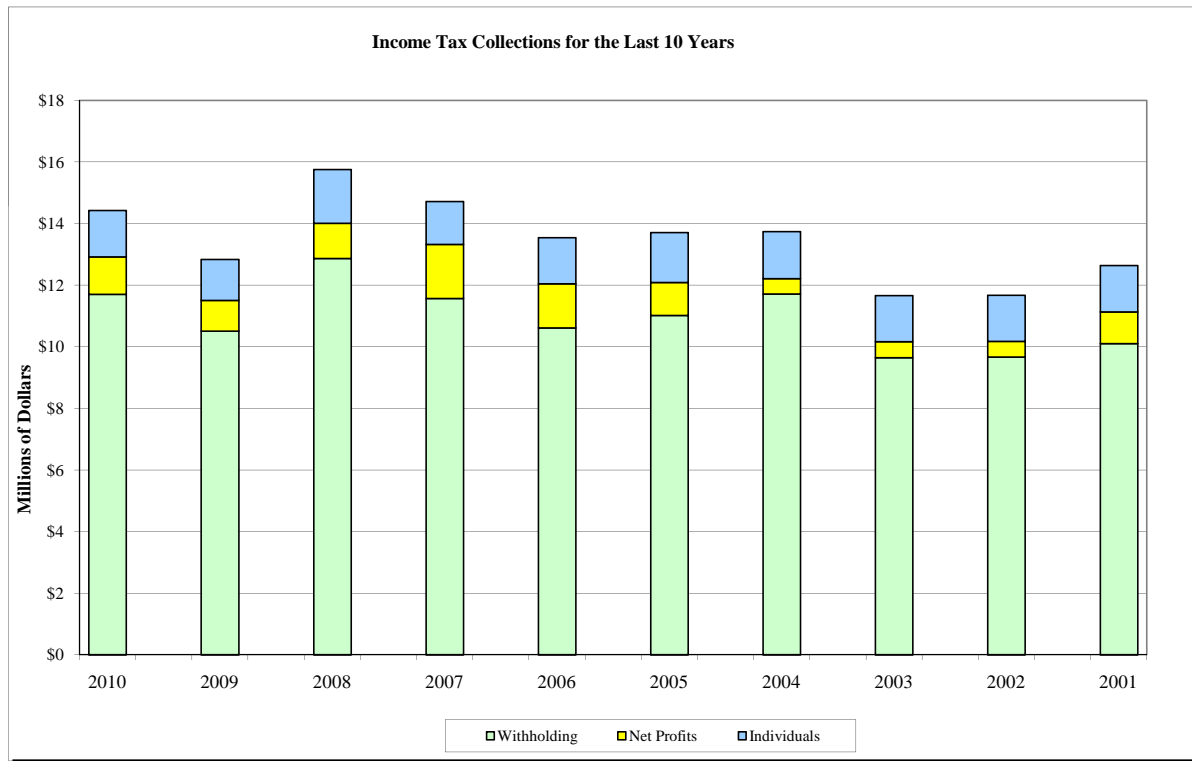
Source: Cuyahoga County, Ohio; County Auditor

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

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

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2010	2.00%	\$14,425,759	\$11,705,203	81.14%	\$1,220,691	8.46%	\$1,499,864	10.40%
2009	2.00	12,835,856	10,516,417	81.93	990,928	7.72	1,328,511	10.35
2008	2.00	15,763,909	12,869,655	81.64	1,141,307	7.24	1,752,947	11.12
2007	2.00	14,724,747	11,570,706	78.58	1,753,717	11.91	1,400,323	9.51
2006	2.00	13,551,132	10,615,957	78.34	1,435,065	10.59	1,500,110	11.07
2005	2.00	13,713,689	11,017,578	80.34	1,072,410	7.82	1,623,701	11.84
2004	2.00	13,747,033	11,715,222	85.22	505,891	3.68	1,525,921	11.10
2003	2.00	11,665,183	9,647,106	82.70	523,767	4.49	1,495,476	12.82
2002	2.00	11,672,006	9,670,257	82.85	507,732	4.35	1,494,017	12.80
2001	2.00	12,641,479	10,111,919	79.99	1,018,903	8.06	1,510,657	11.95



City of Brecksville, Ohio
Income Tax Filers by Income Level
Tax Years 2009 and 2000

Tax Year 2009 (1)				
Income Range	Number of Filers	Percent of Filers	Taxable Income (2)	Percent of Taxable Income
Over \$100,000	1,688	32.39 %	\$360,970,495	74.22 %
75,001-100,000	515	9.88	44,856,308	9.22
50,001-75,000	632	12.12	39,608,388	8.15
25,001-50,000	762	14.62	28,548,144	5.87
Under 25,000	1,615	30.99	12,337,684	2.54
Total	5,212	100.00 %	\$486,321,019	100.00 %

Tax Year 2000				
Income Range	Number of Filers	Percent of Filers	Taxable Income (2)	Percent of Taxable Income
Over \$100,000	1,303	26.04 %	\$265,700,370	65.52 %
75,001-100,000	601	12.01	52,275,015	12.89
50,001-75,000	707	14.14	43,965,524	10.84
25,001-50,000	828	16.55	30,249,361	7.46
Under 25,000	1,564	31.26	13,353,564	3.29
Total	5,003	100.00 %	\$405,543,834	100.00 %

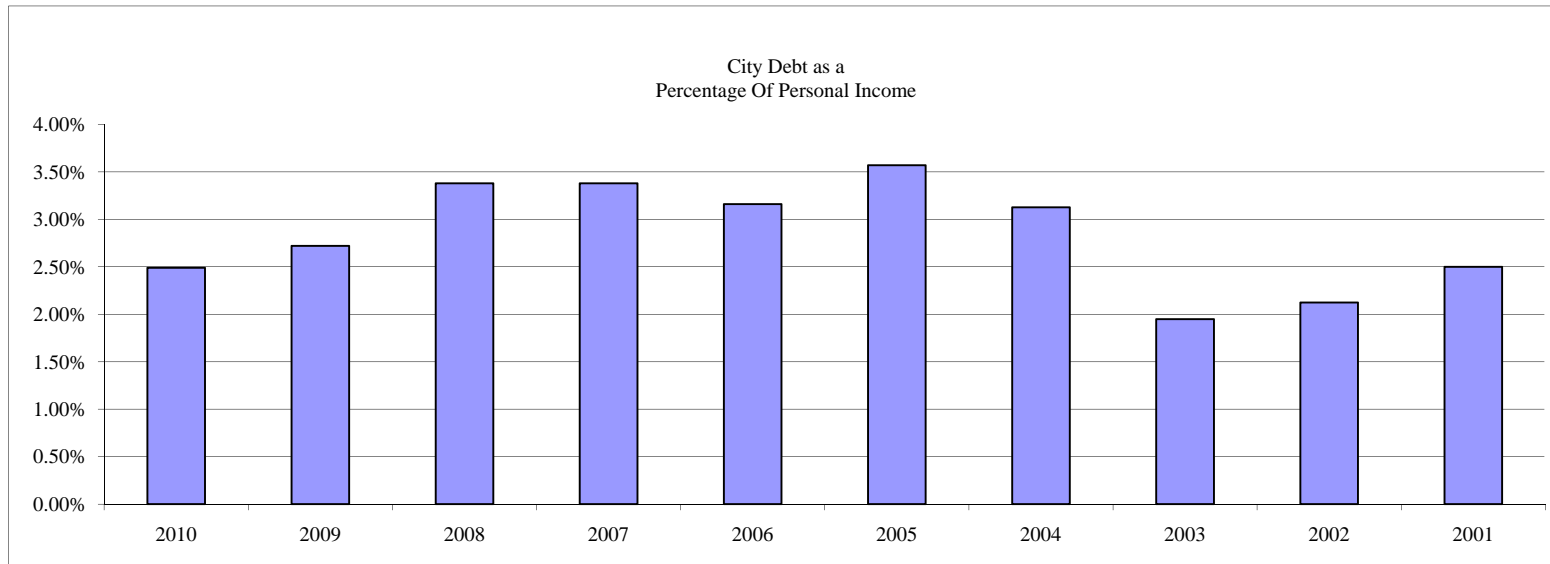
Source: Regional Income Tax Agency Data

- (1) Information for 2010 was not available
- (2) Taxable income of residents of the City

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

Year	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Notes Payable	Total	Total Personal Income (1)	Percentage Of Personal Income	Population (2)	Total Debt Per Capita
2010	\$8,672,310	\$3,166,959	\$547,643	\$0	\$12,386,912	\$576,706,536	2.15 %	13,656	\$907
2009	9,465,056	3,467,090	601,527	0	13,533,673	585,948,239	2.31	13,875	975
2008	10,402,802	3,754,221	655,411	0	14,812,434	585,948,239	2.53	13,806	1,073
2007	11,875,548	4,169,352	709,295	0	16,754,195	583,783,744	2.87	13,806	1,214
2006	12,761,477	4,569,483	763,179	0	18,094,139	572,461,107	3.16	13,755	1,315
2005	13,615,307	4,929,614	651,478	0	19,196,399	559,584,836	3.43	13,661	1,405
2004	10,027,432	4,057,000	471,284	2,550,000	17,105,716	546,998,189	3.13	13,567	1,261
2003	4,491,102	4,417,000	516,454	1,000,000	10,424,556	534,694,651	1.95	13,474	774
2002	4,874,400	4,772,000	561,624	1,000,000	11,208,024	527,524,135	2.12	13,506	830
2001	5,228,502	5,097,000	606,794	2,000,000	12,932,296	517,409,828	2.50	13,459	961

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(1) Brecksville Finance Department estimates 2001-2010;
 U.S. Census Bureau 2010
 (2) Estimates 2001-2010; U.S. Census Bureau 2010

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

Year	General Obligation Bonds	Estimated True Value of Taxable Property	Ratio of Bonded Debt to Estimated True Value of Taxable Property	Bonded Debt per Capita
2010	\$8,672,310	\$1,662,997,521	0.52%	\$635
2009	9,465,056	1,784,278,040	0.53	682
2008	10,402,802	1,851,206,913	0.56	753
2007	11,875,548	1,904,031,317	0.62	860
2006	12,761,477	1,749,541,073	0.73	928
2005	13,615,307	1,641,815,963	0.83	997
2004	10,027,432	1,608,358,646	0.62	739
2003	4,491,102	1,509,001,419	0.30	333
2002	4,874,400	1,461,684,266	0.33	360
2001	5,228,502	1,424,752,827	0.37	388

City of Brecksville
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2010*

	Debt Attributable to Governmental Activities	Percentage Applicable to City (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brecksville			
General Obligation Bonds	\$8,672,310	100.00%	\$8,672,310
Special Assessment Bonds	3,166,959	100.00	3,166,959
OPWC Loans	547,643	100.00	547,643
Various Purpose Notes	2,000,000	100.00	2,000,000
Total Direct Debt	<u>14,386,912</u>		<u>14,386,912</u>
Overlapping Debt:			
Payable from Property Taxes:			
Cuyahoga County Bonds	141,947,000	1.99	2,824,745
Regional Transit Authority Bonds	157,545,585	1.99	3,135,157
Brecksville-Broadview Heights City School District Bonds	13,925,000	100.00	13,925,000
Payable from Other Sources:			
Cuyahoga County Bonds	88,220,000	1.99	1,755,578
Cuyahoga County Loans	4,103,000	1.99	81,650
Cuyahoga County Capital Leases	20,783,000	1.99	413,582
Regional Transit Authority Loans	2,459,509	1.99	48,944
Regional Transit Authority Capital Lease	20,869,675	1.99	415,307
Brecksville-Broadview Heights City School District Notes	10,971,748	100.00	10,971,748
Brecksville-Broadview Heights City School District Capital Leases	244,735	100.00	244,735
Total Overlapping Debt	<u>461,069,252</u>		<u>33,816,446</u>
Total Direct and Overlapping Debt	<u>\$475,456,164</u>		<u>\$48,203,358</u>

Source: Office of the Auditor, Cuyahoga County, Ohio

- (1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2010 collection year.

City of Brecksville, Ohio
Legal Debt Margin Information
Last Ten Years
(amounts expressed in thousands)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Overall Debt Limitation (10.5% of Assessed Valuation)	\$62,107	\$64,272	\$64,691	\$67,033	\$62,799	\$60,398	\$59,252	\$55,543	\$53,827	\$53,331
Net Debt Within 10.5% Limitations	8,438	9,384	10,536	11,553	12,202	14,150	12,100	4,701	4,998	6,952
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$53,669</u>	<u>\$54,888</u>	<u>\$54,155</u>	<u>\$55,480</u>	<u>\$50,597</u>	<u>\$46,248</u>	<u>\$47,152</u>	<u>\$50,842</u>	<u>\$48,829</u>	<u>\$46,379</u>
Total net debt applicable to the limit as a percentage of debt limit	13.59%	14.60%	16.29%	17.23%	19.43%	23.43%	20.42%	8.46%	9.29%	13.04%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$32,532	\$33,666	\$33,886	\$35,113	\$32,895	\$31,637	\$31,037	\$29,094	\$28,195	\$27,935
Net Debt Within 5.5% Limitations	8,438	9,384	10,536	11,553	12,202	14,150	12,100	4,701	4,998	6,952
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$24,094</u>	<u>\$24,282</u>	<u>\$23,350</u>	<u>\$23,560</u>	<u>\$20,693</u>	<u>\$17,487</u>	<u>\$18,937</u>	<u>\$24,393</u>	<u>\$23,197</u>	<u>\$20,983</u>
Total net debt applicable to the limit as a percentage of debt limit	25.94%	27.87%	31.09%	32.90%	37.09%	44.73%	38.99%	16.16%	17.73%	24.89%

Legal Debt Margin Calculation for Fiscal Year 2010

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$591,493,130</u>	<u>\$591,493,130</u>
Overall Debt Limitation (percentage of assessed valuation)	\$62,106,779	\$32,532,122
Gross Indebtedness	14,257,643	14,257,643
Less: Various Purpose Notes	(2,000,000)	(2,000,000)
Special Assessment Bonds	(3,165,000)	(3,165,000)
OPWC Loans	(547,643)	(547,643)
General Obligation Bond Retirement Fund Balance	(106,559)	(106,559)
Net Debt Within Limitations	<u>\$8,438,441</u>	<u>\$8,438,441</u>
Legal Debt Margin Within Limitations	<u>\$53,668,338</u>	<u>\$24,093,681</u>

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

City of Brecksville, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Median Family Income (1)	Per Capita Income (1)	Unemployment Rate (3)		City Square Miles (4)
					Cuyahoga County	State of Ohio	
2010	13,656	\$576,706,536	\$96,038	\$42,231	8.6%	10.1%	19.54
2009	13,875	585,948,239	97,415	42,231	9.0	10.2	19.54
2008	13,806	585,948,239	97,415	42,442	7.1	6.5	19.54
2007	13,806	583,783,744	97,055	42,285	6.1	5.6	19.54
2006	13,755	572,461,107	95,526	41,619	5.5	5.6	19.54
2005	13,661	559,584,836	94,022	40,963	5.9	5.9	19.54
2004	13,567	546,998,189	92,541	40,318	6.3	5.9	19.54
2003	13,474	534,694,651	91,084	39,683	6.2	6.1	19.54
2002	13,506	527,524,135	89,649	39,059	5.7	5.7	19.54
2001	13,459	517,409,828	88,238	38,443	4.5	4.2	19.54

(1) Estimates 2001-2010; U.S. Census Bureau 2010

(2) Brecksville Finance Department estimates 2001-2010;
U.S. Census Bureau 2010.

(3) Ohio Bureau of Employment Services; U.S. Department of Labor, Bureau of
Labor Statistics; Unemployment rate for the City is unavailable.

(4) City Records

City of Brecksville, Ohio
Principal Employers
Current Year and Five Years Ago (1)

2010			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Defense Finance	Financial Services	1,653	8.78 %
AT&T/ Ohio Bell	Communication Services	1,022	5.42
PNC/National City Corporation	Banking Services	1,078	5.72
Lubrizol Corporation	Chemical Technology	756	4.01
First Energy/Illuminating Company	Electric Utility	418	2.22
Brecksville-Broadview Heights School	Public Education	432	2.30
House of LaRose	Beverage Distributor	319	1.69
Curtiss-Wright Flow Control	Manufacturing	176	0.93
City of Brecksville	Municipal Government	133	0.71
Cuyahoga Valley Joint Vocational School	Vocational Education	110	0.59
Total		<u>6,097</u>	<u>32.37 %</u>
Total Employment within the City		<u>18,837</u>	

2005			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Department of Veteran Affairs	Medical Center	1,326	9.85 %
Ameritech/SBC	Communication Services	877	6.51
National City Corporation	Banking Services	834	6.19
B.F. Goodrich Company	Chemical Firm	529	3.93
Brecksville-Broadview Heights School	Public Education	497	3.69
House of LaRose	Beverage Distribution	310	2.30
Curtiss-Wright Flow Control	Manufacturing	165	1.23
City of Brecksville	Municipal Government	141	1.05
Cuyahoga Valley Joint Vocational School	Vocational Education	133	0.99
Regional Income Tax Agency	Tax Collections	132	0.98
Total		<u>4,944</u>	<u>36.72 %</u>
Total Employment within the City		<u>13,463</u>	

Source: Regional Income Tax Agency and a survey conducted by the City.

(1) Information prior to 2005 is not available

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

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Government										
Council	4.5	4.5	4.5	4.5	8.0	8.0	8.0	8.0	8.0	8.0
Mayor	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0
Finance	3.5	3.5	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0
Income Tax	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Purchasing	2.0	2.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Legal	1.5	1.5	1.5	1.5	0.0	0.0	0.0	0.0	0.0	0.0
Mayor's Court	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Technology	3.5	3.5	3.5	3.0	3.0	1.0	1.0	1.0	1.0	1.0
Engineering	1.0	1.0	2.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0
Administrative Support	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	1.0	1.0
Public Safety										
Police	41.0	43.0	44.5	43.5	43.0	45.0	45.0	43.5	46.5	43.5
Fire	26.0	26.5	27.0	28.0	26.0	26.0	25.0	25.5	25.0	25.5
Recreational Activities										
Community Center	50.0	55.0	52.0	51.5	49.0	55.5	59.5	54.5	60.0	45.5
Senior/Community Services	7.5	9.5	9.5	9.0	8.0	4.0	4.0	4.0	4.0	3.0
Street Construction, Maintenance and Repair Service										
	43.5	47.0	44.0	48.0	59.5	60.5	61.0	62.0	63.0	62.0
Housing and Community Development										
Building Inspection	6.5	6.0	7.0	8.5	8.0	7.5	7.0	7.0	7.0	7.0
Basic Utility Services										
Housekeeping	11.5	12.0	13.5	13.5	11.0	10.0	9.5	8.0	0.0	0.0
Totals:	<u>207.5</u>	<u>221.0</u>	<u>221.5</u>	<u>225.5</u>	<u>230.0</u>	<u>233.0</u>	<u>233.5</u>	<u>228.0</u>	<u>227.0</u>	<u>208.0</u>

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Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee as of December 31, 2010.

Source: Finance Department

City of Brecksville, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Government										
Building Department Vehicles	5	6	6	6	6	6	6	5	5	5
Other Department Vehicles	4	5	5	5	5	5	4	4	4	4
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Building	6,577	6,577	6,577	6,577	6,577	6,577	6,577	6,577	6,577	6,577
Vehicles	23	23	22	22	22	22	22	22	20	18
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Building	17,674	17,674	17,674	17,674	17,674	17,674	17,674	17,674	10,544	10,544
Vehicles	14	13	12	12	12	13	12	12	12	12
Street Construction, Maintenance and Repair										
Streets (lane miles)	189	189	189	189	189	185	185	181	178	N/A
Urban Forestry Vehicles	3	3	3	3	3	3	3	4	2	2
Other Public Services Vehicles	54	53	54	54	54	54	51	49	49	48
Recreational Activities										
Recreation Center	1	1	1	1	1	1	1	1	1	1
Recreation Center Square Footage	65,000	65,000	65,000	65,000	65,000	49,000	49,000	49,000	49,000	49,000
Number of Parks	3	3	3	3	3	3	3	3	3	3
Number of Baseball Diamonds	10	10	10	10	10	10	10	10	10	8
Number of Playgrounds	8	8	8	8	8	8	8	8	8	6
Number of Tennis Courts	3	3	3	3	3	3	3	3	3	3
Number of Full Sized Soccer Fields	3	2	2	2	2	2	2	2	2	2
Vehicles	3	3	3	3	3	3	3	3	2	2
Housing and Community Development										
Human Services Center Square Footage	46,000	46,000	46,000	46,000	46,000	0	0	0	0	0
Vehicles	5	5	6	6	6	6	6	6	4	5

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Source: Finance Department

City of Brecksville, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2010	2009	2008	2007	2006
Police:					
Police Expenditures (in thousands)	\$3,716	\$3,516	\$3,350	\$3,428	\$3,321
Total Arrests	3,658	3,181	3,542	3,526	4,499
Part One Offenses	80	85	83	67	71
OVI Arrests	47	39	64	55	44
Prisoners	908	1,258	1,235	1,086	1,033
Motor Vehicle Accidents	215	256	293	303	326
Calls for Service	14,701	14,302	16,603	15,669	15,433
Incidents per Citizen	1.0770	1.0308	1.2030	1.1349	1.1220
Cost per Citizen	\$272.08	\$253.41	\$242.67	\$248.32	\$241.41
Fire:					
Fire Expenditures (in thousands)	\$2,438	\$2,159	\$2,067	\$2,194	\$2,220
Emergency Responses	1,351	1,346	1,399	1,313	1,387
Fire Safety Inspections	404	249	410	276	268
Fire Protection Systems Inspected	35	49	58	47	34
Building Fire Protection Plans Reviewed	2	3	9	7	14
Percentage of Business Inspected	36%	25%	39%	44%	28%
Number of Community Programs	197	181	245	15	15
Emergency Responses per Citizen	0.0989	0.0975	0.1013	0.0951	0.1008
Cost per Citizen	\$178.53	\$155.60	\$149.72	\$158.91	\$161.40
Street Lights Expenditures (in thousands)	\$108	\$98	\$86	\$85	\$85
Cost per Acre of Streetlights	\$8.61	\$7.60	\$6.88	\$6.81	\$6.80
Public Health Services:					
Health Department (in thousands)	\$50	\$50	\$48	\$48	\$45
Health Cost per Citizen	\$3.62	\$3.57	\$3.49	\$3.49	\$3.27
Recreational Activities:					
Blossom Hill (in thousands)	\$253	\$305	\$271	\$280	\$254
Community Center (in thousands)	1,843	1,791	1,610	1,609	1,527
Total Leisure Service Cost (in thousands)	\$2,096	\$2,096	\$1,881	\$1,889	\$1,781
Cost per Citizen	\$153.48	\$151.03	\$136.26	\$136.85	\$129.48
Community Center Square Feet	65,000	65,000	65,000	65,000	65,000
Square Feet per Citizen	4.76	4.68	4.71	4.71	4.73
Total Recreational Revenue (in thousands)	\$972	\$894	\$1,039	\$928	\$791
Community Center Members	6,479	6,606	6,798	7,440	6,637
Total Participations	169,171	199,102	218,209	171,266	165,066
Participations of Members Over Age 60	N/A	N/A	N/A	N/A	N/A
Fitness Class Participations	21,584	21,624	24,107	21,779	15,531
Participations per Citizen	12.39	14.35	15.81	12.40	12.00
Cost per Participation	\$10.89	\$10.53	\$7.38	\$9.40	\$9.25
Revenue per Participation	\$5.74	\$4.49	\$4.76	\$5.42	\$4.79
Housing and Community Development:					
Human Services (in thousands)	\$676	\$720	\$701	\$659	\$504
Cost per Citizen	\$50.00	\$51.89	\$51.00	\$48.00	\$37.00
Human Services Square Feet	29,000	29,000	29,000	29,000	29,000
Square Feet per Citizen	25.55	26.34	31.80	31.80	44.89
Total Human Services Revenue (in thousands)	\$81	\$81	\$76	\$52	\$51
Human Services Members	1,135	1,101	714	912	646
Total Participations	37,663	46,272	36,946	32,542	33,299
Participations per Citizen	2.76	3.33	2.68	2.36	2.42
Cost per Participation	\$595.59	\$653.95	\$982.18	\$722.15	\$780.19

2005	2004	2003	2002	2001
\$2,970	\$3,021	\$2,919	\$2,609	\$2,548
4,171	4,275	4,567	4,443	4,428
72	79	105	93	123
55	71	86	69	68
923	888	932	840	901
344	325	272	217	250
16,668	17,271	18,225	17,557	17,094
1,2202	1,2730	1,3526	1,2999	1,2701
\$217.41	\$222.67	\$216.64	\$193.17	\$189.32
\$2,053	\$1,997	\$1,880	\$1,730	\$1,770
1,386	1,345	1,263	1,381	1,281
164	235	257	243	165
46	38	30	68	11
7	39	39	67	14
28%	25%	26%	25%	22%
11	10	10	7	14
0.1015	0.0991	0.0937	0.1023	0.0952
\$150.29	\$147.20	\$139.53	\$128.09	\$131.51
\$85	\$84	\$85	\$80	\$81
\$6.80	\$6.72	\$6.80	\$6.40	\$6.48
\$45	\$41	\$41	\$39	\$35
\$3.29	\$3.02	\$3.04	\$2.89	\$2.60
\$260	\$271	\$215	\$215	\$181
1,666	1,546	1,642	1,487	1,228
\$1,926	\$1,817	\$1,857	\$1,702	\$1,409
\$140.99	\$133.93	\$137.82	\$126.02	\$104.69
49,000	49,000	49,000	49,000	49,000
3.59	3.61	3.64	3.63	3.64
\$796	\$747	\$694	\$669	\$643
6,453	6,564	6,405	5,389	0
155,135	171,000	167,000	94,000	0
30,144	34,437	28,817	19,876	0
14,345	16,382	14,546	6,889	0
11.36	12.61	12.42	6.97	0.00
\$10.74	\$9.03	\$9.82	\$15.79	\$0.00
\$5.13	\$4.37	\$4.15	\$7.10	\$0.00
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

(continued)

City of Brecksville, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2010	2009	2008	2007	2006
Housing and Community Development:					
Planning and Zoning (in thousands)	\$5	\$4	\$13	\$8	\$9
Housing and Building Inspection (in thousands)	\$505	\$521	\$471	\$492	\$473
Cost per Citizen	\$37.00	\$37.84	\$35.00	\$36.00	\$35.00
Building Permits - Residential	895	882	742	1,077	981
Dollar Value of Permits (in thousands)	\$3,654	\$5,596	\$7,450	\$7,609	\$12,371
Building Permits - Commercial	207	137	205	126	124
Dollar Value of Permits (in thousands)	\$21,592	\$3,954	\$7,075	\$23,762	\$4,212
Engineering (in thousands)	\$241	\$256	\$178	\$152	\$129
Engineering Reviews					
New Topo Reviews	5	11	11	15	29
Revised Topo Reviews	8	13	23	28	46
Retaining Wall Reviews	39	15	9	32	12
Plat Reviews	6	16	9	3	0
Other Reviews	13	43	41	38	41
Builder Grades	9	15	17	66	31
Landscaping Grades	4	11	7	20	11
Total All Reviews	84	124	117	202	170
Number of Trees Planted	168	146	110	168	278
Number of Trees Removed	190	197	135	103	102
Cemetery Internments	43	41	46	60	68
Grave Purchases/Interment Payments (in thousands)	\$27	\$30	\$24	\$40	\$37
Street Construction, Maintenance and Repair:					
Street Maintenance (in thousands)	\$892	\$1,033	\$1,155	\$1,112	\$1,115
Snow and Ice Removal (in thousands)	\$220	\$175	\$208	\$175	\$70
Road Maintenance (man hours)	65,600	70,776	70,776	66,405	63,460
Streets (lane miles)	189	189	189	189	189
Cost per mile of street	\$5.88	\$7.21	\$7.21	\$6.81	\$6.27
Feet of street per capita	73.08	72.28	72.28	72.28	72.55
Asphalt Usage (in tons)	5,415	7,237	2,307	2,119	4,526
Asphalt Cost per ton	\$68.50	\$56.81	\$55.74	\$60.68	\$52.02
Salt Usage (in tons)	6,863	8,625	9,090	9,875	4,255
Concrete Used (in cubic yards)	3,945	1,941	1,941	1,172	1,600
Brush/Grass/Yard Waste Collected (in cubic yard)	2,354	2,409	2,729	2,120	2,717
Leaves Collected (in cubic yards)	6,411	7,722	5,926	6,953	6,145
General Government:					
Law (in thousands)	\$247	\$219	\$222	\$241	\$208
Cost per budget dollar	\$0.0069	\$0.0054	\$0.0052	\$0.0058	\$0.0060
Finance (in thousands)	\$325	\$342	\$299	\$292	\$285
Cost per budget dollar	\$0.0090	\$0.0085	\$0.0071	\$0.0070	\$0.0083
Purchasing (in thousands)	\$169	\$227	\$201	\$198	\$191
Cost per employee	\$724.63	\$1,027.15	\$861.07	\$847.97	\$817.99
Lands and Buildings (in thousands)	\$602	\$785	\$767	\$769	\$777
Cost per citizen	\$44.06	\$56.58	\$55.57	\$55.70	\$56.49
Mayor's Office (in thousands)	\$218	\$217	\$231	\$206	\$210
Council (in thousands)	\$238	\$234	\$229	\$230	\$212

Source: Finance Department

2005	2004	2003	2002	2001
\$15	\$16	\$7	\$11	\$8
\$487	\$496	\$463	\$480	\$478
\$37.00	\$38.00	\$35.00	\$36.00	\$36.00
1,095	926	843	957	800
\$19,823	\$17,508	\$19,503	\$17,094	\$23,535
104	157	232	160	134
\$7,461	\$19,572	\$25,600	\$4,054	\$10,364
\$114	N/A	N/A	N/A	N/A
39	N/A	N/A	N/A	N/A
40	N/A	N/A	N/A	N/A
0	N/A	N/A	N/A	N/A
11	N/A	N/A	N/A	N/A
0	N/A	N/A	N/A	N/A
0	N/A	N/A	N/A	N/A
0	N/A	N/A	N/A	N/A
90	N/A	N/A	N/A	N/A
73	231	294	593	279
157	166	106	42	156
58	38	50	41	49
\$38	\$30	\$90	\$19	\$28
\$1,070	\$1,086	\$1,053	\$967	\$1,170
\$229	\$181	\$172	\$76	\$88
74,505	71,160	72,481	68,706	68,321
185	185	181	178	178
\$7.02	\$6.85	\$6.77	\$5.86	\$7.07
71.51	72.00	70.93	69.59	69.83
4,000	3,188	3,949	2,050	6,093
\$52.02	\$51.00	\$51.50	\$50.00	\$53.00
9,770	5,809	9,168	11,263	4,918
1,205	1,246	2,400	1,939	1,655
3,269	3,240	3,497	2,213	1,932
5,721	5,934	4,920	5,306	4,362
\$205	\$203	\$188	\$177	\$191
\$0.0058	\$0.0049	\$0.0045	\$0.0036	\$0.0045
\$282	\$280	\$281	\$202	\$215
\$0.0080	\$0.0067	\$0.0067	\$0.0042	\$0.0050
\$179	\$183	\$178	\$197	\$182
\$766.60	\$879.81	\$784.14	\$864.04	\$779.44
\$732	\$808	\$862	\$1,002	\$917
\$53.58	\$59.56	\$63.98	\$74.19	\$68.13
\$227	\$186	\$220	\$216	\$207
\$204	\$200	\$185	\$172	\$137

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CITY OF BRECKSVILLE
CUYAHOGA COUNTY

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

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

To the City Council:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 10, 2011, wherein we noted the City adopted the provisions of the Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 10, 2011.

We intend this report solely for the information and use of management, the audit committee, City Council, and others within the City. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

June 10, 2011

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CITY OF BRECKSVILLE

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 12, 2011