

**CITY OF BRECKSVILLE
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2012**

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



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the City of Brecksville, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2012 through December 31, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Brecksville is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 10, 2013

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**CITY OF BRECKSVILLE
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2012**

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Certified Public Accountants

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Members of City Council
City of Brecksville, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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, 2012, and the related notes to the financial statements, which collectively comprise the City of Brecksville, Ohio's basic financial statements, and have issued our report thereon dated May 16, 2013, wherein we noted that the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Brecksville, Ohio's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Brecksville, Ohio's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Brecksville, Ohio's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Brecksville, Ohio's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Brecksville, Ohio's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Brecksville, Ohio's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


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

May 16, 2013

**CITY OF BRECKSVILLE
CUYAHOGA COUNTY, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2012**

The prior audit report, as of December 31, 2011, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.



CITY OF BRECKSVILLE, OHIO

Comprehensive Annual Financial Report

For the period ending December 31, 2012

On the Cover...

The Brecksville Community Center opened on September 26, 1992. It still remains one of the finest Community Centers in Northeast Ohio.



CITY OF BRECKSVILLE, OHIO

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2012

ISSUED BY THE DEPARTMENT OF FINANCE

Virginia Price, CPA,

FINANCE DIRECTOR



Brecksville City Council and Mayor May 2012

(from left to right)

Seated

Councilman, Rex Mack
Council President, Greg Skaljac
Councilman, Gerald E. Broski

Standing

Councilwoman, Nora L. Murphy
Councilman, Louis N. Carouse, Jr.
Finance Director, Virginia Price
Mayor, Jerry N. Hruby
Council Clerk, Mary Scullin
Council Vice-President, Michael Harwood
Councilwoman, Laura Redinger

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2012
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May 16, 2013

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. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The City selected James G. Zupka, CPA to perform these services for the year ended December 31, 2012. 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 two 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 is again in 2013.

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, 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 an unprecedented seventh consecutive term as mayor in the November general election in 2011. Mayor Hruby is the only mayor to be elected to seven consecutive four-year terms since Brecksville became a village in 1921.

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 City recreational facilities, among other services. 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 with full-time paramedic service. Brecksville takes pride in its low crime rate and rapid response by both police and fire units. The safety departments are constantly updating training, procedures, and equipment to provide effective services to our City.

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

We're proud of our City's beautiful, safe and uncongested environment. We are a community that is "Building our future with respect for our past," a dynamic idea that combines forward thinking with our Western Reserve heritage which is evident not only in our prevailing architectural style but in our business-friendly philosophy.

Residents have a variety of nearby transportation options. 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. In the summer, a trip to the verdant setting of Blossom Music Center is a musical must. Just a short drive from Brecksville through the Cuyahoga Valley National Park, Blossom is the summer home of the Cleveland Orchestra and a venue for the biggest music stars touring the planet.

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 a concert venue in the "Flats" along the Cuyahoga River. Cleveland's downtown is a center of activity for all ages and just minutes from Brecksville.

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

Brecksville's wooded hills and ravines that 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 33,000 acre Cuyahoga Valley National Park. Brecksville is unique among Cuyahoga County communities because one-third of the City is park land. Located within the Cuyahoga Valley National Park is the Ohio Canal National Heritage area. 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 19th consecutive year in 2012.

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 shopping malls in nearby communities complement local merchants.

The City of Brecksville provides many programs for all ages through its Recreation Department. Baseball, basketball, volleyball, swimming, golf, tennis, spinning and 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, and a state of the art artificial turf soccer and lacrosse field. 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 children's pool, elevated running track, youth game room, large cardio-vascular and weight rooms, whirlpool spa, saunas, and a dividable community room with facilities for meetings and catering.

Brecksville's, 46,000 square-foot Human Services Center (attached to the Community Center) and expanded facilities for the Community Center attracts children less than one year old to folks in their nineties. The second floor of the beautiful building houses the Community Center's vast cardio-vascular fitness section. Headquartered in the Human Services 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 screenings. The Human Services Center has a 30 by 50 foot warm water therapy exercise pool on the lower level and a full-service kitchen with an accompanying large gathering area seating 125. The serene Kay Broughton center courtyard complete with tables, benches, and fountain provide the opportunity for quiet book reading or a lively game of cards surrounded by beautiful plantings.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. For more than a decade, School Match, a national consulting firm, has ranked the District in the top ten percent of all school districts in the nation. The Brecksville-Broadview Heights City School District has received the highest possible rating on the State-mandated District Report Card since its debut in 2000. The High School Girls Gymnastics Team won its 13th state championship and tenth in a row in 2013, and the wrestling team took third in Division IV wrestling. Both teams are recognized by proclamations presented at a City Council meeting. Brecksville is also home to the Cuyahoga Valley Career Center which is the area's vocational school for high school students and additionally provides a multitude of adult education programs for area residents.

Economic Development

The City of Brecksville is a business advocate and a connector. We help companies navigate site relocation and retention by uniting all the necessary elements to assure that Brecksville is an ultimate business destination. Mayor Hruby and the Economic Development Director have been overseeing the following projects:

The 100-acre Veterans Administration hospital (VA) property at Miller and Brecksville Roads closed its doors effective November 1, 2012. It is expected that an announcement will be made in 2013 as to the future of the former Brecksville VA site. The Mayor and City Council have planned for this closing and it is anticipated that future revenues from a redevelopment plan will exceed current revenues.

True North, a joint venture of the Lyden Company and Shell Oil, built a new headquarters building which opened in 2012. True North operates or supplies over 320 Shell franchised sites in Illinois, Ohio, and Michigan. In addition, a new True North gas station was built in 2012.

Rambus, Incorporated, headquartered in Los Altos, California, expanded its 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.

As part of an expansion in Brecksville, Clinical Technology, Incorporated has a new office building in town, which is currently under construction. Clinical Technology, Incorporated is a leading specialty distributor of medical products in the mid-western region of the United States.

Accomplishments

The City is proud that Moody's Investors Services has once again awarded our City a bond rating of Aaa. This is the highest gradation of credit worthiness, which attests to our strong economic health and prudent fiscal management.

The City of Brecksville's Finance Department was proud to receive its 22nd consecutive Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2011. It was also the sixth year that the Finance Department produced its award winning Popular Annual Financial Report.

More than two decades ago, Brecksville began its City-wide curbside recycling program. We take pride in how the program has grown into a major and successful partnership between City services and the residents. During 2012, a \$4,000 recycling grant was received and used for the purchase of recycling containers placed at various City locations.

In order to facilitate and improve the City's networking capabilities, a wide area network system was installed. This system of fiber and microwave tower allows the various City locations to communicate without the reliance on a third party system.

Field lighting was installed at the City's state-of-the-art soccer field located on the Blossom property. This lighting will allow for much desired expanded hours of use availability for all of the soccer programs.

As part of a long range planning process for the Blossom property, aerial photographs were taken of the property. Additionally, digital mapping was produced and will be a key tool in evaluating wetland delineation and development options.

In the November 2012 election, the citizens of Brecksville approved the rezoning of a parcel of land located across from City Hall. This parcel of land, along with two adjoining lots intended for the building of a police station, now have the appropriate zoning to allow this project to move forward.

Two special assessment projects were completed and assessed in 2012. Katherine Boulevard is a business development area that was improved as part of an economic development agreement and is the site of several new businesses with land for additional corporate expansion. Riverview Road received new sanitary and storm drainage infrastructure providing hook-up for 54 parcels. The cost to residents for this project was mitigated by the receipt of a \$235,000 grant from the Ohio Public Works Commission.

An 80-foot by 200-foot material storage facility was built on the City's Stadium Drive property. This facility will be used primarily for salt storage and the processing of street sweepings. Storage of salt will provide for adequate supply in busy winter months and allow the City to take advantage of pricing opportunities.

Wiese Road realized the replacement of a crucial retaining wall. This wall had been under observation for some time as failure was anticipated. The City applied for and received a \$233,800 grant and a \$233,800 twenty year loan from the Ohio Public Works Commission for this project.

The Ohio Department of Natural Resources provided the City with \$25,000 of matching grant funds for Ash tree removal and replacement. Using these funds, our Horticulture Department completed the removal of 104 damaged Ash trees and the planting of 133 replacement trees.

An advance refunding of \$3,255,000 in general obligation bonds issued in 2004 was completed. By reissuing the bonds, the City was able to leverage the current low interest rates and reduce future interest payments by \$348,979.

2013 Priorities:

- Replacement of a culvert and repair of slope on State Route 82. This project is being facilitated by a \$253,000 grant through the Ohio Department of Transportation.
- An agreement with developers to allow for the sale of lots and home building in our much anticipated Woodlands Development on Snowville Road.
- The City's ten year Charter Review is in 2013. A panel of residents have been selected and meetings are on-going with the intent to recommend changes to the City's Charter.
- In coordination with a \$1,892,000 grant from the Department of the Interior, the City will be making much needed roadway improvements. These improvements are necessary to insure safe public access to the adjoining Cuyahoga Valley National Park.
- A 15,000 square-foot service garage and storage facility has been designed. The building, to be located on the Blossom property, is scheduled for construction this summer.

Long-Term Financial Planning

As part of the annual budget process, the Mayor and City Council review five year budget projections. Based on these estimates, financial strategies are developed to maximize services supplied and infrastructure improvements desired. In the past five years, the City has reduced the size of its staff and found innovative ways to reduce costs without a reduction in the services provided to the residents, nor neglecting its infrastructure. The City also continues to pay down its debt and seeks opportunities to refinance its debt in order take advantage of any cost savings for its citizens.

Relevant Financial Policies

By City ordinance, \$2,400,000 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 \$240,000 to the road improvements fund. The remainder is credited to the general fund.

There are also ordinances in place to 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. In 2012, the City opened the Community Center membership to a limited number of corporate members. The funds collected from corporate memberships are designated to be used to purchase recreation equipment and perform facility maintenance.

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.

Both a debt management policy and an updated investment policy were prepared and adopted in 2012.

Awards and Acknowledgements

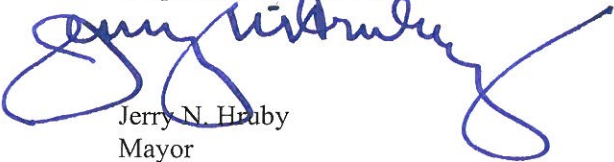
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must 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, 2011. 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 Section 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, 2011

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.



Christopher P. Moirill

President

Jeffrey R. Enow

Executive Director

City of Brecksville, Ohio

City of Officials

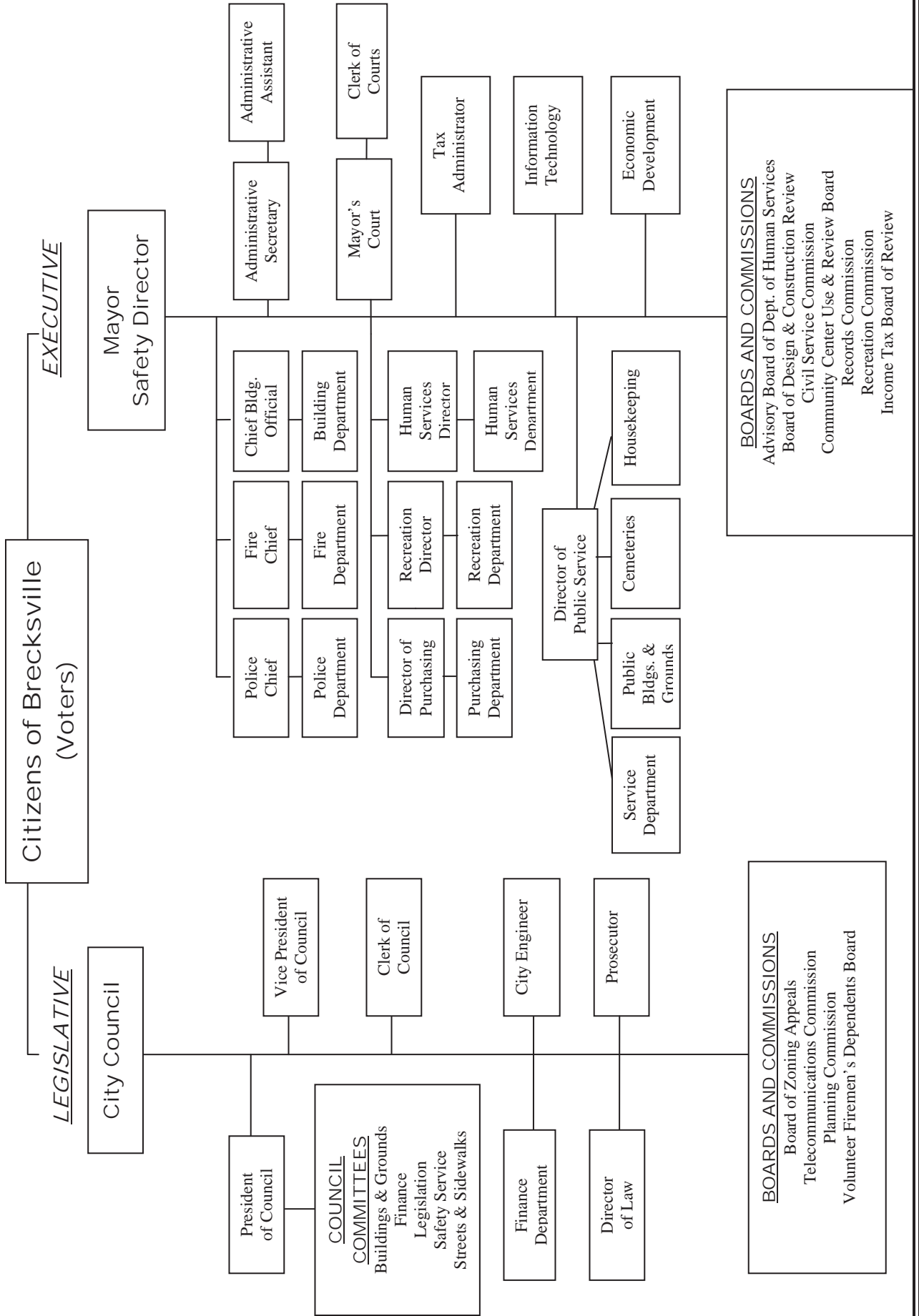
ELECTED OFFICIALS

Mayor-Safety Director	Jerry N. Hruby
President of Council	Greg Skaljac
Vice-President of Council	Michael T. Harwood
Council Member	Gerald F. Broski
Council Member	Louis N. Carouse, Jr.
Council Member	Rex E. Mack
Council Member	Nora L. Murphy
Council Member	Laura C. Redinger

APPOINTED OFFICIALS

Director of Finance	Virginia Price
Police Chief	Richard Mannarino
Fire Chief	Edwin Egut
Service Director	Ronald Weidig
Director of Purchasing	Becki Burlingham
Chief Building Official	Scott Packard
Clerk of Courts	Shelley Kazimore
Director of Recreation	Thomas Tupa
Director of Law	David Matty
Prosecutor	Sergio Digeronimo
City Engineer	Gerald Wise
Clerk of Council	Mary Scullin

CITY OF BRECKSVILLE, OHIO ORGANIZATIONAL CHART



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The Blossom Hill facility is located on Oakes Road in Brecksville. Currently there are 2 baseball diamonds and an artificial turf soccer field. The soccer field was equipped with brand new lighting for night time play. The Blossom facility has 84 acres with lots of room to grow.





The Community Center has hosted many special events throughout the years.
Top left: Outback Ray visits the Summer Camp children with his animals and antics.
Top Right: The Cleveland Indians Theme Swim Party
Center left: EJ the Cartoonist draws children at the annual Halloween Party
Center right: Father/Daughter Dance
Below left: Decorate a cake for Mother's Day
Below right: A visit with the Easter Bunny

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

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INDEPENDENT AUDITOR'S REPORT

To the Members of City Council
City of Brecksville, Ohio

The Honorable David Yost
Auditor of State
State of Ohio

Report on the Financial Statements

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, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, Ohio, as of December 31, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Fire Department Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 3 to the financial statements, during 2012 the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting 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 assurance.

Other Information


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Brecksville, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2013, on our consideration of the City of Brecksville, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Brecksville, Ohio's internal control over financial reporting and compliance.


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

May 16, 2013

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2012
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, 2012. 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 2012 are as follows:

- The assets and deferred outflows of resources of the City of Brecksville exceeded its liabilities and deferred inflows of resources by \$92,603,600. This is an increase of \$4,910,008 over last year's net position. Of this amount, \$15,190,625 is available to use to meet the government's ongoing obligations to citizens and creditors. This unrestricted balance is \$5,275,534 more than last year and is a reflection of a decrease in the amount of restricted funds. In particular, the amount restricted for capital projects decreased by \$2,812,849 as a direct result of money spent in 2012 for numerous infrastructure projects.
- The City's return on assets was 4.38 percent. While this return is relatively low, it is almost double last year's and reflects the City's continued commitment of investing in long-term assets including equipment and infrastructure. There was a decrease in the amount of income tax collections and investment earnings compared to 2011; however, the increase in charges for services and capital grants more than compensated for the downturn.
- Total expenses of all City services were \$23,161,239 in 2012, an increase of \$835,416 (3.74 percent) from 2011. This increase is a reflection of a general raise in salaries and the filling of some positions that were reduced in previous years. The only other area of real expense increase is in utilities and is a reflection of the resources being used to address storm drainage issues in the City.
- Total liabilities decreased by \$978,968, or 5.96 percent, from 2011. The primary factor for this reduction is that the City paid down short-term notes in 2012, while continuing to pay down its outstanding long-term bonds and refunding a portion of general obligation debt to take advantage of lower interest rates; however, the City did issue new special assessment bonds for infrastructure improvements. The net effect of these activities created a \$1.1 million increase in long-term liabilities. An additional area where liability increased was in contracts payable as a direct result of on-going construction projects.
- Total capital assets increased by \$2,109,840, or 2.64 percent, over 2011. The City continues to invest heavily in storm water projects. Due to the topography of the City and as further land is developed, addressing water drainage issues has become a priority for the City. 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. In addition, the City remains vigilant in maintaining and improving its current infrastructure.
- The cash balance at the end of 2012, in the general fund of \$7,750,026, represents 209 days of operating expenditures for the City and is a reflection of its on-going viability and its desire to protect the ability to provide future services.

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
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The statement of Net Position 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 Position 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 2012?" The Statement of Net Position 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 position and the changes in that net position. The change in net position 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 Position and the Statement of Activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position
- Program Expenses and Revenues
- General Revenues
- Net Position 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 18. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of 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.

City of Brecksville
Management's Discussion and Analysis
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The City of Brecksville as a Whole

Recall that the Statement of Net Position pictures the City as a whole. Table 1 provides a summary of the City's net position for 2012 compared to 2011.

Table 1
Net Position

	Governmental Activities		
	2012	2011	Change
Assets			
Current and Other Assets	\$29,951,152	\$28,451,345	\$1,499,807
Capital Assets, Net	82,026,122	79,916,282	2,109,840
<i>Total Assets</i>	<u>111,977,274</u>	<u>108,367,627</u>	<u>3,609,647</u>
Deferred Outflows of Resources			
Deferred Charges on Refunding	315,961	1,926	314,035
Liabilities			
Current and Other Liabilities	2,296,300	4,385,849	2,089,549
Long-Term Liabilities			
Due Within One Year	1,182,597	1,431,500	248,903
Due in More Than One Year	11,969,452	10,609,968	(1,359,484)
<i>Total Liabilities</i>	<u>15,448,349</u>	<u>16,427,317</u>	<u>978,968</u>
Deferred Inflows of Resources			
Property Taxes not Levied to Finance Current Year Operations	4,241,286	4,248,644	7,358
Net Position			
Net Investment in Capital Assets	70,119,261	66,408,438	3,710,823
Restricted for:			
Capital Projects	232,792	3,045,641	(2,812,849)
Debt Service	4,901,981	5,840,447	(938,466)
Fire Department	99,629	311,661	(212,032)
Road Maintenance	345,691	137,076	208,615
Street Construction, Maintenance, and Repair	853,116	725,291	127,825
Other Purposes	860,505	1,309,947	(449,442)
Unrestricted	15,190,625	9,915,091	5,275,534
<i>Total Net Position</i>	<u>\$92,603,600</u>	<u>\$87,693,592</u>	<u>\$4,910,008</u>

Net position may serve as a useful indicator of a government's financial position over time. In the case of the City of Brecksville, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$92,603,600 at year-end 2012. By far the largest portion of the City of Brecksville's net position (75.72 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 position 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. Factors for this increase are that total assets increased by

City of Brecksville
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\$3,609,647, mainly due to higher municipal income tax and special assessments receivable and short-term liabilities decreased from 2011 by \$2,089,549. This decrease was mainly due to the retirement of short-term notes. At the end of 2012, the City's total liabilities to net position ratio was 16.68 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 \$130,456 in interest revenue. 2012's interest revenue is \$176,374 less than 2011'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.

Table 2 shows the changes in net position for the year ended December 31, 2012 compared to 2011.

Table 2
Changes in Net Position

	Governmental Activities		
	2012	2011	Change
Program Revenues			
Charges for Services	\$4,357,461	\$2,001,338	\$2,356,123
Operating Grants and Contributions	1,030,092	1,078,256	(48,164)
Capital Grants and Contributions	1,302,454	279,119	1,023,335
<i>Total Program Revenues</i>	<u>6,690,007</u>	<u>3,358,713</u>	<u>3,331,294</u>
General Revenues			
Property Taxes	4,274,049	4,244,672	29,377
Income Taxes	15,263,245	15,526,409	(263,164)
Grants and Entitlements	1,217,585	1,130,958	86,627
Investment Earnings	130,456	306,830	(176,374)
Gain on Sale of Capital Assets	27,112	14,939	12,173
Other	468,793	648,973	(180,180)
Total General Revenues	<u>21,381,240</u>	<u>21,872,781</u>	<u>(491,541)</u>
<i>Total Revenues</i>	<u>28,071,247</u>	<u>25,231,494</u>	<u>2,839,753</u>
Program Expenses			
General Government:			
Legislative and Executive	5,786,026	5,499,027	(286,999)
Judicial	108,293	198,239	89,946
Public Safety:			
Police	4,537,860	3,992,061	(545,799)
Fire	2,318,180	2,314,537	(3,643)
Public Health and Social Services	1,092,369	1,048,646	(43,723)
Street Construction, Maintenance, and Repair	3,654,599	4,059,126	404,527
Housing and Community Development	962,912	852,056	(110,856)
Basic Utility Services	2,133,946	1,726,275	(407,671)
Recreational Activities	2,074,033	2,078,502	4,469
Interest and Fiscal Charges	493,021	557,354	64,333
<i>Total Program Expenses</i>	<u>23,161,239</u>	<u>22,325,823</u>	<u>(835,416)</u>
<i>Change in Net Position</i>	4,910,008	2,905,671	2,004,337
Net Position Beginning of Year	87,693,592	84,787,921	2,905,671
Net Position End of Year	<u>\$92,603,600</u>	<u>\$87,693,592</u>	<u>\$4,910,008</u>

City of Brecksville
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For the Year Ended December 31, 2012
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Governmental Activities

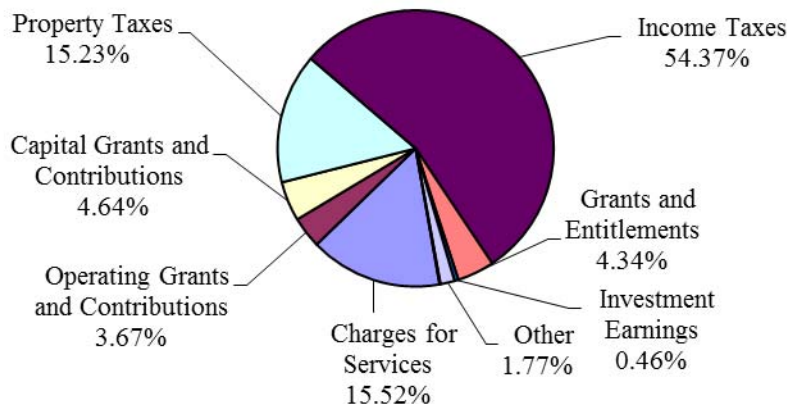
Several revenue sources fund our governmental activities with City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount for 2012 was \$15,263,245, which is \$263,164 below 2011. While the City's income tax collections from the Veterans Hospital were reduced by \$1,038,702 from 2011, the remainder of the City's taxpayers more than made up the difference. The City is encouraged by the upward trend and anticipates further growth. 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 \$2,400,000 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. \$20,000 per month, or \$240,000 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.

Typically property tax is the second largest revenue source. However, in 2012 charges for services was the second largest due to the revenue booked for new special assessments for Riverview Road Sanitary Sewer and Katherine Boulevard Improvements. The City recognized a slight increase in property tax collections in 2012. Property values since 2008 have fallen by 3.34 percent with just a minimal reduction in the collection rate. Valuations provided for 2013 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, and the new Woodlands housing development underway, values should rise in the future. The large revenue increase in capital grant and contributions is due to several grants awarded to the City for various infrastructure improvements. Charges for services revenue increased significantly in 2012 due to higher special assessments. A large revenue increase in capital grant and contributions is due to several grants awarded to the City for various infrastructure improvements.

Of the \$28,071,247 in total revenue, income tax accounts for 54.37 percent of that total. Property taxes of \$4,274,049 accounts for 15.23 percent of total revenue, with program revenues, grants and entitlements, investment income and miscellaneous income accounting for the remaining 30.4 percent.

2012 Revenues by Source



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Public safety, including the police and fire departments, accounted for program expenses of \$6,856,040 which is a combined 29.6 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 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. In addition, ambulance billing provides additional funding for the purchase of fire equipment.

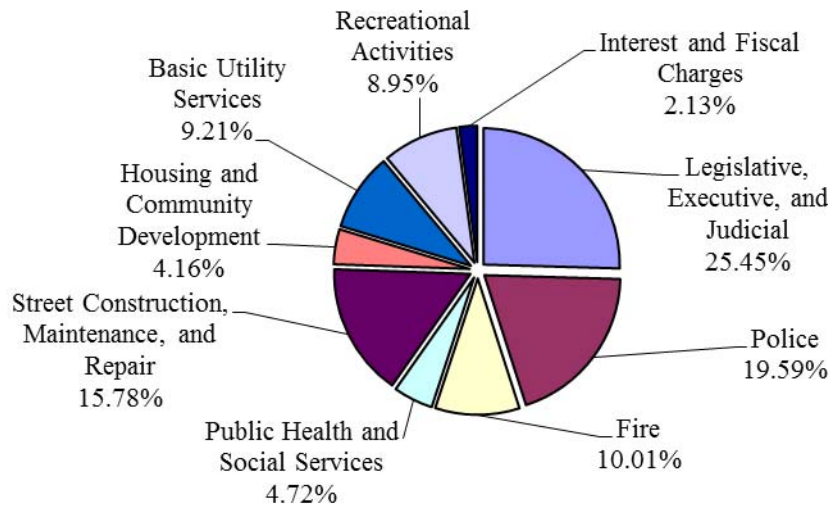
The City's on-going commitment to infrastructure maintenance is reflected in the \$2,133,946 spent on utilities and \$3,654,599 spent on street construction and preservation. Combined, these two City services account for 24.99 percent of City expenses. Services provided by these activities include garbage 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 2012 increase in expenses for Public Health and Social Services indicates an increase of work done in the cemeteries and increased activity at Human Services compared to 2011.

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, 2012 expenses increased \$835,416 (3.74 percent) from 2011. The driving factors behind this expense rise include additional police staffing and increased basic utility services due to ongoing infrastructure projects throughout the City.

2012 Expenses by Function



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Management's Discussion and Analysis
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The City's Funds

Information about the City's Governmental funds begins on page 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenue of \$25,907,454 and expenditures of \$26,806,109. The most significant fund is our general fund with an unassigned fund balance at year-end of \$8,383,941. With annual operating expenditures of \$15,549,635 and operating revenues of \$17,080,110, the general fund experienced operating gains of \$1,530,475. Combined with the other financing sources and uses, which is primarily transfers out to other funds, the fund realized a net increase of \$753,631. Increases in income tax collections and intergovernmental revenues helped to generate the increase in fund balance.

Another significant fund is the fire department fund with revenues of \$2,030,670 and expenditures of \$2,250,807, resulting in a net decrease of \$220,137 in fund balance. Its primary revenue source, property tax, had a slight decrease in 2012. Expenses increased in 2012 due to higher payables at year-end over the prior year.

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 \$510,929, used entirely to service previously issued long-term debt. Likewise, the buildings and improvements fund transferred out to the general obligation bond retirement fund \$855,000 to service debt 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 2012, the City amended its general fund budget several times. The final budgeted revenues and other financing sources were \$1,935,000 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 recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The general fund supports many of our major activities including the police department, recreation department, and most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

City of Brecksville
Management's Discussion and Analysis
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Capital Assets and Debt Administration

Capital Assets

Table 3
 Capital Assets at Year-End

	Governmental Activities	
	2012	2011
Land	\$7,379,576	\$7,218,287
Construction in Progress	3,034,100	1,630,785
Land Improvements	3,197,938	3,381,974
Buildings and Improvements	17,490,981	17,922,129
Machinery and Equipment	5,657,875	5,216,317
Furniture and Fixtures	192,764	182,689
Infrastructure		
Roads	18,162,108	18,752,965
Sidewalks	559,052	648,801
Guardrails	66,667	69,977
Traffic Signals	1,293,538	1,400,867
Storm Sewer	7,567,323	7,066,625
Sanitary Sewer	10,726,325	9,633,418
Water Lines	6,697,875	6,791,448
Total Capital Assets	\$82,026,122	\$79,916,282

Total capital assets, net of depreciation, increased \$2,109,840 over 2011. The largest increases were construction in progress and sanitary sewer improvements of \$1,403,315 and \$1,092,907, respectively, which related to various projects, such as the Wiese Road retaining wall, the Service Department material storage building, the Riverview Road sanitary sewer, and numerous other smaller projects. The increase in land reflects the purchase of property on Route 21, across from City Hall, for potential building of a new police station.

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 8 for additional information on the City's capital assets.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2012
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Debt

As of December 31, 2012, the City of Brecksville had the following bonds, notes, loans, and compensated absences outstanding:

Table 4
 Outstanding Debt at Year End

	Governmental Activities	
	2012	2011
General Obligation Bonds	\$7,321,387	\$7,856,490
Special Assessment Bonds	4,559,758	2,851,828
Notes	0	2,500,000
OPWC Loans	442,183	493,759
Compensated Absences	828,721	839,391
Total	\$13,152,049	\$14,541,468

The General Obligation Bond Retirement bonds are composed of a Human Services Facility Bond of \$581,347, a 2005 Tree Farm Property Bond for \$3,124,401, and a Human Services Facility Refunding Bond of \$3,615,639. 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 Route 21 Access Road, Oakhurst-Fitzwater Sanitary Sewer Refunding, Southpointe Parkway, Service Road Sewer and Water, Four Seasons Sewer and Water, Route 21/Hilton/Whitewood Sewer and Storm, Katherine Boulevard Improvements, and Riverview Road Sewer. Principal and interest for these bonds are paid from the collection of special assessments by the County Fiscal Officer.

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 2012 by \$1,389,419. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2012 was \$62.7 million. The aggregated outstanding debt subject to the five and one half percent limitation is \$7.05 million. The difference of \$55.65 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 14 and Note 15 for additional information on the City's debt.

Current Financial Related Activities

The City of Brecksville continues to remain financially strong. In spite of the winding down of the City's largest income tax provider, the City recognized healthy income tax collections. This can be attributed to an aggressive campaign to work with our current businesses to help retain and build them, while engaging in measures to bring new businesses to town.

In order to help support operations and provide for capital investment, the City actively pursues grant opportunities. Annually, the City receives support for safety training, law enforcement, drug prevention, recycling promotion, homeland security, safety equipment and tree planting. In addition, the City funding for large capital projects comes in the form of grants and loans from various agencies. Having capital funds

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

in reserve to be able to meet matching grant requirements has proven to be a winning philosophy for the City and has allowed us to improve streets, storm drainage systems, bridges, retaining walls, water and sewer lines, and recreation facilities.

Another method used by the City to reduce costs is to cooperate with neighboring communities in the purchase of commodity items such as salt and asphalt. Research and communication with our neighbors creates opportunities to negotiate lower pricing on electric and gas services. Cooperative agreements have been entered in to for sharing equipment, joint training, and back up services when in need. Our Service Department continues to perform many functions in house that are typically outsourced; which not only provides excellent service, but also saves money.

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. 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. Without any reduction in our excellent coverage, the City was able to reduce our per employee cost in 2012.

The City monitors its fund balances, particularly the general fund, to ensure 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. Annual budgeting is prepared using very conservative estimates. Using this methodology has allowed the City to maintain safe fund balances and have funds available for unanticipated expenses or revenue downturns. This fiscally moderate management style has also allowed the City to continue to provide excellent services without any increase in either property or income tax.

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. 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 has prepared a Popular Annual Financial Report (PAFR) since 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 PAFR has been submitted to the GFOA annually and has received an Award for Outstanding Achievement each year. 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 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.

Basic Financial Statements

City of Brecksville, Ohio

Statement of Net Position

December 31, 2012

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$15,175,818
Cash and Cash Equivalents in Segregated Accounts	48,380
Materials and Supplies Inventory	349,584
Accounts Receivable	172,390
Accrued Interest Receivable	14,499
Intergovernmental Receivable	1,593,364
Prepaid Items	88,670
Municipal Income Taxes Receivable	3,291,889
Property Taxes Receivable	4,453,479
Special Assessments Receivable	4,763,079
Nondepreciable Capital Assets	10,413,676
Depreciable Capital Assets, Net	71,612,446
<i>Total Assets</i>	<u>111,977,274</u>
Deferred Outflows of Resources	
Deferred Charge on Refunding	<u>315,961</u>
Liabilities	
Accounts Payable	46,897
Contracts Payable	671,841
Retainage Payable	83,719
Accrued Wages	622,768
Intergovernmental Payable	319,335
Matured Compensated Absences Payable	31,340
Accrued Interest Payable	38,172
Claims Payable	114,000
Vacation Benefits Payable	368,228
Long-Term Liabilities:	
Due Within One Year	1,182,597
Due In More Than One Year	11,969,452
<i>Total Liabilities</i>	<u>15,448,349</u>
Deferred Inflows of Resources	
Property Taxes not Levied to Finance Current Year Operations	<u>4,241,286</u>
Net Position	
Net Investment in Capital Assets	70,119,261
Restricted for:	
Capital Projects	232,792
Debt Service	4,901,981
Fire Department	99,629
Road Maintenance	345,691
Street Construction, Maintenance, and Repair	853,116
Other Purposes	860,505
Unrestricted	15,190,625
<i>Total Net Position</i>	<u>\$92,603,600</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Activities
For the Year Ended December 31, 2012

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental Activities					
General Government:					
Legislative and Executive	\$5,786,026	\$2,299,783	\$1,536	\$0	(\$3,484,707)
Judicial System	108,293	20,671	1,911	0	(85,711)
Public Safety:					
Police	4,537,860	226,459	24,616	0	(4,286,785)
Fire	2,318,180	279,871	248,914	0	(1,789,395)
Public Health and Social Services	1,092,369	43,699	239	0	(1,048,431)
Street Construction, Maintenance, and Repair	3,654,599	91,811	735,099	0	(2,827,689)
Housing and Community Development	962,912	46,690	6,474	0	(909,748)
Basic Utility Services	2,133,946	237,193	4,521	1,302,454	(589,778)
Recreational Activities	2,074,033	1,111,284	6,782	0	(955,967)
Interest and Fiscal Charges	493,021	0	0	0	(493,021)
<i>Total Governmental Activities</i>	<u>\$23,161,239</u>	<u>\$4,357,461</u>	<u>\$1,030,092</u>	<u>\$1,302,454</u>	<u>(16,471,232)</u>

General Revenues

Property Taxes Levied for:	
General Purposes	1,827,272
Fire Department	1,770,008
Streets	520,591
Police Department	156,178
Municipal Income Taxes Levied for:	
General Purposes	12,853,245
Capital Outlay	2,410,000
Grants and Entitlements not Restricted to Specific Programs	1,217,585
Investment Earnings	130,456
Gain on Sale of Capital Assets	27,112
Miscellaneous	468,793
<i>Total General Revenues</i>	<u>21,381,240</u>
Change in Net Position	4,910,008
<i>Net Position Beginning of Year</i>	<u>87,693,592</u>
<i>Net Position End of Year</i>	<u>\$92,603,600</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Balance Sheet
Governmental Funds
December 31, 2012

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Assets						
Equity in Pooled Cash and Cash Equivalents	\$7,750,026	\$230,539	\$156,165	\$455,730	\$467,216	\$167,230
Cash and Cash Equivalents						
In Segregated Accounts	47,080	0	0	0	0	0
Materials and Supplies Inventory	213,312	83,505	0	0	0	0
Accounts Receivable	150,593	0	0	0	0	0
Interfund Receivable	445,000	0	0	0	0	0
Accrued Interest Receivable	14,499	0	0	0	0	0
Intergovernmental Receivable	523,981	115,970	0	590,161	0	0
Prepaid Items	88,502	168	0	0	0	0
Municipal Income Taxes Receivable	3,091,889	0	0	80,000	100,000	20,000
Property Taxes Receivable	1,903,984	1,844,314	0	0	0	0
Special Assessments Receivable	0	0	4,763,079	0	0	0
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	5,449	0	0	0	0	0
Total Assets	\$14,234,315	\$2,274,496	\$4,919,244	\$1,125,891	\$567,216	\$187,230
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts Payable	\$31,246	\$8,241	\$0	\$0	\$18	\$0
Contracts Payable	95,163	0	0	90,219	3,634	0
Retainage Payable	0	0	0	23,384	20,760	0
Accrued Wages	451,308	127,074	0	0	0	0
Interfund Payable	0	0	0	135,808	0	59,192
Accrued Interest Payable	0	0	0	572	0	249
Matured Compensated Absences Payable	31,340	0	0	0	0	0
Intergovernmental Payable	232,503	66,862	0	0	0	0
Total Liabilities	841,560	202,177	0	249,983	24,412	59,441
Deferred Inflows of Resources						
Property Taxes	1,813,266	1,756,439	0	0	0	0
Unavailable Revenue	2,229,490	201,345	4,763,079	590,161	0	0
Total Deferred Inflows of Resources	4,042,756	1,957,784	4,763,079	590,161	0	0
Fund Balances						
Nonspendable	307,263	83,673	0	0	0	0
Restricted	0	30,862	156,165	0	0	0
Committed	114,187	0	0	285,747	542,804	127,789
Assigned	544,608	0	0	0	0	0
Unassigned	8,383,941	0	0	0	0	0
Total Fund Balances	9,349,999	114,535	156,165	285,747	542,804	127,789
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$14,234,315	\$2,274,496	\$4,919,244	\$1,125,891	\$567,216	\$187,230

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2012*

Other Governmental Funds	Total Governmental Funds
\$4,641,515	\$13,868,421
1,300	48,380
52,767	349,584
21,797	172,390
0	445,000
0	14,499
363,252	1,593,364
0	88,670
0	3,291,889
705,181	4,453,479
0	4,763,079
<u>0</u>	<u>5,449</u>
<u>\$5,785,812</u>	<u>\$29,094,204</u>
\$7,392	\$46,897
482,825	671,841
39,575	83,719
44,386	622,768
250,000	445,000
0	821
0	31,340
19,970	319,335
<u>844,148</u>	<u>2,221,721</u>
671,581	4,241,286
344,303	8,128,378
<u>1,015,884</u>	<u>12,369,664</u>
52,767	443,703
2,015,628	2,202,655
1,114,390	2,184,917
742,995	1,287,603
0	8,383,941
<u>3,925,780</u>	<u>14,502,819</u>
<u>\$5,785,812</u>	<u>\$29,094,204</u>

Total Governmental Fund Balances	\$14,502,819
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	82,026,122
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable revenue in the funds:	
Property Taxes	212,193
Intergovernmental	1,260,035
Municipal Income Taxes	1,893,071
Special Assessments	<u>4,763,079</u>
Total	8,128,378
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 position.	1,187,948
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(37,351)
Vacation benefits payables is not expected to be paid with expendable available financial resources and therefore are not reported in the funds.	(368,228)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(7,321,387)
Special Assessment Bonds	(4,559,758)
OPWC Loans	(442,183)
Compensated Absences	<u>(828,721)</u>
Total	(13,152,049)
Deferred charges on refunding related to the issuance of long-term refunding debt will be amortized over the life of the debt on the statement of net position.	<u>315,961</u>
<i>Net Position of Governmental Activities</i>	<u><u>\$92,603,600</u></u>

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Revenues						
Property Taxes	\$1,824,434	\$1,767,258	\$0	\$0	\$0	\$0
Municipal Income Taxes	12,765,081	0	0	960,000	1,200,000	250,000
Charges for Services	42,638	0	0	0	0	0
Licenses and Permits	474,433	0	0	0	0	0
Fines and Forfeitures	242,860	0	0	0	0	0
Intergovernmental	1,257,653	249,015	0	478,493	64,500	0
Special Assessments	0	0	350,569	14,176	0	6,177
Interest	70,229	4,001	454	6,038	7,055	1,894
Donations	4,220	0	0	0	0	0
Rentals	10,719	0	0	0	0	0
Miscellaneous	387,843	10,396	0	36,114	2,380	0
<i>Total Revenues</i>	<u>17,080,110</u>	<u>2,030,670</u>	<u>351,023</u>	<u>1,494,821</u>	<u>1,273,935</u>	<u>258,071</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	5,640,650	0	0	0	0	0
Judicial System	108,353	0	0	0	0	0
Public Safety:						
Police	4,396,479	0	0	0	0	0
Fire	16,450	2,250,807	0	0	0	0
Public Health and Social Services	880,908	0	0	0	0	0
Street Construction, Maintenance, and Repair	1,741,310	0	0	0	0	0
Housing and Community Development	827,275	0	0	0	0	0
Basic Utility Services	1,938,210	0	0	0	0	0
Recreational Activities	0	0	0	0	0	0
Capital Outlay	0	0	0	1,009,746	1,081,919	264,229
Debt Service:						
Principal Retirement	0	0	335,000	0	0	0
Interest and Fiscal Charges	0	0	155,659	37,634	0	3,129
Bond Issuance Costs	0	0	0	118,151	0	0
<i>Total Expenditures</i>	<u>15,549,635</u>	<u>2,250,807</u>	<u>490,659</u>	<u>1,165,531</u>	<u>1,081,919</u>	<u>267,358</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,530,475</u>	<u>(220,137)</u>	<u>(139,636)</u>	<u>329,290</u>	<u>192,016</u>	<u>(9,287)</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	30,406	0	0	0	0	0
Refunding Bonds Issued	0	0	0	3,580,000	0	0
Special Assessment Bonds Issued	0	0	0	1,105,000	0	0
Premium on Bonds	0	0	0	136,940	0	0
OPWC Loan Issued	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	(3,599,685)	0	0
Transfers In	0	0	0	81,342	0	0
Transfers Out	(807,250)	0	0	(510,929)	(855,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(776,844)</u>	<u>0</u>	<u>0</u>	<u>792,668</u>	<u>(855,000)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	753,631	(220,137)	(139,636)	1,121,958	(662,984)	(9,287)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>8,596,368</u>	<u>334,672</u>	<u>295,801</u>	<u>(836,211)</u>	<u>1,205,788</u>	<u>137,076</u>
<i>Fund Balances End of Year</i>	<u>\$9,349,999</u>	<u>\$114,535</u>	<u>\$156,165</u>	<u>\$285,747</u>	<u>\$542,804</u>	<u>\$127,789</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, 2012*

Other Governmental Funds	Total Governmental Funds			
		Net Change in Fund Balances - Total Governmental Funds		\$1,256,314
		<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
		Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays and capital contributions exceeded depreciation in the current period.		
		Capital Asset Additions:		
\$675,717	\$4,267,409	Capital Outlays	4,784,942	
0	15,175,081	Capital Contributions	402,713	
1,275,031	1,317,669	Current Year Depreciation	<u>(3,074,521)</u>	
89,785	564,218			
23,207	266,067	Total		2,113,134
1,133,571	3,183,232			
117,477	488,399	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.		
30,573	120,244			(3,294)
3,675	7,895	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		
55,958	66,677	Property Taxes	6,640	
13,830	450,563	Intergovernmental	359,004	
<u>3,418,824</u>	<u>25,907,454</u>	Municipal Income Taxes	88,164	
		Special Assessments	<u>1,654,431</u>	
		Total		2,108,239
6,187	5,646,837	Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
1,447	109,800			4,878,569
		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.		
174,006	4,570,485	Accrued Interest on Bonds	1,234	
0	2,267,257	Amortization of Premium on Bonds	69,113	
0	880,908	Amortization of Deferred Charge on Refunding	<u>(99,840)</u>	
1,130,944	2,872,254	Total		(29,493)
36,585	863,860	Some expenses require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
11,283	1,949,493	Compensated Absences	10,670	
1,803,188	1,803,188	Vacation Payable	<u>(3,382)</u>	
1,625,570	3,981,464	Total		7,288
		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.		
943,884	1,278,884			303,499
267,106	463,528	Other financing sources in the governmental funds increase long-term liabilities in the statement of net position.		
0	118,151	General Obligation Refunding Bonds	(3,580,000)	
<u>6,000,200</u>	<u>26,806,109</u>	Premium on Bonds	(136,940)	
		Special Assessment Bonds	(2,005,000)	
(2,581,376)	(898,655)	OWDA Loan Proceeds	<u>(2,308)</u>	
		Total		(5,724,248)
0	30,406	<i>Change in Net Position of Governmental Activities</i>		
0	3,580,000			<u>\$4,910,008</u>
900,000	2,005,000			
0	136,940			
2,308	2,308			
0	(3,599,685)			
2,196,135	2,277,477			
(104,298)	(2,277,477)			
<u>2,994,145</u>	<u>2,154,969</u>			
412,769	1,256,314			
<u>3,513,011</u>	<u>13,246,505</u>			
<u>\$3,925,780</u>	<u>\$14,502,819</u>			

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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,780,200	\$1,780,200	\$1,824,434	\$44,234
Municipal Income Taxes	12,658,000	12,658,000	12,399,887	(258,113)
Charges for Services	3,435	40,415	72,669	32,254
Licenses and Permits	27,297	321,185	397,816	76,631
Fines and Forfeitures	18,952	223,000	231,375	8,375
Intergovernmental	101,098	1,189,557	1,139,966	(49,591)
Interest	3,032	35,670	78,355	42,685
Donations	195	2,300	4,220	1,920
Rentals	595	7,000	5,601	(1,399)
Miscellaneous	25,123	295,600	360,330	64,730
<i>Total Revenues</i>	<u>14,617,927</u>	<u>16,552,927</u>	<u>16,514,653</u>	<u>(38,274)</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	6,729,194	6,826,328	6,039,150	787,178
Judicial System	136,342	136,260	110,578	25,682
Public Safety:				
Police	4,546,162	4,543,581	4,385,927	157,654
Fire	40,854	43,887	18,450	25,437
Public Health and Social Services	1,012,994	1,025,009	908,008	117,001
Street Construction, Maintenance, and Repair	2,187,702	2,134,438	1,745,874	388,564
Housing and Community Development	865,818	886,323	809,478	76,845
Basic Utility Services	2,189,875	2,197,115	2,025,657	171,458
<i>Total Expenditures</i>	<u>17,708,941</u>	<u>17,792,941</u>	<u>16,043,122</u>	<u>1,749,819</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,091,014)</u>	<u>(1,240,014)</u>	<u>471,531</u>	<u>1,711,545</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	15,000	15,000	30,406	15,406
Advances In	250,000	250,000	0	(250,000)
Advances Out	0	(250,000)	(250,000)	0
Transfers In	1,000	1,000	0	(1,000)
Transfers Out	(800,000)	(807,250)	(807,250)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(534,000)</u>	<u>(791,250)</u>	<u>(1,026,844)</u>	<u>(235,594)</u>
<i>Net Change in Fund Balance</i>	<u>(3,625,014)</u>	<u>(2,031,264)</u>	<u>(555,313)</u>	<u>1,475,951</u>
<i>Fund Balance Beginning of Year</i>	7,078,282	7,078,282	7,078,282	0
Prior Year Encumbrances Appropriated	937,481	937,481	937,481	0
<i>Fund Balance End of Year</i>	<u>\$4,390,749</u>	<u>\$5,984,499</u>	<u>\$7,460,450</u>	<u>\$1,475,951</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, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,768,912	\$1,768,912	\$1,767,258	(\$1,654)
Intergovernmental	194,522	238,147	246,515	8,368
Interest	3,778	4,625	4,001	(624)
Miscellaneous	123	150	1,396	1,246
<i>Total Revenues</i>	1,967,335	2,011,834	2,019,170	7,336
Expenditures				
Current:				
Public Safety:				
Fire	2,299,704	2,299,704	2,181,821	117,883
<i>Net Change in Fund Balance</i>	(332,369)	(287,870)	(162,651)	125,219
<i>Fund Balance Beginning of Year</i>	363,495	363,495	363,495	0
Prior Year Encumbrances Appropriated	15,456	15,456	15,456	0
<i>Fund Balance End of Year</i>	\$46,582	\$91,081	\$216,300	\$125,219

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fund Net Position
Proprietary Fund
December 31, 2012

	<u>Internal Service Fund - Insurance</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$1,301,948
Liabilities	
Claims Payable	<u>114,000</u>
Net Position	
Unrestricted	<u><u>\$1,187,948</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2012*

	Internal Service Fund - Insurance
Operating Revenues	
Charges for Services	\$1,576,127
Miscellaneous	18,230
<i>Total Operating Revenues</i>	1,594,357
Operating Expenses	
Purchased Services	5,027
Claims	1,296,043
<i>Total Operating Expenses</i>	1,301,070
<i>Operating Income</i>	293,287
Non-Operating Revenues	
Interest	10,212
<i>Change in Net Position</i>	303,499
<i>Net Position Beginning of Year</i>	884,449
<i>Net Position End of Year</i>	\$1,187,948

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2012

	Internal Service Fund - Insurance
<i>Increase (Decrease) In Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Customers	\$1,576,127
Cash Received from Other Operating Sources	18,230
Cash Payments to Suppliers for Goods and Services	(5,027)
Cash Payments for Claims	(1,276,127)
<i>Net Cash Provided By Operating Activities</i>	313,203
Cash Flows from Investing Activities	
Interest	10,212
<i>Net Increase In Cash and Cash Equivalents</i>	323,415
<i>Cash and Cash Equivalents Beginning of Year</i>	978,533
<i>Cash and Cash Equivalents End of Year</i>	\$1,301,948
 Reconciliation of Operating Income to Net Cash Provided By Operating Activities	
<i>Operating Income</i>	\$293,287
Adjustments:	
Increase in Claims Payable	19,916
<i>Net Cash Provided By Operating Activities</i>	\$313,203

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2012

	Private Purpose Trust	
	Cemetery	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$3,025	\$673,778
Liabilities		
Undistributed Monies	0	\$38,237
Deposits Held and Due to Others	0	635,541
<i>Total Liabilities</i>	0	\$673,778
Net Position		
Held in Trust for Cemetery	25	
Endowments	3,000	
<i>Total Net Position</i>	\$3,025	

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended December 31, 2012

	Private Purpose Trust
	Cemetery
Additions	
Interest	\$26
Deductions	
Materials and Supplies	95
<i>Change in Net Position</i>	(69)
<i>Net Position Beginning of Year</i>	3,094
<i>Net Position End of Year</i>	\$3,025

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 Notes 17 and 18 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 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 position 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, 2012

Government-wide Financial Statements The statement of net position 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 position 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 deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balance. The following are the City’s major governmental funds:

General Fund The general fund accounts for and reports 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 and report 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 and report 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, 2012

General Municipal Improvement Fund This fund accounts for and reports 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 and reports City income tax committed to the acquisition, construction, and improvement of major capital facilities.

Road Improvements Fund This fund accounts for and reports 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 position, 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 position and changes in net position. 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 Position. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

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, 2012

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 position. The statement of changes in fund net position 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, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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

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

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

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent municipal income taxes, property taxes, special assessments, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

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

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".

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 2012, investments were limited to commercial paper, a municipal note, and 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 net asset value per share price, which is the price the investment could be sold for on December 31, 2012.

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 2012 amounted to \$70,229, of which \$2,840 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.

Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2012, 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 position 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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:

Description	Estimated Lives
Land	N/A
Land Improvements	5 - 50 years
Buildings and Improvements	5 - 60 years
Machinery and Equipment	3 - 50 years
Furniture and Fixtures	5 - 40 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.

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 position, 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 and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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).

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 the highest level formal action (ordinance or resolution, as both are legally binding) 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, the 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 is 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. These amounts are assigned by City Council. 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. State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 Position

Net position represents the difference between all other elements in the statement of net position. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes included resources which will be used for public safety, street maintenance, and recreation.

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

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 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 received in the year the bonds are issued.

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 – Change in Accounting Principles

For 2012, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements," Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements," Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53," Statement No. 65, "Items Previously Reported as Assets and Liabilities," and Statement No. 66, "Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62."

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the City's financial statements.

City of Brecksville, Ohio
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For the Year Ended December 31, 2012

Note 4 – Budgetary Basis of Accounting

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

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as 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 and Fire Department Special Revenue Funds		
	General	Fire Department
	<u> </u>	<u> </u>
GAAP Basis	\$753,631	(\$220,137)
Net Adjustment for Revenue Accruals	(569,444)	(11,500)
Beginning Fair Value Adjustment for Investments	(3,412)	0
Ending Fair Value Adjustment for Investments	7,399	0
Net Adjustment for Expenditure Accruals	(260,861)	83,225
Encumbrances	<u>(482,626)</u>	<u>(14,239)</u>
Budget Basis	<u><u>(\$555,313)</u></u>	<u><u>(\$162,651)</u></u>

Note 5 – 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
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For the Year Ended December 31, 2012

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.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of City funds shall be required to pledge security for repayment of all public moneys. The City has no investment policy dealing with deposit custodial risk beyond the requirement in state statute that requires securities purchased pursuant to this division shall be delivered into the custody of the Finance Director or an agent designated by the Finance Director.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

At year-end, the carrying amount of the City's deposits was \$12,905,618 and the bank balance was \$13,475,584. Of the uninsured bank balance, \$11,555,348 was collateralized with securities held by the pledging institution's trust department, not in the City's name.

Investments

Investments are reported at fair value. As of December 31, 2012, the City's investments were commercial paper, a municipal note, and STAR Ohio.

The average maturity of STAR Ohio is 55 days. The average maturity of the commercial paper is 53 days. The maturity dates of the municipal notes are October 8, 2013, and October 10, 2013.

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 6 – Receivables

Receivables at December 31, 2012, 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 \$4,368,079 in the special assessments bond retirement fund. At December 31, 2012, the amount of delinquent special assessments was \$48,079.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of 2011 taxes.

2012 real property taxes were levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2012 real property taxes are collected in and intended to finance 2013.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

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. 2012 public utility property taxes which became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2012, was \$8.21 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2012 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate:	
Residential/Agricultural	\$469,788,160
Other Real Estate	110,239,930
Tangible Personal Property	
Public Utility	17,092,360
Total Assessed Values	\$597,120,450

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county, including the City. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2012, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2012 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

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, \$2,400,000 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 \$240,000 to the road improvements fund.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

Governmental Activities:	
Storm Sewer Grants	\$590,161
Estate Tax	355,568
Homestead and Rollback	273,996
Excise Tax	167,250
Gasoline Tax	84,924
Local Government	47,345
Auto Registration	44,076
Permissive Tax	16,767
Ohio Department of Natural Resources Grant	6,250
Other	3,927
Fire/EMS Training and Equipment Grant	2,500
Juvenile Diversion Grant	600
	<u>600</u>
Total	<u>\$1,593,364</u>

Note 7 – Interfund Transfers and Balances

Interfund Transfers

Interfund transfers for the year ended December 31, 2012, consisted of the following:

Transfers From	Transfers To		Totals
	General Municipal Improvement	Other Governmental Funds	
General	\$0	\$807,250	\$807,250
General Municipal Improvement	0	510,929	510,929
Buildings and Improvements	0	855,000	855,000
Other Governmental Funds	81,342	22,956	104,298
<i>Total All Funds</i>	<u>\$81,342</u>	<u>\$2,196,135</u>	<u>\$2,277,477</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. A transfer from the general fund to the community center, recycling demo, and tree grant funds of \$800,000, \$1,000, and \$6,250, respectively, was to fund their operations. To provide funds for loan payments, transfers totaling \$208,885 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 general municipal improvements and buildings and improvements funds. In 2012, this amount was \$1,180,000. A transfer of \$81,342 was made from the sewer improvement fund to the general municipal improvement fund for the Riverview project and to close the sewer improvement fund. These transfers were in compliance with the Ohio Revised Code.

Interfund Balances

The general municipal improvement and road improvements major capital projects funds had interfund payable balances of \$135,808 and \$59,192, respectively, and the general fund had an interfund receivable balance of \$195,000 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,

City of Brecksville, Ohio
Notes to the Basic Financial Statements
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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. During 2012, the general fund advanced \$250,000 to the issue II fund to cover its operations in the building of the Wiese Road retaining wall until such time as reimbursement for expenditures was received from the state. The advance will be returned to the general fund in 2013.

Note 8 – Capital Assets

A summary of changes in capital assets during 2012 follows:

Governmental Activities	Balance 12/31/2011	Additions	Deductions	Balance 12/31/2012
<i>Capital Assets not being Depreciated:</i>				
Land	\$7,218,287	\$161,289	\$0	\$7,379,576
Construction in Progress	1,630,785	3,252,989	(1,849,674)	3,034,100
<i>Total Capital Assets not being Depreciated</i>	<u>8,849,072</u>	<u>3,414,278</u>	<u>(1,849,674)</u>	<u>10,413,676</u>
<i>Capital Assets being Depreciated:</i>				
Land Improvements	4,541,618	12,533	0	4,554,151
Buildings and Improvements	28,198,958	97,604	0	28,296,562
Machinery and Equipment	11,578,879	1,213,644	(694,561)	12,097,962
Furniture and Fixtures	305,151	25,745	0	330,896
Infrastructure:				
Roads	41,779,024	453,619	0	42,232,643
Sidewalks	3,589,949	0	0	3,589,949
Guardrails	444,750	0	0	444,750
Traffic Signals	2,314,614	0	0	2,314,614
Storm Sewers	9,261,778	594,251	0	9,856,029
Sanitary Sewers	12,933,846	1,225,655	0	14,159,501
Water Lines	9,469,758	0	0	9,469,758
<i>Total Capital Assets being Depreciated</i>	<u>124,418,325</u>	<u>3,623,051</u>	<u>(694,561)</u>	<u>127,346,815</u>
Less Accumulated Depreciation:				
Land Improvements	(1,159,644)	(196,569)	0	(1,356,213)
Buildings and Improvements	(10,276,829)	(528,752)	0	(10,805,581)
Machinery and Equipment	(6,362,562)	(768,792)	691,267	(6,440,087)
Furniture and Fixtures	(122,462)	(15,670)	0	(138,132)
Infrastructure:				
Roads	(23,026,059)	(1,044,476)	0	(24,070,535)
Sidewalks	(2,941,148)	(89,749)	0	(3,030,897)
Guardrails	(374,773)	(3,310)	0	(378,083)
Traffic Signals	(913,747)	(107,329)	0	(1,021,076)
Storm Sewers	(2,195,153)	(93,553)	0	(2,288,706)
Sanitary Sewers	(3,300,428)	(132,748)	0	(3,433,176)
Water Lines	(2,678,310)	(93,573)	0	(2,771,883)
<i>Total Accumulated Depreciation</i>	<u>(53,351,115)</u>	<u>(3,074,521) *</u>	<u>691,267</u>	<u>(55,734,369)</u>
<i>Total Capital Assets being Depreciated, Net</i>	<u>71,067,210</u>	<u>548,530</u>	<u>(3,294)</u>	<u>71,612,446</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$79,916,282</u>	<u>\$3,962,808</u>	<u>(\$1,852,968)</u>	<u>\$82,026,122</u>

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

*Depreciation expense was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$202,900
Public Safety:	
Police	132,136
Fire	130,479
Public Health Services	219,895
Street Construction, Maintenance and Repair	1,300,740
Housing and Community Development	29,668
Basic Utility Services	720,909
Recreational Activities	337,794
Total Depreciation Expense	<u><u>\$3,074,521</u></u>

Note 9 – 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, 2012.

Litigation

The City is party to various legal proceedings. City management is of the opinion that ultimate settlement of such claims not covered by insurance will not result in a material adverse effect on the City's financial position. Additionally, the City has filed a motion to intervene and a third party complaint against a group of developers and lending institution based on a failure to perform. No monetary claims were made.

Note 10 – 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, 2012

Dental Insurance

The City provides dental benefits to employees through Assurant. The family and single premiums for 2012 were \$86.02 and \$27.76, respectively.

Note 11 – 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 visiting <https://www.opers.org/investments/cafr.shtml>, 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 enforcement and public safety employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in State and local divisions and 12 percent for law enforcement and public safety members. For the year ended December 31, 2012, members in state and local divisions contributed 10 percent of covered payroll while public safety and law enforcement members contributed 11.5 percent and 12.1 percent, respectively. Effective January 1, 2013, the member contribution rates for public safety and law enforcement increased to 12 percent and 12.6 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 2012, member and employer contribution rates were consistent across all three plans.

The City's 2012 contribution rate was 14 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.1 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 4 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Employer contribution rates are actuarially determined.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010 were \$620,411, \$546,373, and \$565,365, respectively. For 2012, 92.22 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. Contributions to the Member-Directed Plan for 2012 were \$8,190 made by the City and \$5,850 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 \$276,497 and \$209,003 for the year ended December 31, 2012, \$258,655 and \$205,070 for the year ended December 31, 2011, and \$284,347 and \$204,291 for the year ended December 31, 2010, respectively. For 2012, 85.53 percent for police and 83.77 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 2011 and 2010.

Note 12 – 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
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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 visiting <https://www.opers.org/investments/cafr.shtml>, 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 2012, state and local employers contributed at a rate of 14 percent of covered payroll, and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

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 4 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary.

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, 2012, 2011, and 2010 were \$248,164, \$311,484, and \$322,311, respectively. For 2012, 92.22 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

Ohio Police and Fire 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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. That report is also available of OP&F's website at www.op-f.org.

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, 2012, 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 \$146,381 and \$81,784 for the year ended December 31, 2012, \$136,935 and \$80,245 for the year ended December 31, 2011, and \$150,537 and \$79,940 for the year ended December 31, 2010, respectively. For 2012, 85.53 percent has been contributed for police and 83.77 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 2011 and 2010.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 13 – 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 2012, the City contracted with Wichert Insurance Services and Curtis Insurance Services for various types of insurance as follows:

Company	Type of Coverage	Coverage Amount
Wichert Insurance Services	Blanket Building/Contents	\$49,167,236
	Boiler and Machinery	49,840,222
	Inland Marine	1,675,651
	Crime	1,000,000
	Public Officials Liability	1,000,000
	General Liability	2,000,000
	Garage Keepers Liability	120,000
	Auto	1,000,000
	Umbrella Liability	10,000,000
Curtis Insurance Services	Law Enforcement	1,000,000

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 17). 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, 2012

The claims liability of \$114,000, reported in the self-insurance fund at December 31, 2012, 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:

	Balance at Beginning of Year	Current Year Claims	Claims Payment	Balance at End of Year
2011	\$160,936	\$1,209,428	\$1,276,280	\$94,084
2012	94,084	1,296,043	1,276,127	114,000

Note 14 – 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:

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
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
Human Services Facility Refunding	2012	1.25 to 2.25	3,580,000	December 1, 2023
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
Katherine Boulevard Improvements	2012	1.25 to 2.25	1,430,000	December 1, 2022
Riverview Road Sewer	2012	1.25 to 2.75	575,000	December 1, 2032
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
Wiese Road Retaining Wall Improvement	2012	0.00	2,308	Not Finalized

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

A schedule of changes in bonds and other long-term obligations of the City during 2012 follows:

	Principal Outstanding 12/31/2011	Additions	Deletions	Principal Outstanding 12/31/2012	Amounts Due in One Year
Governmental Activities:					
<i>General Obligations Bonds:</i>					
Community Center Refunding - 1997	\$170,000	\$0	(\$170,000)	\$0	\$0
Community Center Refunding - 2004	215,000	0	(215,000)	0	0
Premium on Bonds	201	0	(201)	0	0
Human Services Facility Bonds - 2004	4,095,000	0	(3,525,000)	570,000	280,000
Premium on Bonds	68,088	0	(56,741)	11,347	0
Tree Farm Property Bonds - 2005	3,255,000	0	(180,000)	3,075,000	185,000
Premium on Bonds	53,201	0	(3,800)	49,401	0
Human Services Facility Refunding Bonds - 2012	0	3,580,000	(55,000)	3,525,000	50,000
Premium on Bonds	0	98,879	(8,240)	90,639	0
<i>Total General Obligation Bonds</i>	<u>7,856,490</u>	<u>3,678,879</u>	<u>(4,213,982)</u>	<u>7,321,387</u>	<u>515,000</u>
<i>Special Assessment Bonds:</i>					
Route 21 Access Road	140,000	0	(5,000)	135,000	5,000
Premium on Bonds	1,828	0	(131)	1,697	0
Oakhurst-Fitzwater Sanitary Sewer Refunding	95,000	0	(95,000)	0	0
Southpointe Parkway	475,000	0	(70,000)	405,000	75,000
Service Road Sewer and Water	520,000	0	(55,000)	465,000	45,000
Four Seasons Sewer and Water	770,000	0	(60,000)	710,000	60,000
Route 21, Hilton, Whitewood Sewer and Storm	850,000	0	(50,000)	800,000	50,000
Katherine Boulevard Improvements	0	1,430,000	0	1,430,000	135,000
Premium on Bonds	0	38,061	0	38,061	0
Riverview Road Sewer					
Serial Bond	0	285,000	0	285,000	25,000
Term Bond	0	290,000	0	290,000	0
<i>Total Special Assessment Bonds</i>	<u>2,851,828</u>	<u>2,043,061</u>	<u>(335,131)</u>	<u>4,559,758</u>	<u>395,000</u>
<i>OPWC Loans:</i>					
Elm Street Improvement	52,793	0	(11,732)	41,061	11,732
Fairview, Pershing, Wallings Water Main	78,568	0	(11,224)	67,344	11,224
Brecksville Center and Old Town Water Main	84,177	0	(11,224)	72,953	11,223
Route 21, Hilton, Whitewood Sanitary Sewer	156,022	0	(11,557)	144,465	11,558
Fitzwater, Riverview Wiese, Carriage Hill Cleaning	122,199	0	(8,147)	114,052	8,146
Wiese Road Retaining Wall Improvement	0	2,308	0	2,308	0
<i>Total OPWC Loans</i>	<u>493,759</u>	<u>2,308</u>	<u>(53,884)</u>	<u>442,183</u>	<u>53,883</u>
Compensated Absences	<u>839,391</u>	<u>115,767</u>	<u>(126,437)</u>	<u>828,721</u>	<u>218,714</u>
<i>Total Governmental Activities</i>	<u>\$12,041,468</u>	<u>\$5,840,015</u>	<u>(\$4,729,434)</u>	<u>\$13,152,049</u>	<u>\$1,182,597</u>

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

A line of credit has been established with the Ohio Public Works Commission in the amounts of \$233,800 for Wiese Road retaining wall improvements. At year end, only \$2,308 has been disbursed to the City. Since this loan payment schedule has not been finalized, the repayment schedule is not included in the schedule of debt service requirements.

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. These bonds were paid off during 2012.

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. These bonds were paid off during 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 September 20, 2012, \$3,255,000 of these bonds were refunded and re-issued at a lower interest rate 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 September 20, 2012, the City issued \$3,580,000 in general obligation bonds for the purpose of refunding a portion of the 2004 Human Services Facility Bonds. These bonds were issued for a twelve year period with a final maturity of December 1, 2023. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2012, \$3,255,000 of the defeased bonds are still outstanding.

The City decreased its total debt service payments by \$348,979 as a result of the refunding. The City also realized an economic gain (difference between the present values of the old and new debt service payments) of \$315,878, but also incurred an accounting loss of \$344,685 (difference between amount paid to bond escrow agent and the refunding amount). An analysis of the refunding follows:

	2004 Human Services Facility Bonds
Outstanding at December 31, 2011	\$4,095,000
Amount Refunded	(3,255,000)
Principal Payment	(270,000)
Outstanding Principal at December 31, 2012	\$570,000

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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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.

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.

On September 20, 2012 the City issued \$1,430,000 in special assessment bonds for infrastructure improvements on Katherine Boulevard. The bonds were issued for a ten year period with final maturity on December 1, 2022.

On September 20, 2012 the City issued \$575,000 in special assessment bonds for sanitary sewer construction on Riverview Road. The bonds were issued for a twenty year period with final maturity on December 1, 2032.

The Riverview Road bonds are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year	Principal Amount to be Redeemed
2024	\$30,000
2025	30,000
2026	30,000
2027	30,000
2028	30,000
2029	35,000
2030	35,000
2031	35,000
Total	\$255,000

City of Brecksville, Ohio
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For the Year Ended December 31, 2012

The remaining principal amount of the bonds (\$35,000) will mature at stated maturity on December 1, 2032.

The bonds maturing on or after December 1, 2022, will be subject to prior redemption, on or after December 1, 2021, by and at the option of the City, either in whole or in part on any date, and in integral multiples of \$5,000, at par, plus accrued interest to the redemption date.

The City's overall legal debt margin was \$55,648,241 at December 31, 2012. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2012, are as follows:

	General Obligation Bonds		OPWC Loans
	Principal	Interest	Principal
2013	\$515,000	\$343,206	\$53,883
2014	535,000	335,920	53,884
2015	555,000	182,131	53,884
2016	565,000	170,193	48,017
2017	580,000	157,002	42,152
2018-2022	3,150,000	544,287	126,577
2023-2027	1,270,000	92,475	61,478
2028-2032	0	0	0
Total	\$7,170,000	\$1,825,214	\$439,875

	Special Assessment Bonds		Special Assessment Bonds	
	Serial Portion		Term Portion	
	Principal	Interest	Principal	Interest
2013	\$395,000	\$160,017	\$0	\$7,975
2014	405,000	139,475	0	7,975
2015	415,000	126,012	0	7,975
2016	425,000	111,985	0	7,975
2017	450,000	96,576	0	7,975
2018-2022	1,830,000	258,798	0	39,875
2023-2027	310,000	29,213	120,000	34,925
2028-2032	0	0	170,000	14,300
Total	\$4,230,000	\$922,076	\$290,000	\$128,975

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 15 – Notes Payable

	Principal Outstanding 12/31/2011	Additions	Deletions	Principal Outstanding 12/31/2012
Various Purpose Note - 2011:				
Issue II	\$900,000	\$0	(\$900,000)	\$0
General Municipal Improvement	1,600,000	0	(1,600,000)	0
Various Purpose Note - 2012:				
Issue II	0	900,000	(900,000)	0
General Municipal Improvement	0	1,200,000	(1,200,000)	0
Total	\$2,500,000	\$2,100,000	(\$4,600,000)	\$0

On June 14, 2011, the City issued a \$2,500,000 Various Purpose Bond Anticipation Note with an interest rate of 0.8 percent for the following projects: \$400,000 for storm water sewer improvements, \$900,000 sanitary sewer improvement and \$1,200,000 for the Katherine Boulevard access. \$2,100,000 of notes were issued in 2012 to retire the 2011 notes. The 2012 notes were retired with the issuance of bonds.

Note 16 – 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 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 \$259,750 on the lease in 2012. The City has two remaining payments for 2013 and 2014 in the amounts of \$255,400 and \$475,838, respectively.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 17 – 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 CareWorks Consultants, Incorporated 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 18 – 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 2012, the City contributed \$15,000, which represents 5.55 percent of total contributions.

The Council has established two subsidiary organizations, the Hazardous Material Response Team ("HAZ MAT") which provides hazardous material protections and assistance and the Southwest Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team. The Council's financial statements may be obtained by 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 134 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 2012, 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 19 – Significant Commitments

Contractual Commitments

At December 31, 2012, the City’s significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Street Construction	\$1,104,892	\$492,896	\$611,996
Fire Equipment	211,812	0	211,812
Economic Development	200,000	0	200,000
Land Improvement	214,113	107,003	107,110
Service Equipment	75,415	0	75,415
Storm Drainage Projects	715,868	641,272	74,596
Building Improvements	143,372	91,098	52,274
Professional Services	41,775	12,740	29,035
Sanitary Sewer	88,990	73,058	15,932
Recreation Equipment	14,660	0	14,660
Police Equipment	4,172	0	4,172
Totals	<u>\$2,815,069</u>	<u>\$1,418,067</u>	<u>\$1,397,002</u>

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General	\$482,626
Fire Department	14,239
General Municipal Improvement	342,891
Buildings and Improvements	63,606
Road Improvements	24,110
Nonmajor Funds	915,005
Total	<u>\$1,842,477</u>

Note 20 – 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 \$25 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 21 – 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	\$213,312	\$83,505	\$0	\$0	\$0	\$0	\$52,767	\$349,584
Prepays	88,502	168	0	0	0	0	0	88,670
Unclaimed Funds	5,449	0	0	0	0	0	0	5,449
<i>Total Nonspendable</i>	<u>307,263</u>	<u>83,673</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>52,767</u>	<u>443,703</u>
<u>Restricted for:</u>								
Police Department	0	0	0	0	0	0	274,010	274,010
Fire Department	0	30,862	0	0	0	0	0	30,862
Debt Service Retirement	0	0	156,165	0	0	0	120,594	276,759
Street Maintenance	0	0	0	0	0	0	1,067,928	1,067,928
Public Utility Improvement	0	0	0	0	0	0	232,792	232,792
Court Computerization	0	0	0	0	0	0	225,923	225,923
Recycling Demo	0	0	0	0	0	0	4,389	4,389
Tree Planting	0	0	0	0	0	0	89,042	89,042
Other Purposes	0	0	0	0	0	0	950	950
<i>Total Restricted</i>	<u>0</u>	<u>30,862</u>	<u>156,165</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,015,628</u>	<u>2,202,655</u>
<u>Committed to:</u>								
Building and Improvements	0	0	0	285,747	542,804	0	0	828,551
Road Improvements	0	0	0	0	0	127,789	0	127,789
Police Department	0	0	0	0	0	0	7,699	7,699
Community Center	0	0	0	0	0	0	355,751	355,751
Public Utility Improvement	0	0	0	0	0	0	172,920	172,920
Fire Ambulance Capital	0	0	0	0	0	0	570,246	570,246
Purchases on Order	114,187	0	0	0	0	0	0	114,187
Other Purposes	0	0	0	0	0	0	7,774	7,774
<i>Total Committed</i>	<u>114,187</u>	<u>0</u>	<u>0</u>	<u>285,747</u>	<u>542,804</u>	<u>127,789</u>	<u>1,114,390</u>	<u>2,184,917</u>
<u>Assigned to:</u>								
Compensated Absences	224,710	0	0	0	0	0	0	224,710
Capital Improvements	0	0	0	0	0	0	626,655	626,655
Public Utility Improvement	0	0	0	0	0	0	116,340	116,340
Purchases on Order	319,898	0	0	0	0	0	0	319,898
<i>Total Assigned</i>	<u>544,608</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>742,995</u>	<u>1,287,603</u>
Unassigned	8,383,941	0	0	0	0	0	0	8,383,941
Total Fund Balances	<u>\$9,349,999</u>	<u>\$114,535</u>	<u>\$156,165</u>	<u>\$285,747</u>	<u>\$542,804</u>	<u>\$127,789</u>	<u>\$3,925,780</u>	<u>\$14,502,819</u>

Note 22 – Subsequent Event

The City reached a settlement with a group of developers and a lending institution based on their failure to perform and a breach on a loan agreement relating to storm water sewer improvements paid by the City. In this settlement, the developers agreed to pay the lending institution \$2,100,000 for satisfaction of the loan and the developers agreed to pay the City \$500,000, which was received and finalized on March 15, 2013.

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 and reports 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 and reports 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 and reports 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 and reports membership fees, program fees, and general fund subsidies committed to the operations of the Community Center.

Road Maintenance Fund - This fund accounts for and reports 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 - This fund accounts and reports federal forfeiture monies returned to the City restricted for certain law enforcement purposes.

Indigent Drivers Fund - This fund accounts for and reports \$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 and reports 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 and reports court fees and fines restricted for the purchase and maintenance of computers for the Mayor's court.

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

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

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

Peace Officer Training Fund - This fund accounts for and reports 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 and reports 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 and reports 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 and reports 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 and reports monies assigned for the financing, construction, and related costs of improvements to the police station building.

Sewer Improvement Fund - This fund accounts for and reports 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 and reports 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 accounts for and reports portions of charges for services for ambulance operations provided by the fire department. Expenditures from this fund are committed to the acquisition of fire department equipment.

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,083,443	\$120,594	\$2,437,478	\$4,641,515
Cash and Cash Equivalents In Segregated Accounts	1,300	0	0	1,300
Materials and Supplies Inventory	52,767	0	0	52,767
Accounts Receivable	0	0	21,797	21,797
Intergovernmental Receivable	363,252	0	0	363,252
Property Taxes Receivable	705,181	0	0	705,181
<i>Total Assets</i>	<u>\$3,205,943</u>	<u>\$120,594</u>	<u>\$2,459,275</u>	<u>\$5,785,812</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts Payable	\$7,392	\$0	\$0	\$7,392
Contracts Payable	32,078	0	450,747	482,825
Retainage Payable	0	0	39,575	39,575
Accrued Wages	44,386	0	0	44,386
Interfund Payable	0	0	250,000	250,000
Intergovernmental Payable	19,970	0	0	19,970
<i>Total Liabilities</i>	<u>103,826</u>	<u>0</u>	<u>740,322</u>	<u>844,148</u>
Deferred Inflows of Resources				
Property Taxes	671,581	0	0	671,581
Unavailable Revenue	344,303	0	0	344,303
<i>Total Deferred Inflows of Resources</i>	<u>1,015,884</u>	<u>0</u>	<u>0</u>	<u>1,015,884</u>
Fund Balances				
Nonspendable	52,767	0	0	52,767
Restricted	1,662,242	120,594	232,792	2,015,628
Committed	371,224	0	743,166	1,114,390
Assigned	0	0	742,995	742,995
<i>Total Fund Balances</i>	<u>2,086,233</u>	<u>120,594</u>	<u>1,718,953</u>	<u>3,925,780</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$3,205,943</u>	<u>\$120,594</u>	<u>\$2,459,275</u>	<u>\$5,785,812</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$675,717	\$0	\$0	\$675,717
Charges for Services	995,976	0	279,055	1,275,031
Licenses and Permits	5,775	0	84,010	89,785
Fines and Forfeitures	23,207	0	0	23,207
Intergovernmental	773,039	0	360,532	1,133,571
Special Assessments	0	0	117,477	117,477
Interest	15,716	0	14,857	30,573
Donations	3,675	0	0	3,675
Rentals	55,958	0	0	55,958
Miscellaneous	12,750	0	1,080	13,830
<i>Total Revenues</i>	<u>2,561,813</u>	<u>0</u>	<u>857,011</u>	<u>3,418,824</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	6,187	0	0	6,187
Judicial System	1,447	0	0	1,447
Public Safety:				
Police	174,006	0	0	174,006
Street Construction, Maintenance, and Repair	1,130,944	0	0	1,130,944
Housing and Community Development	36,585	0	0	36,585
Basic Utility Services	11,283	0	0	11,283
Recreational Activities	1,803,188	0	0	1,803,188
Capital Outlay	0	0	1,625,570	1,625,570
Debt Service:				
Principal Retirement	0	890,000	53,884	943,884
Interest and Fiscal Charges	0	267,106	0	267,106
<i>Total Expenditures</i>	<u>3,163,640</u>	<u>1,157,106</u>	<u>1,679,454</u>	<u>6,000,200</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(601,827)</u>	<u>(1,157,106)</u>	<u>(822,443)</u>	<u>(2,581,376)</u>
Other Financing Sources (Uses)				
Special Assessment Bonds Issued	0	0	900,000	900,000
OPWC Loan Issued	0	0	2,308	2,308
Transfers In	807,250	1,180,000	208,885	2,196,135
Transfers Out	(22,956)	0	(81,342)	(104,298)
<i>Total Other Financing Sources (Uses)</i>	<u>784,294</u>	<u>1,180,000</u>	<u>1,029,851</u>	<u>2,994,145</u>
<i>Net Change in Fund Balances</i>	182,467	22,894	207,408	412,769
<i>Fund Balances Beginning of Year</i>	<u>1,903,766</u>	<u>97,700</u>	<u>1,511,545</u>	<u>3,513,011</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,086,233</u></u>	<u><u>\$120,594</u></u>	<u><u>\$1,718,953</u></u>	<u><u>\$3,925,780</u></u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012

	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	\$59,451	\$557,921	\$143,733	\$425,526	\$286,472	\$4,681
Cash and Cash Equivalents						
In Segregated Accounts	0	0	0	1,300	0	0
Materials and Supplies Inventory	0	52,767	0	0	0	0
Intergovernmental Receivable	16,767	274,026	22,224	0	33,373	0
Property Taxes Receivable	0	0	0	0	542,447	0
<i>Total Assets</i>	<u>\$76,218</u>	<u>\$884,714</u>	<u>\$165,957</u>	<u>\$426,826</u>	<u>\$862,292</u>	<u>\$4,681</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts Payable	\$0	\$0	\$0	\$7,392	\$0	\$0
Contracts Payable	0	31,598	0	480	0	0
Accrued Wages	0	0	0	43,593	0	0
Intergovernmental Payable	0	0	0	19,610	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>31,598</u>	<u>0</u>	<u>71,075</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources						
Property Taxes	0	0	0	0	516,601	0
Unavailable Revenue	14,193	228,355	18,520	0	59,219	0
<i>Total Deferred Inflows of Resources</i>	<u>14,193</u>	<u>228,355</u>	<u>18,520</u>	<u>0</u>	<u>575,820</u>	<u>0</u>
Fund Balances						
Nonspendable	0	52,767	0	0	0	0
Restricted	62,025	571,994	147,437	0	286,472	4,681
Committed	0	0	0	355,751	0	0
<i>Total Fund Balances</i>	<u>62,025</u>	<u>624,761</u>	<u>147,437</u>	<u>355,751</u>	<u>286,472</u>	<u>4,681</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$76,218</u>	<u>\$884,714</u>	<u>\$165,957</u>	<u>\$426,826</u>	<u>\$862,292</u>	<u>\$4,681</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2012

	Indigent Drivers	Enforcement and Education	Court Computerization	Natureworks Grants	Recycling Demo	Tree Planting Grants
Assets						
Equity in Pooled Cash and Cash Equivalents	\$20,498	\$27,044	\$225,923	\$950	\$4,389	\$90,195
Cash and Cash Equivalents						
In Segregated Accounts	0	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0	0
Intergovernmental Receivable	0	600	0	0	0	6,250
Property Taxes Receivable	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$20,498</u>	<u>\$27,644</u>	<u>\$225,923</u>	<u>\$950</u>	<u>\$4,389</u>	<u>\$96,445</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0	0
Accrued Wages	0	0	0	0	0	793
Intergovernmental Payable	0	0	0	0	0	360
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,153</u>
Deferred Inflows of Resources						
Property Taxes	0	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0	6,250
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,250</u>
Fund Balances						
Nonspendable	0	0	0	0	0	0
Restricted	20,498	19,945	225,923	950	4,389	89,042
Committed	0	7,699	0	0	0	0
<i>Total Fund Balances</i>	<u>20,498</u>	<u>27,644</u>	<u>225,923</u>	<u>950</u>	<u>4,389</u>	<u>89,042</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$20,498</u>	<u>\$27,644</u>	<u>\$225,923</u>	<u>\$950</u>	<u>\$4,389</u>	<u>\$96,445</u>

Law Enforcement	Law Enforcement Mandatory Drug	Vehicle Immobilization	Police Pension	Memorial	Peace Officer Training	Total Nonmajor Special Revenue Funds
\$28,168	\$41,473	\$54,921	\$101,968	\$7,774	\$2,356	\$2,083,443
0	0	0	0	0	0	1,300
0	0	0	0	0	0	52,767
0	0	0	10,012	0	0	363,252
0	0	0	162,734	0	0	705,181
<u>\$28,168</u>	<u>\$41,473</u>	<u>\$54,921</u>	<u>\$274,714</u>	<u>\$7,774</u>	<u>\$2,356</u>	<u>\$3,205,943</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$7,392
0	0	0	0	0	0	32,078
0	0	0	0	0	0	44,386
0	0	0	0	0	0	19,970
0	0	0	0	0	0	103,826
0	0	0	154,980	0	0	671,581
0	0	0	17,766	0	0	344,303
0	0	0	172,746	0	0	1,015,884
0	0	0	0	0	0	52,767
28,168	41,473	54,921	101,968	0	2,356	1,662,242
0	0	0	0	7,774	0	371,224
<u>28,168</u>	<u>41,473</u>	<u>54,921</u>	<u>101,968</u>	<u>7,774</u>	<u>2,356</u>	<u>2,086,233</u>
<u>\$28,168</u>	<u>\$41,473</u>	<u>\$54,921</u>	<u>\$274,714</u>	<u>\$7,774</u>	<u>\$2,356</u>	<u>\$3,205,943</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, 2012

	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	995,976
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	35,956	586,980	47,593	3,107
Interest	488	4,085	1,048	4,632
Donations	0	0	0	3,675
Rentals	0	0	0	55,958
Miscellaneous	0	0	0	12,750
<i>Total Revenues</i>	<u>36,444</u>	<u>591,065</u>	<u>48,641</u>	<u>1,076,098</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	457,470	4,081	0
Housing and Community Development	0	0	0	0
Basic Utility Services	0	0	0	0
Recreational Activities	0	0	0	1,803,188
<i>Total Expenditures</i>	<u>30,000</u>	<u>457,470</u>	<u>4,081</u>	<u>1,803,188</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,444</u>	<u>133,595</u>	<u>44,560</u>	<u>(727,090)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	800,000
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>800,000</u>
<i>Net Change in Fund Balances</i>	6,444	133,595	44,560	72,910
<i>Fund Balances Beginning of Year</i>	<u>55,581</u>	<u>491,166</u>	<u>102,877</u>	<u>282,841</u>
<i>Fund Balances End of Year</i>	<u><u>\$62,025</u></u>	<u><u>\$624,761</u></u>	<u><u>\$147,437</u></u>	<u><u>\$355,751</u></u>

Road Maintenance	Federal Equitable Sharing	Indigent Drivers	Enforcement and Education	Court Computerization	Natureworks Grants
\$519,782	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	792	1,893	15,269	0
70,094	0	0	2,400	1,881	0
3,752	40	173	250	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>593,628</u>	<u>40</u>	<u>965</u>	<u>4,543</u>	<u>17,150</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	1,447	0
0	0	0	5,390	0	0
639,393	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>639,393</u>	<u>0</u>	<u>0</u>	<u>5,390</u>	<u>1,447</u>	<u>0</u>
<u>(45,765)</u>	<u>40</u>	<u>965</u>	<u>(847)</u>	<u>15,703</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>
(68,721)	40	965	(847)	15,703	0
355,193	4,641	19,533	28,491	210,220	950
<u>\$286,472</u>	<u>\$4,681</u>	<u>\$20,498</u>	<u>\$27,644</u>	<u>\$225,923</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, 2012

	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	5,775	0	0
Fines and Forfeitures	0	0	2,766	947
Intergovernmental	4,000	0	0	0
Interest	31	0	350	370
Donations	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>4,031</u>	<u>5,775</u>	<u>3,116</u>	<u>1,317</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial System	0	0	0	0
Public Safety:				
Police	0	0	23,952	2,395
Street Construction, Maintenance, and Repair	0	0	0	0
Housing and Community Development	0	36,585	0	0
Basic Utility Services	11,283	0	0	0
Recreational Activities	0	0	0	0
<i>Total Expenditures</i>	<u>11,283</u>	<u>36,585</u>	<u>23,952</u>	<u>2,395</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(7,252)</u>	<u>(30,810)</u>	<u>(20,836)</u>	<u>(1,078)</u>
Other Financing Sources (Uses)				
Transfers In	1,000	6,250	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,000</u>	<u>6,250</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(6,252)</u>	<u>(24,560)</u>	<u>(20,836)</u>	<u>(1,078)</u>
<i>Fund Balances Beginning of Year</i>	<u>10,641</u>	<u>113,602</u>	<u>49,004</u>	<u>42,551</u>
<i>Fund Balances End of Year</i>	<u><u>\$4,389</u></u>	<u><u>\$89,042</u></u>	<u><u>\$28,168</u></u>	<u><u>\$41,473</u></u>

Vehicle Immobilization	Police Pension	Memorial	Peace Officer Training	Total Nonmajor Special Revenue Funds
\$0	\$155,935	\$0	\$0	\$675,717
0	0	0	0	995,976
0	0	0	0	5,775
1,540	0	0	0	23,207
0	21,028	0	0	773,039
466	0	0	31	15,716
0	0	0	0	3,675
0	0	0	0	55,958
0	0	0	0	12,750
2,006	176,963	0	31	2,561,813
0	0	6,187	0	6,187
0	0	0	0	1,447
0	140,116	0	2,153	174,006
0	0	0	0	1,130,944
0	0	0	0	36,585
0	0	0	0	11,283
0	0	0	0	1,803,188
0	140,116	6,187	2,153	3,163,640
2,006	36,847	(6,187)	(2,122)	(601,827)
0	0	0	0	807,250
0	0	0	0	(22,956)
0	0	0	0	784,294
2,006	36,847	(6,187)	(2,122)	182,467
52,915	65,121	13,961	4,478	1,903,766
\$54,921	\$101,968	\$7,774	\$2,356	\$2,086,233

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

	Issue II	Recreation Expansion	Police Station Building
Assets			
Equity in Pooled Cash and Cash Equivalents	\$973,114	\$110,069	\$516,586
Accounts Receivable	0	0	0
<i>Total Assets</i>	<u>\$973,114</u>	<u>\$110,069</u>	<u>\$516,586</u>
Liabilities and Fund Balances			
Liabilities			
Contracts Payable	\$450,747	\$0	\$0
Retainage Payable	39,575	0	0
Interfund Payable	250,000	0	0
<i>Total Liabilities</i>	<u>740,322</u>	<u>0</u>	<u>0</u>
Fund Balances			
Restricted	232,792	0	0
Committed	0	0	0
Assigned	0	110,069	516,586
<i>Total Fund Balances</i>	<u>232,792</u>	<u>110,069</u>	<u>516,586</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$973,114</u>	<u>\$110,069</u>	<u>\$516,586</u>

Public Utility Improvement	Fire Ambulance Capital	Total Nonmajor Capital Projects Funds
\$289,260	\$548,449	\$2,437,478
0	21,797	21,797
<u>\$289,260</u>	<u>\$570,246</u>	<u>\$2,459,275</u>
\$0	\$0	\$450,747
0	0	39,575
0	0	250,000
<u>0</u>	<u>0</u>	<u>740,322</u>
0	0	232,792
172,920	570,246	743,166
116,340	0	742,995
<u>289,260</u>	<u>570,246</u>	<u>1,718,953</u>
<u>\$289,260</u>	<u>\$570,246</u>	<u>\$2,459,275</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, 2012

	<u>Issue II</u>	<u>Recreation Expansion</u>	<u>Police Station Building</u>
Revenues			
Charges for Services	\$0	\$0	\$0
Licenses and Permits	0	59,350	0
Intergovernmental	360,532	0	0
Special Assessments	117,477	0	0
Interest	9,444	686	0
Miscellaneous	1,080	0	0
<i>Total Revenues</i>	<u>488,533</u>	<u>60,036</u>	<u>0</u>
Expenditures			
Capital Outlay	1,521,724	13,558	2,610
Debt Service:			
Principal Retirement	53,884	0	0
<i>Total Expenditures</i>	<u>1,575,608</u>	<u>13,558</u>	<u>2,610</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,087,075)</u>	<u>46,478</u>	<u>(2,610)</u>
Other Financing Sources (Uses)			
Special Assessment Bonds Issued	900,000	0	0
OPWC Loan Issued	2,308	0	0
Transfers In	208,885	0	0
Transfers Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,111,193</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	24,118	46,478	(2,610)
<i>Fund Balances Beginning of Year</i>	<u>208,674</u>	<u>63,591</u>	<u>519,196</u>
<i>Fund Balances End of Year</i>	<u><u>\$232,792</u></u>	<u><u>\$110,069</u></u>	<u><u>\$516,586</u></u>

Sewer Improvement	Public Utility Improvement	Fire Ambulance Capital	Total Nonmajor Capital Projects Funds
\$0	\$0	\$279,055	\$279,055
0	24,660	0	84,010
0	0	0	360,532
0	0	0	117,477
406	421	3,900	14,857
0	0	0	1,080
406	25,081	282,955	857,011
0	11,455	76,223	1,625,570
0	0	0	53,884
0	11,455	76,223	1,679,454
406	13,626	206,732	(822,443)
0	0	0	900,000
0	0	0	2,308
0	0	0	208,885
(81,342)	0	0	(81,342)
(81,342)	0	0	1,029,851
(80,936)	13,626	206,732	207,408
80,936	275,634	363,514	1,511,545
\$0	\$289,260	\$570,246	\$1,718,953

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, 2012

	Beginning Balance 12/31/11	Additions	Deductions	Ending Balance 12/31/12
Senior Citizens' Programs				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$33,999	\$15,886	\$11,648	\$38,237
Liabilities				
Undistributed Monies	\$33,999	\$15,886	\$11,648	\$38,237
Street Openings				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$241,292	\$21,500	\$22,129	\$240,663
Liabilities				
Deposits Held and Due to Others	\$241,292	\$21,500	\$22,129	\$240,663
Deposits and Fees				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$400,020	\$265,123	\$270,265	\$394,878
Liabilities				
Deposits Held and Due to Others	\$400,020	\$265,123	\$270,265	\$394,878
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$675,311	\$302,509	\$304,042	\$673,778
Liabilities				
Undistributed Monies	\$33,999	\$15,886	\$11,648	\$38,237
Deposits Held and Due to Others	641,312	286,623	292,394	635,541
<i>Total Liabilities</i>	\$675,311	\$302,509	\$304,042	\$673,778

**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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,780,200	\$1,780,200	\$1,824,434	\$44,234
Municipal Income Taxes	12,658,000	12,658,000	12,399,887	(258,113)
Charges for Services	3,435	40,415	72,669	32,254
Licenses and Permits	27,297	321,185	397,816	76,631
Fines and Forfeitures	18,952	223,000	231,375	8,375
Intergovernmental	101,098	1,189,557	1,139,966	(49,591)
Interest	3,032	35,670	78,355	42,685
Donations	195	2,300	4,220	1,920
Rentals	595	7,000	5,601	(1,399)
Miscellaneous	25,123	295,600	360,330	64,730
Total Revenues	14,617,927	16,552,927	16,514,653	(38,274)
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Mayor:				
Salaries and Wages	172,618	172,618	170,040	2,578
Fringe Benefits	71,034	70,832	68,964	1,868
Materials and Supplies	2,533	2,275	1,374	901
Purchased Services	4,742	5,000	1,938	3,062
Total Mayor	250,927	250,725	242,316	8,409
Finance Director:				
Salaries and Wages	247,412	247,412	244,905	2,507
Fringe Benefits	75,629	75,414	73,059	2,355
Materials and Supplies	7,997	6,891	3,550	3,341
Purchased Services	4,479	5,585	5,585	0
Total Finance Director	335,517	335,302	327,099	8,203
Purchasing Department:				
Salaries and Wages	133,780	133,780	131,422	2,358
Fringe Benefits	41,466	41,348	39,967	1,381
Materials and Supplies	2,250	2,250	865	1,385
Purchased Services	1,250	1,250	610	640
Total Purchasing Department	178,746	178,628	172,864	5,764
Legal Department:				
Salaries and Wages	50,000	51,020	49,830	1,190
Fringe Benefits	7,868	8,826	8,826	0
Contractual Services	180,000	247,000	246,047	953
Purchased Services	200	200	0	200
Total Legal Department	238,068	307,046	304,703	2,343
Legislative:				
Salaries and Wages	187,466	187,466	186,327	1,139
Fringe Benefits	60,605	60,432	59,755	677
Contractual Services	12,004	11,404	10,043	1,361
Materials and Supplies	6,041	6,500	950	5,550
Purchased Services	1,859	2,000	793	1,207
Total Legislative	\$267,975	\$267,802	\$257,868	\$9,934

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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Civil Service:				
Salaries and Wages	\$2,000	\$2,000	\$141	\$1,859
Fringe Benefits	304	303	25	278
Contractual Services	39,500	39,500	13,900	25,600
Materials and Supplies	1,500	1,500	0	1,500
Total Civil Service	43,304	43,303	14,066	29,237
Information Technology:				
Salaries and Wages	193,997	186,610	185,407	1,203
Fringe Benefits	77,225	74,074	64,887	9,187
Contractual Services	111,225	101,888	73,359	28,529
Materials and Supplies	35,395	37,337	30,702	6,635
Purchased Services	33,224	40,619	33,026	7,593
Capital Outlay	8,000	8,000	0	8,000
Total Information Technology	459,066	448,528	387,381	61,147
County Fiscal Officer and Treasurer:				
Contractual Services	92,350	92,350	89,398	2,952
Income Tax Administration:				
Salaries and Wages	21,624	21,624	21,624	0
Fringe Benefits	3,914	3,916	3,916	0
Contractual Services	472,500	472,987	456,668	16,319
Purchased Services	700	200	35	165
Total Income Tax Administration	498,738	498,727	482,243	16,484
Administrative Support:				
Salaries and Wages	292,021	228,496	152,703	75,793
Fringe Benefits	117,385	188,323	180,644	7,679
Contractual Services	1,677,229	1,634,727	1,341,798	292,929
Materials and Supplies	367,102	446,824	402,241	44,583
Purchased Services	24,881	30,284	10,457	19,827
Capital Outlay	82,623	52,000	30,831	21,169
Total Administrative Support	2,561,241	2,580,654	2,118,674	461,980
Land and Building:				
Salaries and Wages	586,072	601,836	594,810	7,026
Fringe Benefits	248,105	252,358	243,260	9,098
Contractual Services	86,489	60,000	53,577	6,423
Materials and Supplies	198,483	180,569	133,677	46,892
Purchased Services	514,198	558,601	468,158	90,443
Total Land and Building	1,633,347	1,653,364	1,493,482	159,882
Engineer:				
Salaries and Wages	32,130	21,245	16,176	5,069
Fringe Benefits	5,585	16,454	16,454	0
Contractual Services	132,000	132,000	116,397	15,603
Materials and Supplies	200	200	29	171
Total Engineer	169,915	169,899	149,056	20,843
Total Legislative and Executive	\$6,729,194	\$6,826,328	\$6,039,150	\$787,178

(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, 2012

	<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	\$86,879	\$86,879	\$79,839	\$7,040
Fringe Benefits	28,823	28,741	26,620	2,121
Contractual Services	14,971	15,000	0	15,000
Materials and Supplies	3,833	3,800	3,109	691
Purchased Services	1,836	1,840	1,010	830
Total Judicial System	<u>136,342</u>	<u>136,260</u>	<u>110,578</u>	<u>25,682</u>
Total General Government	<u>6,865,536</u>	<u>6,962,588</u>	<u>6,149,728</u>	<u>812,860</u>
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	2,688,698	2,677,352	2,646,632	30,720
Fringe Benefits	826,417	835,412	835,412	0
Contractual Services	69,205	58,500	41,676	16,824
Materials and Supplies	107,712	113,315	95,103	18,212
Purchased Services	79,374	84,476	78,329	6,147
Capital Outlay	225,990	225,990	200,323	25,667
Total Law Enforcement	<u>3,997,396</u>	<u>3,995,045</u>	<u>3,897,475</u>	<u>97,570</u>
Prisoner Support:				
Salaries and Wages	192,723	188,011	184,709	3,302
Fringe Benefits	57,204	61,753	61,753	0
Contractual Services	8,373	10,000	6,794	3,206
Materials and Supplies	30,915	28,800	15,905	12,895
Purchased Services	2,512	3,000	0	3,000
Total Prisoner Support	<u>291,727</u>	<u>291,564</u>	<u>269,161</u>	<u>22,403</u>
Traffic Control				
Contractual Services	1,233	0	0	0
Materials and Supplies	17,057	17,500	12,639	4,861
Purchased Services	30,443	31,233	25,244	5,989
Total Traffic Control	<u>48,733</u>	<u>48,733</u>	<u>37,883</u>	<u>10,850</u>
Street Lighting:				
Purchased Services	129,000	129,000	107,036	21,964
Animal Control:				
Salaries and Wages	49,329	49,329	47,991	1,338
Fringe Benefits	23,727	23,660	22,528	1,132
Contractual Services	2,500	3,004	3,004	0
Materials and Supplies	2,500	2,500	392	2,108
Purchased Services	1,250	746	457	289
Total Animal Control	<u>79,306</u>	<u>79,239</u>	<u>74,372</u>	<u>4,867</u>
Total Police	<u>\$4,546,162</u>	<u>\$4,543,581</u>	<u>\$4,385,927</u>	<u>\$157,654</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fire:				
Hydrants:				
Salaries and Wages	\$8,791	\$11,052	\$10,543	\$509
Fringe Benefits	1,063	1,835	1,835	0
Contractual Services	15,000	15,000	0	15,000
Materials and Supplies	15,000	15,000	6,072	8,928
Purchased Services	1,000	1,000	0	1,000
Total Fire	<u>40,854</u>	<u>43,887</u>	<u>18,450</u>	<u>25,437</u>
Total Public Safety	<u>4,587,016</u>	<u>4,587,468</u>	<u>4,404,377</u>	<u>183,091</u>
Public Health and Social Services:				
Board of Health:				
Contractual Services	52,439	52,439	52,439	0
Cemetery:				
Salaries and Wages	87,479	87,479	83,782	3,697
Fringe Benefits	20,424	20,366	19,384	982
Contractual Services	1,500	1,500	50	1,450
Materials and Supplies	9,000	9,000	5,448	3,552
Total Cemetery	<u>118,403</u>	<u>118,345</u>	<u>108,664</u>	<u>9,681</u>
Human Services Department:				
Salaries and Wages	275,604	285,208	283,949	1,259
Fringe Benefits	77,364	79,832	79,224	608
Contractual Services	88,181	42,500	39,306	3,194
Materials and Supplies	155,346	161,862	130,981	30,881
Purchased Services	245,657	284,823	213,445	71,378
Total Human Services Department	<u>842,152</u>	<u>854,225</u>	<u>746,905</u>	<u>107,320</u>
Total Public Health and Social Services	<u>1,012,994</u>	<u>1,025,009</u>	<u>908,008</u>	<u>117,001</u>
Street Construction, Maintenance, and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	852,243	816,615	747,990	68,625
Fringe Benefits	386,795	369,569	339,757	29,812
Contractual Services	1,998	2,000	0	2,000
Materials and Supplies	27,121	27,075	18,231	8,844
Purchased Services	40,956	41,000	2,250	38,750
Total Street Repairs and Maintenance	<u>1,309,113</u>	<u>1,256,259</u>	<u>1,108,228</u>	<u>148,031</u>
Vehicle Maintenance:				
Salaries and Wages	308,433	308,433	304,447	3,986
Fringe Benefits	115,348	115,019	110,507	4,512
Materials and Supplies	58,500	58,500	22,006	36,494
Purchased Services	122,000	122,000	95,236	26,764
Total Vehicle Maintenance	<u>\$604,281</u>	<u>\$603,952</u>	<u>\$532,196</u>	<u>\$71,756</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Snow and Ice Removal:				
Salaries and Wages	\$165,000	\$165,000	\$73,475	\$91,525
Fringe Benefits	49,308	28,602	12,473	16,129
Contractual Services	49,581	66,625	10,565	56,060
Materials and Supplies	10,419	14,000	8,937	5,063
Total Snow and Ice Removal	274,308	274,227	105,450	168,777
Total Street Construction, Maintenance and Repair	2,187,702	2,134,438	1,745,874	388,564
Housing and Community Development:				
Housing and Building Inspection:				
Salaries and Wages	321,084	321,084	317,688	3,396
Fringe Benefits	116,421	116,090	111,783	4,307
Contractual Services	36,836	34,654	17,081	17,573
Materials and Supplies	7,935	8,330	6,139	2,191
Purchased Services	9,523	11,309	6,791	4,518
Capital Outlay	25,298	25,299	8,100	17,199
Total Housing and Building Inspection	517,097	516,766	467,582	49,184
Board of Zoning Appeals:				
Contractual Services	0	3,541	2,495	1,046
Planning Commission:				
Salaries and Wages	2,095	2,540	2,004	536
Fringe Benefits	294	355	348	7
Contractual Services	10,077	6,536	678	5,858
Total Planning Commission	12,466	9,431	3,030	6,401
Urban Forestry:				
Salaries and Wages	218,838	233,588	229,138	4,450
Fringe Benefits	66,817	72,397	72,397	0
Contractual Services	32,365	30,791	23,739	7,052
Materials and Supplies	10,591	11,500	2,788	8,712
Purchased Services	7,644	8,309	8,309	0
Total Urban Forestry	336,255	356,585	336,371	20,214
Total Housing and Community Development	865,818	886,323	809,478	76,845
Basic Utility Services:				
Service Department:				
Salaries and Wages	228,440	241,674	232,313	9,361
Fringe Benefits	94,919	97,001	92,589	4,412
Contractual Services	1,935	1,500	680	820
Materials and Supplies	17,254	17,503	11,518	5,985
Purchased Services	12,771	12,957	5,784	7,173
Capital Outlay	762,205	762,205	762,205	0
Total Service Department	\$1,117,524	\$1,132,840	\$1,105,089	\$27,751

(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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Solid Waste and Recycling:				
Salaries and Wages	\$461,793	\$461,793	\$435,235	\$26,558
Fringe Benefits	141,188	140,785	128,907	11,878
Contractual Services	357,763	356,015	313,661	42,354
Materials and Supplies	5,790	6,100	2,776	3,324
Purchased Services	26,837	28,275	18,428	9,847
Total Solid Waste and Recycling	<u>993,371</u>	<u>992,968</u>	<u>899,007</u>	<u>93,961</u>
Storm Sewers and Drains:				
Salaries and Wages	32,255	26,000	0	26,000
Fringe Benefits	7,225	5,807	0	5,807
Contractual Services	20,000	14,707	0	14,707
Materials and Supplies	7,500	12,793	12,793	0
Purchased Services	12,000	12,000	8,768	3,232
Total Storm Sewers and Drains	<u>78,980</u>	<u>71,307</u>	<u>21,561</u>	<u>49,746</u>
Total Basic Utility Services	<u>2,189,875</u>	<u>2,197,115</u>	<u>2,025,657</u>	<u>171,458</u>
Total Expenditures	<u>17,708,941</u>	<u>17,792,941</u>	<u>16,043,122</u>	<u>1,749,819</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,091,014)</u>	<u>(1,240,014)</u>	<u>471,531</u>	<u>1,711,545</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	15,000	15,000	30,406	15,406
Advance In	250,000	250,000	0	(250,000)
Advances Out	0	(250,000)	(250,000)	0
Transfers In	1,000	1,000	0	(1,000)
Transfers Out	(800,000)	(807,250)	(807,250)	0
Total Other Financing Sources (Uses)	<u>(534,000)</u>	<u>(791,250)</u>	<u>(1,026,844)</u>	<u>(235,594)</u>
Net Change in Fund Balance	<u>(3,625,014)</u>	<u>(2,031,264)</u>	<u>(555,313)</u>	<u>1,475,951</u>
Fund Balance Beginning of Year	<u>7,078,282</u>	<u>7,078,282</u>	<u>7,078,282</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>937,481</u>	<u>937,481</u>	<u>937,481</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$4,390,749</u></u>	<u><u>\$5,984,499</u></u>	<u><u>\$7,460,450</u></u>	<u><u>\$1,475,951</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,768,912	\$1,768,912	\$1,767,258	(\$1,654)
Intergovernmental	194,522	238,147	246,515	8,368
Interest	3,778	4,625	4,001	(624)
Miscellaneous	123	150	1,396	1,246
<i>Total Revenues</i>	<u>1,967,335</u>	<u>2,011,834</u>	<u>2,019,170</u>	<u>7,336</u>
Expenditures				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,546,169	1,546,169	1,519,685	26,484
Fringe Benefits	545,485	545,485	525,791	19,694
Contractual Services	17,226	17,226	12,219	5,007
Materials and Supplies	51,864	51,864	28,437	23,427
Purchased Services	138,960	138,960	95,689	43,271
<i>Total Expenditures</i>	<u>2,299,704</u>	<u>2,299,704</u>	<u>2,181,821</u>	<u>117,883</u>
<i>Net Change in Fund Balance</i>	(332,369)	(287,870)	(162,651)	125,219
<i>Fund Balance Beginning of Year</i>	363,495	363,495	363,495	0
Prior Year Encumbrances Appropriated	<u>15,456</u>	<u>15,456</u>	<u>15,456</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$46,582</u>	<u>\$91,081</u>	<u>\$216,300</u>	<u>\$125,219</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, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Special Assessments	\$419,600	\$370,600	\$370,922	\$322
Interest	400	400	454	54
<i>Total Revenues</i>	<u>420,000</u>	<u>371,000</u>	<u>371,376</u>	<u>376</u>
Expenditures				
Debt Service:				
Principal Retirement	345,000	345,000	345,000	0
Interest and Fiscal Charges	168,065	168,065	166,012	2,053
<i>Total Expenditures</i>	<u>513,065</u>	<u>513,065</u>	<u>511,012</u>	<u>2,053</u>
<i>Net Change in Fund Balance</i>	(93,065)	(142,065)	(139,636)	2,429
<i>Fund Balance Beginning of Year</i>	<u>295,801</u>	<u>295,801</u>	<u>295,801</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$202,736</u></u>	<u><u>\$153,736</u></u>	<u><u>\$156,165</u></u>	<u><u>\$2,429</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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$960,000	\$960,000	\$960,000	\$0
Intergovernmental	402,000	402,000	519,716	117,716
Interest	5,625	4,967	6,038	1,071
Miscellaneous	1,500	1,500	36,114	34,614
<i>Total Revenues</i>	<u>1,369,125</u>	<u>1,368,467</u>	<u>1,521,868</u>	<u>153,401</u>
Expenditures				
Capital Outlay:				
Capital Outlay	2,883,010	1,383,010	1,320,950	62,060
Debt Service:				
Principal Retirement	1,600,000	2,800,000	2,800,000	0
Interest and Fiscal Charges	143,151	159,750	159,659	91
<i>Total Debt Service</i>	<u>1,743,151</u>	<u>2,959,750</u>	<u>2,959,659</u>	<u>91</u>
<i>Total Expenditures</i>	<u>4,626,161</u>	<u>4,342,760</u>	<u>4,280,609</u>	<u>62,151</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,257,036)</u>	<u>(2,974,293)</u>	<u>(2,758,741)</u>	<u>215,552</u>
Other Financing Sources (Uses)				
Bond Anticipation Notes Issued	0	1,200,000	1,200,000	0
Special Assessment Bonds Issued	2,765,896	1,264,595	1,105,000	(159,595)
Refunding Bonds Issued	3,580,000	3,580,000	3,580,000	0
Premium on Bonds	136,940	136,940	136,940	0
Payment to Refunded Bond Escrow Agent	(3,599,685)	(3,599,685)	(3,599,685)	0
Transfers In	81,342	81,342	81,342	0
Transfers Out	(505,929)	(510,929)	(510,929)	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,458,564</u>	<u>2,152,263</u>	<u>1,992,668</u>	<u>(159,595)</u>
<i>Net Change in Fund Balance</i>	<u>(798,472)</u>	<u>(822,030)</u>	<u>(766,073)</u>	<u>55,957</u>
<i>Fund Balance Beginning of Year</i>	597,902	597,902	597,902	0
Prior Year Encumbrances Appropriated	281,010	281,010	281,010	0
<i>Fund Balance End of Year</i>	<u>\$80,440</u>	<u>\$56,882</u>	<u>\$112,839</u>	<u>\$55,957</u>

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, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$1,200,000	\$1,200,000	\$1,200,000	\$0
Intergovernmental	0	68,000	64,500	(3,500)
Interest	4,733	4,733	7,055	2,322
Miscellaneous	0	0	2,380	2,380
<i>Total Revenues</i>	1,204,733	1,272,733	1,273,935	1,202
Expenditures				
Capital Outlay:				
Capital Outlay	1,303,540	1,363,540	1,125,038	238,502
<i>Excess of Revenues Over (Under) Expenditures</i>	(98,807)	(90,807)	148,897	239,704
Other Financing Uses				
Transfers Out	(855,000)	(855,000)	(855,000)	0
<i>Net Change in Fund Balance</i>	(953,807)	(945,807)	(706,103)	239,704
<i>Fund Balance Beginning of Year</i>	1,021,173	1,021,173	1,021,173	0
Prior Year Encumbrances Appropriated	88,540	88,540	88,540	0
<i>Fund Balance End of Year</i>	<u>\$155,906</u>	<u>\$163,906</u>	<u>\$403,610</u>	<u>\$239,704</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$240,000	\$240,000	\$240,000	\$0
Interest	814	814	1,894	1,080
<i>Total Revenues</i>	<u>240,814</u>	<u>240,814</u>	<u>241,894</u>	<u>1,080</u>
Expenditures				
Capital Outlay:				
Road Repaving:				
Materials and Supplies	80,000	80,000	80,000	0
Purchased Services	270,000	270,000	208,339	61,661
<i>Total Expenditures</i>	<u>350,000</u>	<u>350,000</u>	<u>288,339</u>	<u>61,661</u>
<i>Net Change in Fund Balance</i>	(109,186)	(109,186)	(46,445)	62,741
<i>Fund Balance Beginning of Year</i>	<u>189,564</u>	<u>189,564</u>	<u>189,564</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$80,378</u></u>	<u><u>\$80,378</u></u>	<u><u>\$143,119</u></u>	<u><u>\$62,741</u></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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$35,000	\$35,000	\$36,166	\$1,166
Interest	219	219	488	269
<i>Total Revenues</i>	35,219	35,219	36,654	1,435
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>	5,219	5,219	6,654	1,435
<i>Fund Balance Beginning of Year</i>	52,797	52,797	52,797	0
<i>Fund Balance End of Year</i>	<u>\$58,016</u>	<u>\$58,016</u>	<u>\$59,451</u>	<u>\$1,435</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, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$580,000	\$580,000	\$588,134	\$8,134
Interest	2,353	2,353	4,085	1,732
<i>Total Revenues</i>	<u>582,353</u>	<u>582,353</u>	<u>592,219</u>	<u>9,866</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Snow and Ice Removal:				
Materials and Supplies	24,400	24,400	0	24,400
Purchased Services	405,600	405,600	315,440	90,160
Capital Outlay	263,640	263,640	236,062	27,578
<i>Total Expenditures</i>	<u>693,640</u>	<u>693,640</u>	<u>551,502</u>	<u>142,138</u>
<i>Net Change in Fund Balance</i>	(111,287)	(111,287)	40,717	152,004
<i>Fund Balance Beginning of Year</i>	<u>413,719</u>	<u>413,719</u>	<u>413,719</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$302,432</u></u>	<u><u>\$302,432</u></u>	<u><u>\$454,436</u></u>	<u><u>\$152,004</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$46,300	\$46,300	\$47,686	\$1,386
Interest	459	459	1,048	589
<i>Total Revenues</i>	<u>46,759</u>	<u>46,759</u>	<u>48,734</u>	<u>1,975</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Route 21 Center Strip:				
Salaries and Wages	12,000	12,000	3,535	8,465
Fringe Benefits	1,600	1,600	546	1,054
Purchased Services	30,000	30,000	0	30,000
Total Route 21 Center Strip	43,600	43,600	4,081	39,519
Snow and Ice Removal:				
Materials and Supplies	30,000	30,000	0	30,000
<i>Total Expenditures</i>	<u>73,600</u>	<u>73,600</u>	<u>4,081</u>	<u>69,519</u>
<i>Net Change in Fund Balance</i>	(26,841)	(26,841)	44,653	71,494
<i>Fund Balance Beginning of Year</i>	<u>99,080</u>	<u>99,080</u>	<u>99,080</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$72,239</u>	<u>\$72,239</u>	<u>\$143,733</u>	<u>\$71,494</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$933,900	\$933,900	\$995,976	\$62,076
Intergovernmental	3,000	3,000	3,107	107
Interest	1,598	1,598	4,632	3,034
Donations	3,500	3,500	3,675	175
Rentals	52,500	52,500	55,958	3,458
Miscellaneous	14,000	14,000	11,450	(2,550)
<i>Total Revenues</i>	<u>1,008,498</u>	<u>1,008,498</u>	<u>1,074,798</u>	<u>66,300</u>
Expenditures				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	942,212	942,212	923,818	18,394
Fringe Benefits	309,412	309,412	280,463	28,949
Contractual Services	227,921	241,056	205,864	35,192
Materials and Supplies	161,993	164,471	116,973	47,498
Purchased Services	326,622	311,009	257,832	53,177
Capital Outlay	76,043	76,043	58,341	17,702
<i>Total Expenditures</i>	<u>2,044,203</u>	<u>2,044,203</u>	<u>1,843,291</u>	<u>200,912</u>
<i>Excess of Revenues Under Expenditures</i>	(1,035,705)	(1,035,705)	(768,493)	267,212
Other Financing Sources				
Transfers In	800,000	800,000	800,000	0
<i>Net Change in Fund Balance</i>	(235,705)	(235,705)	31,507	267,212
<i>Fund Balance Beginning of Year</i>	263,768	263,768	263,768	0
Prior Year Encumbrances Appropriated	95,087	95,087	95,087	0
<i>Fund Balance End of Year</i>	<u>\$123,150</u>	<u>\$123,150</u>	<u>\$390,362</u>	<u>\$267,212</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$507,179	\$507,179	\$519,782	\$12,603
Intergovernmental	95,178	95,178	70,094	(25,084)
Interest	1,881	1,881	3,752	1,871
<i>Total Revenues</i>	<u>604,238</u>	<u>604,238</u>	<u>593,628</u>	<u>(10,610)</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Street Repair and Maintenance:				
Materials and Supplies	12,000	12,000	3,398	8,602
Purchased Services	20,000	20,000	9,360	10,640
Capital Outlay	700,000	700,000	626,755	73,245
<i>Total Expenditures</i>	<u>732,000</u>	<u>732,000</u>	<u>639,513</u>	<u>92,487</u>
<i>Excess of Revenues Under Expenditures</i>	(127,762)	(127,762)	(45,885)	81,877
Other Financing Uses				
Transfers Out	(22,956)	(22,956)	(22,956)	0
<i>Net Change in Fund Balance</i>	(150,718)	(150,718)	(68,841)	81,877
<i>Fund Balance Beginning of Year</i>	<u>355,313</u>	<u>355,313</u>	<u>355,313</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$204,595</u>	<u>\$204,595</u>	<u>\$286,472</u>	<u>\$81,877</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$23	\$23	\$40	\$17
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>	(3,977)	(3,977)	40	4,017
<i>Fund Balance Beginning of Year</i>	4,641	4,641	4,641	0
<i>Fund Balance End of Year</i>	<u>\$664</u>	<u>\$664</u>	<u>\$4,681</u>	<u>\$4,017</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$500	\$500	\$792	\$292
Interest	96	96	173	77
<i>Total Revenues</i>	<u>596</u>	<u>596</u>	<u>965</u>	<u>369</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Contractual Services	1,000	1,000	0	1,000
Materials and Supplies	15,000	15,000	0	15,000
<i>Total Expenditures</i>	<u>16,000</u>	<u>16,000</u>	<u>0</u>	<u>16,000</u>
<i>Net Change in Fund Balance</i>	(15,404)	(15,404)	965	16,369
<i>Fund Balance Beginning of Year</i>	<u>19,533</u>	<u>19,533</u>	<u>19,533</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,129</u></u>	<u><u>\$4,129</u></u>	<u><u>\$20,498</u></u>	<u><u>\$16,369</u></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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$1,500	\$1,500	\$1,953	\$453
Intergovernmental	2,400	2,400	1,800	(600)
Interest	148	148	250	102
<i>Total Revenues</i>	4,048	4,048	4,003	(45)
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	1,800	1,800	1,244	556
Fringe Benefits	275	275	261	14
Materials and Supplies	11,500	11,500	0	11,500
Purchased Services	12,841	12,841	5,917	6,924
<i>Total Expenditures</i>	26,416	26,416	7,422	18,994
<i>Net Change in Fund Balance</i>	(22,368)	(22,368)	(3,419)	18,949
<i>Fund Balance Beginning of Year</i>	28,392	28,392	28,392	0
Prior Year Encumbrances Appropriated	2,071	2,071	2,071	0
<i>Fund Balance End of Year</i>	\$8,095	\$8,095	\$27,044	\$18,949

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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$15,000	\$15,000	\$15,269	\$269
Intergovernmental	1,022	1,022	1,881	859
<i>Total Revenues</i>	<u>16,022</u>	<u>16,022</u>	<u>17,150</u>	<u>1,128</u>
Expenditures				
Current:				
General Government:				
Judicial:				
Court Computerization:				
Materials and Supplies	30,000	30,000	1,447	28,553
Capital Outlay	50,000	50,000	0	50,000
<i>Total Expenditures</i>	<u>80,000</u>	<u>80,000</u>	<u>1,447</u>	<u>78,553</u>
<i>Net Change in Fund Balance</i>	(63,978)	(63,978)	15,703	79,681
<i>Fund Balance Beginning of Year</i>	<u>210,220</u>	<u>210,220</u>	<u>210,220</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$146,242</u></u>	<u><u>\$146,242</u></u>	<u><u>\$225,923</u></u>	<u><u>\$79,681</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, 2012

	<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>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>950</u>	<u>950</u>	<u>950</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$950</u></u>	<u><u>\$950</u></u>	<u><u>\$950</u></u>	<u><u>\$0</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Demo Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$2,000	\$4,000	\$4,000	\$0
Interest	53	53	31	(22)
<i>Total Revenues</i>	<u>2,053</u>	<u>4,053</u>	<u>4,031</u>	<u>(22)</u>
Expenditures				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Materials and Supplies	3,500	4,500	4,283	217
Capital Outlay	7,000	7,000	7,000	0
<i>Total Expenditures</i>	<u>10,500</u>	<u>11,500</u>	<u>11,283</u>	<u>217</u>
<i>Excess of Revenues Under Expenditures</i>	(8,447)	(7,447)	(7,252)	195
Other Financing Sources				
Transfers In	0	1,000	1,000	0
<i>Net Change in Fund Balance</i>	(8,447)	(6,447)	(6,252)	195
<i>Fund Balance Beginning of Year</i>	3,641	3,641	3,641	0
Prior Year Encumbrances Appropriated	7,000	7,000	7,000	0
<i>Fund Balance End of Year</i>	<u>\$2,194</u>	<u>\$4,194</u>	<u>\$4,389</u>	<u>\$195</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$2,000	\$2,000	\$5,775	\$3,775
Intergovernmental	0	22,250	18,750	(3,500)
<i>Total Revenues</i>	<u>2,000</u>	<u>24,250</u>	<u>24,525</u>	<u>275</u>
Expenditures				
Current:				
Housing and Community Development:				
Tree Planning:				
Salaries and Wages	20,120	24,000	8,852	15,148
Fringe Benefits	630	750	1,356	(606)
Contractual Services	44,200	50,350	8,165	42,185
Materials and Supplies	15,650	18,000	16,209	1,791
Other	0	0	850	(850)
<i>Total Expenditures</i>	<u>80,600</u>	<u>93,100</u>	<u>35,432</u>	<u>57,668</u>
<i>Excess of Revenues Under Expenditures</i>	(78,600)	(68,850)	(10,907)	57,943
Other Financing Sources				
Transfers In	0	6,250	6,250	0
<i>Net Change in Fund Balance</i>	(78,600)	(62,600)	(4,657)	57,943
<i>Fund Balance Beginning of Year</i>	94,502	94,502	94,502	0
Prior Year Encumbrances Appropriated	350	350	350	0
<i>Fund Balance End of Year</i>	<u>\$16,252</u>	<u>\$32,252</u>	<u>\$90,195</u>	<u>\$57,943</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, 2012

	<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	\$2,766	\$266
Interest	238	238	350	112
<i>Total Revenues</i>	<u>2,738</u>	<u>2,738</u>	<u>3,116</u>	<u>378</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Materials and Supplies	17,500	25,000	0	25,000
Capital Outlay	17,500	25,000	23,952	1,048
<i>Total Expenditures</i>	<u>35,000</u>	<u>50,000</u>	<u>23,952</u>	<u>26,048</u>
<i>Net Change in Fund Balance</i>	(32,262)	(47,262)	(20,836)	26,426
<i>Fund Balance Beginning of Year</i>	<u>49,004</u>	<u>49,004</u>	<u>49,004</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,742</u></u>	<u><u>\$1,742</u></u>	<u><u>\$28,168</u></u>	<u><u>\$26,426</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Mandatory Drug Fund
For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$500	\$500	\$947	\$447
Interest	212	212	370	158
<i>Total Revenues</i>	712	712	1,317	605
Expenditures				
Current:				
Public Safety:				
Police:				
Materials and Supplies	35,000	35,000	2,395	32,605
<i>Net Change in Fund Balance</i>	(34,288)	(34,288)	(1,078)	33,210
<i>Fund Balance Beginning of Year</i>	42,551	42,551	42,551	0
<i>Fund Balance End of Year</i>	<u>\$8,263</u>	<u>\$8,263</u>	<u>\$41,473</u>	<u>\$33,210</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, 2012

	<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	\$1,540	(\$1,660)
Interest	263	263	466	203
<i>Total Revenues</i>	<u>3,463</u>	<u>3,463</u>	<u>2,006</u>	<u>(1,457)</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Materials and Supplies	10,000	10,000	0	10,000
Purchased Services	5,000	5,000	0	5,000
<i>Total Expenditures</i>	<u>15,000</u>	<u>15,000</u>	<u>0</u>	<u>15,000</u>
<i>Net Change in Fund Balance</i>	(11,537)	(11,537)	2,006	13,543
<i>Fund Balance Beginning of Year</i>	<u>52,915</u>	<u>52,915</u>	<u>52,915</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$41,378</u></u>	<u><u>\$41,378</u></u>	<u><u>\$54,921</u></u>	<u><u>\$13,543</u></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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$152,154	\$152,154	\$155,935	\$3,781
Intergovernmental	28,553	28,553	21,028	(7,525)
<i>Total Revenues</i>	<u>180,707</u>	<u>180,707</u>	<u>176,963</u>	<u>(3,744)</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Fringe Benefits	180,000	180,000	140,000	40,000
Contractual Services	500	500	116	384
<i>Total Expenditures</i>	<u>180,500</u>	<u>180,500</u>	<u>140,116</u>	<u>40,384</u>
<i>Net Change in Fund Balance</i>	207	207	36,847	36,640
<i>Fund Balance Beginning of Year</i>	<u>65,121</u>	<u>65,121</u>	<u>65,121</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$65,328</u></u>	<u><u>\$65,328</u></u>	<u><u>\$101,968</u></u>	<u><u>\$36,640</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, 2012*

	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	10,000	10,000	6,187	3,813
<i>Net Change in Fund Balance</i>	(10,000)	(10,000)	(6,187)	3,813
<i>Fund Balance Beginning of Year</i>	13,961	13,961	13,961	0
<i>Fund Balance End of Year</i>	<u>\$3,961</u>	<u>\$3,961</u>	<u>\$7,774</u>	<u>\$3,813</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$500	\$500	\$0	(\$500)
Interest	22	22	31	\$9
<i>Total Revenues</i>	<u>522</u>	<u>522</u>	<u>31</u>	<u>(491)</u>
Expenditures				
Current:				
Public Safety:				
Peace Officer Training:				
Salaries and Wages	2,500	2,500	1,538	962
Contractual Services	1,000	1,000	1,000	0
<i>Total Expenditures</i>	<u>3,500</u>	<u>3,500</u>	<u>2,538</u>	<u>962</u>
<i>Net Change in Fund Balance</i>	(2,978)	(2,978)	(2,507)	471
<i>Fund Balance Beginning of Year</i>	<u>4,478</u>	<u>4,478</u>	<u>4,478</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,500</u></u>	<u><u>\$1,500</u></u>	<u><u>\$1,971</u></u>	<u><u>\$471</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, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
Debt Service:				
Principal Retirement	907,975	907,975	890,000	17,975
Interest and Fiscal Charges	<u>272,338</u>	<u>272,338</u>	<u>267,106</u>	<u>5,232</u>
<i>Total Expenditures</i>	<u>1,180,313</u>	<u>1,180,313</u>	<u>1,157,106</u>	<u>23,207</u>
<i>Excess of Revenues Under Expenditures</i>	(1,180,313)	(1,180,313)	(1,157,106)	23,207
Other Financing Sources				
Transfers In	<u>1,180,000</u>	<u>1,180,000</u>	<u>1,180,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(313)	(313)	22,894	23,207
<i>Fund Balance Beginning of Year</i>	<u>97,700</u>	<u>97,700</u>	<u>97,700</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$97,387</u>	<u>\$97,387</u>	<u>\$120,594</u>	<u>\$23,207</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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$379,472	\$484,587	\$360,532	(\$124,055)
Special Assessments	0	0	117,477	117,477
Interest	3,215	4,100	9,444	5,344
Other	0	0	1,080	1,080
<i>Total Revenues</i>	382,687	488,687	488,533	(154)
Expenditures				
Capital Outlay:				
Contractual Services	5,000	5,000	0	5,000
Capital Outlay	2,055,068	2,055,068	1,825,703	229,365
Total Capital Outlay	2,060,068	2,060,068	1,825,703	234,365
Debt Service:				
Principal Retirement	1,853,885	1,853,885	1,853,884	1
<i>Total Expenditures</i>	3,913,953	3,913,953	3,679,587	234,366
<i>Excess of Revenues Under Expenditures</i>	(3,531,266)	(3,425,266)	(3,191,054)	234,212
Other Financing Sources				
Bond Anticipation Notes Issued	900,000	900,000	900,000	0
Special Assessment Bonds Issued	900,000	900,000	900,000	0
Proceeds of OPWC Loan	2,308	2,308	2,308	0
Advances In	250,000	250,000	250,000	0
Transfers In	208,885	208,885	208,885	0
<i>Total Other Financing Sources</i>	2,261,193	2,261,193	2,261,193	0
<i>Net Change in Fund Balance</i>	(1,270,073)	(1,164,073)	(929,861)	234,212
<i>Fund Balance Beginning of Year</i>	748,478	748,478	748,478	0
Prior Year Encumbrances Appropriated	605,068	605,068	605,068	0
<i>Fund Balance End of Year</i>	\$83,473	\$189,473	\$423,685	\$234,212

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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$23,000	\$45,800	\$59,350	\$13,550
Interest	370	370	686	316
<i>Total Revenues</i>	23,370	46,170	60,036	13,866
Expenditures				
Capital Outlay:				
Capital Outlay	37,000	37,000	28,180	8,820
Other	2,000	2,000	38	1,962
<i>Total Expenditures</i>	39,000	39,000	28,218	10,782
<i>Net Change in Fund Balance</i>	(15,630)	7,170	31,818	24,648
<i>Fund Balance Beginning of Year</i>	63,591	63,591	63,591	0
<i>Fund Balance End of Year</i>	\$47,961	\$70,761	\$95,409	\$24,648

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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Capital Outlay	400,000	400,000	2,610	397,390
<i>Net Change in Fund Balance</i>	(400,000)	(400,000)	(2,610)	397,390
<i>Fund Balance Beginning of Year</i>	519,196	519,196	519,196	0
<i>Fund Balance End of Year</i>	<u>\$119,196</u>	<u>\$119,196</u>	<u>\$516,586</u>	<u>\$397,390</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Improvement Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$600	\$600	\$406	(\$194)
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	600	600	406	(194)
Other Financing Uses				
Transfers Out	(81,280)	(81,342)	(81,342)	0
<i>Net Change in Fund Balance</i>	(80,680)	(80,742)	(80,936)	(194)
<i>Fund Balance Beginning of Year</i>	80,936	80,936	80,936	0
<i>Fund Balance End of Year</i>	\$256	\$194	\$0	(\$194)

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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$5,900	\$10,500	\$24,660	\$14,160
Interest	221	221	421	200
<i>Total Revenues</i>	6,121	10,721	25,081	14,360
Expenditures				
Capital Outlay:				
Contractual Services	25,000	25,000	16,955	8,045
<i>Net Change in Fund Balance</i>	(18,879)	(14,279)	8,126	22,405
<i>Fund Balance Beginning of Year</i>	275,634	275,634	275,634	0
<i>Fund Balance End of Year</i>	<u>\$256,755</u>	<u>\$261,355</u>	<u>\$283,760</u>	<u>\$22,405</u>

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, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$200,000	\$269,500	\$275,976	\$6,476
Interest	1,608	1,608	3,900	2,292
<i>Total Revenues</i>	201,608	271,108	279,876	8,768
Expenditures				
Capital Outlay:				
Capital Outlay	389,979	389,979	282,605	107,374
<i>Net Change in Fund Balance</i>	(188,371)	(118,871)	(2,729)	116,142
<i>Fund Balance Beginning of Year</i>	331,817	331,817	331,817	0
Prior Year Encumbrances Appropriated	12,979	12,979	12,979	0
<i>Fund Balance End of Year</i>	<u>\$156,425</u>	<u>\$225,925</u>	<u>\$342,067</u>	<u>\$116,142</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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$300,000	\$300,000	\$300,000	\$0
Interest	4,539	4,539	10,212	5,673
Miscellaneous	23,700	23,700	18,230	(5,470)
<i>Total Revenues</i>	328,239	328,239	328,442	203
Expenses				
Purchased Services	5,000	8,000	5,027	2,973
Claims	333,000	333,000	0	333,000
<i>Total Expenses</i>	338,000	341,000	5,027	335,973
<i>Net Change in Fund Equity</i>	(9,761)	(12,761)	323,415	336,176
<i>Fund Equity Beginning of Year</i>	978,533	978,533	978,533	0
<i>Fund Equity End of Year</i>	\$968,772	\$965,772	\$1,301,948	\$336,176

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, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$15	\$15	\$26	\$11
Expenses				
Materials and Supplies	95	95	95	0
<i>Net Change in Fund Equity</i>	(80)	(80)	(69)	11
<i>Fund Equity Beginning of Year</i>	3,094	3,094	3,094	0
<i>Fund Equity End of Year</i>	<u>\$3,014</u>	<u>\$3,014</u>	<u>\$3,025</u>	<u>\$11</u>



Kids Quarters is located at the Community Center. It is a popular playground with state-of-the-art equipment.



After completely remodeling the interior of the old Spanish Tavern building, The Burntwood Tavern opened for business in late 2012. The excellent cuisine and atmosphere make this restaurant a popular spot.



(inset) The demolition of the old Shell Gas Station made way for the brand new TrueNorth Shell station and car wash. The station has a convenience store located inside. The headquarters of the TrueNorth Company is located at the south end of Brecksville.

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 – S11</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>S12 – S19</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>S20 – S23</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>S24 – S25</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>S26 – S31</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.

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Activities				
Net Investment in Capital Assets	\$70,119,261	\$66,408,438	\$65,615,699	\$63,486,515
Restricted:				
Capital Projects	232,792	3,045,641	801,922	1,937,585
Debt Service	4,901,981	5,840,447	5,713,451	6,445,832
Fire Department	99,629	311,661	424,696	706,135
Community Center	N/A	N/A	N/A	361,444
Road Maintenance	345,691	137,076	402,803	570,816
Street Construction, Maintenance, and Repair	853,116	725,291	825,033	1,170,024
Other Purposes	860,505	1,309,947	788,783	716,987
Unrestricted	<u>15,190,625</u>	<u>9,915,091</u>	<u>10,215,534</u>	<u>6,771,495</u>
<i>Total Governmental Activities Net Position</i>	<u><u>\$92,603,600</u></u>	<u><u>\$87,693,592</u></u>	<u><u>\$84,787,921</u></u>	<u><u>\$82,166,833</u></u>

2008	2007	2006	2005	2004	2003
\$60,276,377	\$58,749,092	\$56,037,345	\$53,341,748	\$50,304,248	\$43,334,818
5,036,864	5,991,605	4,400,084	5,885,715	4,953,157	6,896,322
4,407,165	4,811,900	5,162,626	5,320,046	4,493,213	4,786,541
514,548	375,265	279,010	429,565	370,646	265,884
538,139	282,524	218,840	151,056	185,522	117,212
589,223	N/A	N/A	N/A	N/A	N/A
927,115	876,258	1,110,622	1,195,093	999,759	393,836
734,022	1,296,150	697,202	502,465	642,334	1,143,615
8,367,960	8,379,624	9,390,837	7,318,052	5,689,748	5,494,860
<u>\$81,391,413</u>	<u>\$80,762,418</u>	<u>\$77,296,566</u>	<u>\$74,143,740</u>	<u>\$67,638,627</u>	<u>\$62,433,088</u>

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

	2012	2011	2010	2009
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government:				
Legislative and Executive	\$2,299,783	\$279,495	\$286,925	\$403,381
Judicial System	20,671	20,697	25,697	22,352
Public Safety:				
Police	226,459	203,272	217,057	185,652
Fire	279,871	242,973	240,339	794
Public Health and Social Services	43,699	28,694	56,109	6,327
Street Construction, Maintenance, and Repair	91,811	95,030	91,510	73,991
Housing and Community Development	46,690	42,223	54,910	45,320
Basic Utility Services	237,193	98,226	125,501	107,303
Recreational Activities	1,111,284	990,728	979,197	884,283
Subtotal - Charges for Services	<u>4,357,461</u>	<u>2,001,338</u>	<u>2,077,245</u>	<u>1,729,403</u>
Operating Grants and Contributions:				
General Government:				
Legislative and Executive	1,536	840	1,675	21,673
Judicial System	1,911	20	54	35
Public Safety:				
Police	24,616	27,905	36,852	39,224
Fire	248,914	275,546	394,314	387,424
Public Health and Social Services	239	91	345	33
Street Construction, Maintenance, and Repair	735,099	750,313	792,508	794,864
Housing and Community Development	6,474	18,878	253	189
Basic Utility Services	4,521	678	3,939	4,002
Recreational Activities	6,782	3,985	3,615	4,017
Subtotal - Operating Grants and Contributions	<u>1,030,092</u>	<u>1,078,256</u>	<u>1,233,555</u>	<u>1,251,461</u>
Capital Grants and Contributions:				
General Government				
Legislative and Executive	0	0	0	0
Street Construction, Maintenance, and Repair	0	0	0	0
Housing and Community Development	0	0	0	0
Basic Utility Services	1,302,454	279,119	1,081,781	300,000
Recreational Activities	0	0	295,000	0
Subtotal - Capital Grants and Contributions	<u>1,302,454</u>	<u>279,119</u>	<u>1,376,781</u>	<u>300,000</u>
<i>Total Governmental Program Revenues</i>	<u>\$6,690,007</u>	<u>\$3,358,713</u>	<u>\$4,687,581</u>	<u>\$3,280,864</u>

2008	2007	2006	2005	2004	2003
\$769,088	\$513,336	\$350,725	\$87,170	\$151,662	\$146,626
25,311	201,864	316,831	326,593	349,991	335,897
277,326	9,085	42,463	20,849	8,841	5,774
1,340	3,255	50	669	2,853	2,092
7,328	7,906	37,060	37,965	93,342	90,250
117,325	105,053	0	0	0	340
54,992	55,745	186,792	214,392	192,314	183,530
124,950	116,823	31,480	56,030	39,616	56,635
1,012,924	910,748	862,767	884,160	782,684	717,068
<u>2,390,584</u>	<u>1,923,815</u>	<u>1,828,168</u>	<u>1,627,828</u>	<u>1,621,303</u>	<u>1,538,212</u>
5,378	5,010	2,590	1,330	11,400	5,781
112	131	0	0	0	0
10,071	29,040	25,883	33,445	41,675	21,666
14,629	175	6,816	7,584	0	6,525
117	114	325	0	0	0
697,756	668,446	639,195	638,155	637,407	539,875
727	583	0	2,281	0	0
5,226	3,376	0	7,745	5,907	11,666
3,197	2,788	9,086	8,846	4,836	3,348
<u>737,213</u>	<u>709,663</u>	<u>683,895</u>	<u>699,386</u>	<u>701,225</u>	<u>588,861</u>
0	0	0	0	0	95,000
0	0	48,859	2,619,017	1,394,171	3,532,626
0	0	4,236	0	0	0
0	0	0	278,298	0	0
0	0	0	0	724,841	0
<u>0</u>	<u>0</u>	<u>53,095</u>	<u>2,897,315</u>	<u>2,119,012</u>	<u>3,627,626</u>
<u>\$3,127,797</u>	<u>\$2,633,478</u>	<u>\$2,565,158</u>	<u>\$5,224,529</u>	<u>\$4,441,540</u>	<u>\$5,754,699</u>

(continued)

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

	2012	2011	2010	2009
Expenses				
Governmental Activities:				
General Government:				
Legislative and Executive	\$5,786,026	\$5,499,027	\$5,647,128	\$6,097,065
Judicial System	108,293	198,239	210,129	161,505
Public Safety:				
Police	4,537,860	3,992,061	4,240,615	4,560,315
Fire	2,318,180	2,314,537	2,413,597	2,096,299
Public Health and Social Services	1,092,369	1,048,646	1,144,253	1,195,863
Street Construction, Maintenance, and Repair	3,654,599	4,059,126	4,007,522	3,994,538
Housing and Community Development	962,912	852,056	833,662	855,329
Basic Utility Services	2,133,946	1,726,275	1,366,953	1,704,663
Recreational Activities	2,074,033	2,078,502	2,001,190	1,976,407
Interest and Fiscal Charges	493,021	557,354	602,512	693,039
<i>Total Governmental Activities Expenses</i>	<u>23,161,239</u>	<u>22,325,823</u>	<u>22,467,561</u>	<u>23,335,023</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(16,471,232)</u>	<u>(18,967,110)</u>	<u>(17,779,980)</u>	<u>(20,054,159)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	1,827,272	1,814,714	1,817,177	1,919,648
Fire Department	1,770,008	1,757,630	1,779,370	1,859,488
Streets	520,591	517,013	523,345	546,908
Police Department	156,178	155,104	157,003	164,072
Debt Service	0	211	17	153,754
Municipal Income Taxes levied for:				
General Purposes	12,853,245	13,246,409	11,932,814	11,743,625
Capital Outlay	2,410,000	2,280,000	2,280,000	2,090,000
Grants and Entitlements not Restricted to				
Specific Programs	1,217,585	1,130,958	1,074,764	1,355,899
Investment Earnings	130,456	306,830	320,959	505,734
Gain on Sale of Capital Assets	27,112	14,939	13,730	0
Miscellaneous	468,793	648,973	501,889	490,451
<i>Total Governmental Activities General Revenues</i>	<u>21,381,240</u>	<u>21,872,781</u>	<u>20,401,068</u>	<u>20,829,579</u>
Change in Net Position				
Governmental Activities	<u>\$4,910,008</u>	<u>\$2,905,671</u>	<u>\$2,621,088</u>	<u>\$775,420</u>

2008	2007	2006	2005	2004	2003
\$6,102,755	\$5,592,721	\$5,443,397	\$4,355,622	\$4,246,585	\$4,135,163
123,977	179,656	171,607	157,222	151,584	151,387
4,276,131	4,148,827	3,996,184	3,811,772	3,930,138	3,901,614
2,241,102	2,294,629	2,248,157	2,027,052	1,862,540	1,964,919
126,790	154,672	153,476	122,266	113,498	118,442
4,499,947	4,220,016	3,913,477	4,280,735	3,433,446	4,132,195
1,177,227	1,092,407	956,383	1,079,752	860,061	1,186,316
2,081,050	2,128,748	2,048,065	1,946,379	2,457,634	1,884,812
2,498,487	1,940,978	1,843,775	1,466,915	1,568,851	1,859,992
773,876	768,970	808,230	725,075	496,051	519,414
23,901,342	22,521,624	21,582,751	19,972,790	19,120,388	19,854,254
(20,773,545)	(19,888,146)	(19,017,593)	(14,748,261)	(14,678,848)	(14,099,555)
1,803,685	2,028,243	1,838,138	1,832,776	1,772,674	1,646,088
1,746,733	1,964,679	1,780,532	1,777,908	1,716,753	1,593,930
513,746	577,846	523,686	522,913	504,927	468,802
154,125	173,354	157,106	156,874	151,478	140,640
200,360	225,361	200,877	256,235	245,481	278,400
11,564,512	12,386,754	12,732,659	11,350,171	10,309,796	8,930,938
2,264,852	2,574,193	2,481,438	2,495,169	2,452,992	2,442,323
1,856,007	1,659,652	1,545,865	1,494,661	1,760,102	1,307,353
913,806	1,047,479	636,011	644,426	594,442	634,052
70,777	10,011	4,087	0	0	16,532
313,937	706,426	270,020	722,241	375,742	247,880
21,402,540	23,353,998	22,170,419	21,253,374	19,884,387	17,706,938
\$628,995	\$3,465,852	\$3,152,826	\$6,505,113	\$5,205,539	\$3,607,383

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

	2012	2011	2010	2009
General Fund				
Nonspendable	\$307,263	\$297,402	\$263,507	\$237,981
Committed	114,187	776,399	776,399	0
Assigned	544,608	312,269	312,269	495,999
Unassigned	8,383,941	7,210,298	5,768,584	5,545,608
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Total General Fund	<u>9,349,999</u>	<u>8,596,368</u>	<u>7,120,759</u>	<u>6,279,588</u>
All Other Governmental Funds				
Nonspendable	\$136,440	\$125,942	\$129,154	\$135,439
Restricted	2,202,655	2,402,674	3,294,029	3,440,021
Committed	2,070,730	2,188,145	1,719,966	1,312,186
Assigned	742,995	769,587	764,875	758,237
Unassigned (Deficit)	0	(836,211)	(828,692)	(921,057)
Reserved	N/A	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:				
Special Revenue funds	N/A	N/A	N/A	N/A
Debt Service funds	N/A	N/A	N/A	N/A
Capital Projects funds	N/A	N/A	N/A	N/A
Total All Other Governmental Funds	<u>5,152,820</u>	<u>4,650,137</u>	<u>5,079,332</u>	<u>4,724,826</u>
Total Governmental Funds	<u><u>\$14,502,819</u></u>	<u><u>\$13,246,505</u></u>	<u><u>\$12,200,091</u></u>	<u><u>\$11,004,414</u></u>

Note: During 2010, the City implemented GASB 54.

2008	2007	2006	2005	2004	2003
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
\$286,045	\$446,930	\$521,033	\$205,703	\$152,799	\$129,821
7,849,898	6,213,938	7,472,841	7,000,511	5,774,941	4,678,964
8,135,943	6,660,868	7,993,874	7,206,214	5,927,740	4,808,785
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
\$863,642	\$4,134,754	\$1,583,769	\$2,405,842	\$8,161,824	\$2,708,943
2,868,361	1,958,225	1,784,046	1,493,502	1,573,035	1,382,265
575,497	809,373	781,115	757,229	542,934	719,213
1,131,583	1,793,269	2,588,372	2,841,013	2,476,285	3,756,795
5,439,083	8,695,621	6,737,302	7,497,586	12,754,078	8,567,216
\$13,575,026	\$15,356,489	\$14,731,176	\$14,703,800	\$18,681,818	\$13,376,001

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

	2012	2011	2010	2009
Revenues				
Taxes (1)	\$19,442,490	\$19,254,109	\$18,730,301	\$17,441,398
Charges for Services	1,317,669	1,210,862	1,177,776	905,024
Licenses and Permits	564,218	430,730	525,806	362,044
Fines and Forfeitures	266,067	254,848	308,416	279,459
Intergovernmental	3,183,232	2,516,919	3,179,603	2,946,251
Special Assessments	488,399	324,876	324,741	428,519
Interest	120,244	295,858	307,103	485,075
Donations	7,895	6,218	8,138	7,477
Rentals	66,677	84,040	44,935	46,261
Miscellaneous	450,563	632,139	485,427	469,189
<i>Total Revenues</i>	<u>25,907,454</u>	<u>25,010,599</u>	<u>25,092,246</u>	<u>23,370,697</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	5,646,837	5,515,740	5,541,484	5,819,602
Judicial System	109,800	203,415	208,078	165,677
Public Safety:				
Police	4,570,485	4,046,058	4,299,205	4,467,546
Fire	2,267,257	2,244,514	2,390,618	2,107,045
Public Health and Social Services	880,908	861,325	842,538	910,160
Street Construction, Maintenance, and Repair	2,872,254	3,125,788	3,460,310	2,966,943
Housing and Community Development	863,860	887,874	813,415	900,852
Basic Utility Services	1,949,493	1,593,784	1,432,297	2,256,844
Recreational Activities	1,803,188	1,772,171	1,846,298	1,862,876
Capital Outlay	3,981,464	2,007,069	1,332,610	2,535,718
Debt Service:				
Principal Retirement	1,278,884	1,178,884	1,138,884	1,270,884
Repayment to Refunded Bond Escrow Agent	0	0	0	0
Interest and Fiscal Charges	463,528	560,548	604,565	694,576
Bond Issuance Costs	118,151	0	0	0
<i>Total Expenditures</i>	<u>26,806,109</u>	<u>23,997,170</u>	<u>23,910,302</u>	<u>25,958,723</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>(898,655)</u>	<u>1,013,429</u>	<u>1,181,944</u>	<u>(2,588,026)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	30,406	32,985	13,733	17,414
Bond Anticipation Notes Issued	0	0	0	0
Refunding Bonds Issued	3,580,000	0	0	0
General Obligation Bonds Issued	0	0	0	0
Special Assessment Bonds Issued	2,005,000	0	0	0
Premium on Issuance of Debt	136,940	0	0	0
OPWC Loan Issued	2,308	0	0	0
Payment to Refunded Bond Escrow Agent	(3,599,685)	0	0	0
Payment to Refund Notes	0	0	0	0
Transfers In	2,277,477	2,042,634	2,447,956	2,231,175
Transfers Out	(2,277,477)	(2,042,634)	(2,447,956)	(2,231,175)
<i>Total Other Financing Sources (Uses)</i>	<u>2,154,969</u>	<u>32,985</u>	<u>13,733</u>	<u>17,414</u>
<i>Net Change in Fund Balances</i>	<u>\$1,256,314</u>	<u>\$1,046,414</u>	<u>\$1,195,677</u>	<u>(\$2,570,612)</u>
Debt Service as a Percentage of Noncapital Expenditures	7.9%	8.4%	8.5%	9.0%

(1) Includes All Taxes

2008	2007	2006	2005	2004	2003
\$20,355,101	\$19,556,957	\$18,082,865	\$18,112,579	\$18,163,891	\$15,798,469
1,006,940	928,599	795,817	780,783	763,763	757,802
387,068	370,401	370,661	426,845	433,896	382,356
338,338	281,554	318,741	315,131	331,702	321,007
2,612,165	2,394,732	2,201,360	3,381,031	3,445,386	2,776,961
620,735	624,415	612,128	723,870	335,895	327,902
894,042	1,028,720	624,763	633,497	587,077	629,781
16,756	14,475	21,267	13,142	32,231	9,734
218,333	119,234	99,195	105,069	91,942	77,047
313,740	705,695	270,020	719,916	270,539	223,698
26,763,218	26,024,782	23,396,817	25,211,863	24,456,322	21,304,757
5,941,778	5,464,710	5,220,680	4,332,900	4,142,258	4,024,845
122,934	188,321	169,613	157,402	148,162	150,947
4,217,591	4,063,261	3,848,371	3,710,648	3,853,278	3,699,440
2,106,263	2,139,383	2,046,088	1,866,348	1,797,479	1,845,131
129,648	137,731	150,617	123,716	119,739	118,588
3,439,482	3,166,873	2,765,761	3,060,674	2,803,466	3,327,036
846,644	836,660	807,590	835,066	818,070	1,183,455
1,925,652	1,913,731	1,777,645	1,678,032	1,593,358	1,640,660
1,598,784	1,677,602	1,553,328	1,655,893	1,781,954	1,661,078
5,577,837	3,742,989	3,155,119	13,663,395	8,203,769	3,997,138
1,933,884	1,338,884	1,271,233	1,880,949	2,040,170	1,810,170
0	0	0	0	12,867	0
779,233	764,362	777,817	722,436	437,710	502,644
0	0	0	0	141,470	0
28,619,730	25,434,507	23,543,862	33,687,459	27,893,750	23,961,132
(1,856,512)	590,275	(147,045)	(8,475,596)	(3,437,428)	(2,656,375)
75,049	35,038	11,487	42,820	32,446	29,193
0	0	0	1,550,000	2,550,000	1,000,000
0	0	0	0	0	0
0	0	0	4,205,000	7,785,000	0
0	0	0	1,240,000	0	0
0	0	0	78,615	115,282	0
0	0	162,934	231,143	0	0
0	0	0	0	(1,739,483)	0
0	0	0	(2,850,000)	0	0
3,798,793	5,601,367	4,641,971	4,254,600	5,386,125	6,465,396
(3,798,793)	(5,601,367)	(4,641,971)	(4,254,600)	(5,386,125)	(6,465,396)
75,049	35,038	174,421	4,497,578	8,743,245	1,029,193
(\$1,781,463)	\$625,313	\$27,376	(\$3,978,018)	\$5,305,817	(\$1,627,182)
11.9%	9.9%	10.2%	13.4%	13.4%	13.1%

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
2012	\$469,788,160	\$110,239,930	\$1,657,223,114	\$17,092,360	\$19,423,136
2011	470,033,220	107,690,260	1,650,638,514	16,066,350	18,257,216
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

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

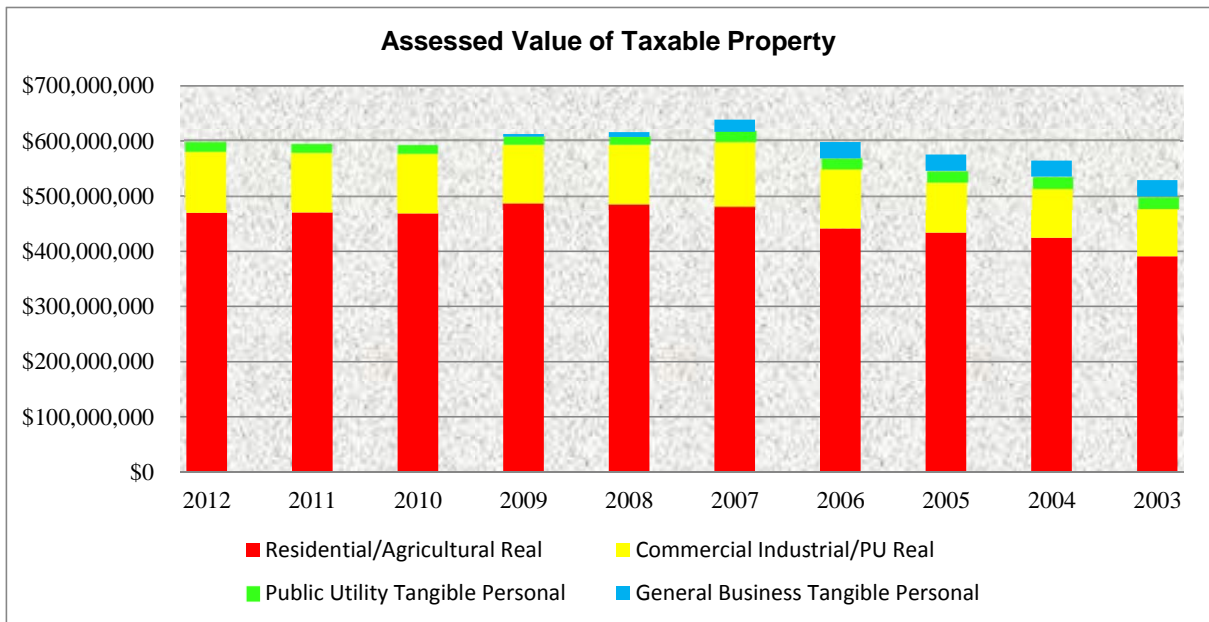
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General 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.

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 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Source: Cuyahoga County, Ohio; County Fiscal Officer

Tangible Personal Property

General Business		Total		Ratio	Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$597,120,450	\$1,676,646,250	35.61%	\$8.21
0	0	593,789,830	1,668,895,730	35.58	8.21
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



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

	2012	2011	2010	2009
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	0.0000	0.0000	0.2900
Total Millage	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>	<u><u>\$8.5000</u></u>
Overlapping Rates by Taxing District				
Brecksville-Broadview Heights City School District				
Residential/Agricultural Real	\$40.0657	\$39.1912	\$39.1175	\$37.2338
Commerical/Industrial and Public Utility Real	43.4617	42.8357	42.8641	43.4071
General Business and Public Utility Personal	77.2000	77.2000	77.2000	77.1000
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	13.2200	13.1182	13.1866	12.6607
Commerical/Industrial and Public Utility Real	12.9968	12.7845	12.8413	12.8153
General Business and Public Utility Personal	13.2200	13.2200	13.3200	13.3200
Special Taxing Districts (1)				
Residential/Agricultural Real	7.5635	7.5041	7.3870	6.6597
Commerical/Industrial and Public Utility Real	7.4621	7.3648	7.3450	6.8911
General Business and Public Utility Personal	7.5800	7.5800	7.5800	7.2800

Source: Cuyahoga County Fiscal Officer

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

2008	2007	2006	2005	2004	2003
\$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
0.3900	0.3900	0.4900	0.4900	0.4900	0.4900
\$8.6000	\$8.6000	\$8.7000	\$8.7000	\$8.7000	\$8.7000

\$37.1756	\$39.9809	\$39.9810	\$40.2141	\$34.0346	\$36.0269
43.1759	46.3679	46.3680	46.4754	40.5435	41.7308
77.1000	77.4000	77.4000	77.6000	71.4000	71.5000
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
11.8688	11.7227	11.7227	10.9754	10.9899	12.4609
12.4535	12.5880	12.5762	11.9846	12.0433	12.8764
13.4200	13.5200	13.5200	13.5200	13.5200	14.6500
5.9676	6.2900	6.2900	6.2880	4.7783	2.5323
6.2519	6.5596	6.5552	6.5067	5.1811	2.5497
6.7800	6.7800	6.7800	6.7800	5.8800	2.9500

City of Brecksville, Ohio
Principal Real Property Taxpayers
 2012 and 2003

Taxpayer	2012	
	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$16,261,470	2.80 %
The Cleveland Clinic Foundation	13,223,500	2.28
Ohio Bell Telephone Company	8,118,260	1.40
PDM Group, Incorporated	7,249,480	1.25
Grand Bay of Brecksville	6,476,750	1.12
Cleveland Cuyahoga Port Authority	6,336,470	1.09
Gateway Association	4,659,100	0.80
Treeline Incorporated	3,531,570	0.61
Creekview Commons, LLC	3,513,200	0.61
Cintas Document Management	3,116,720	0.54
Total	\$72,486,520	12.50 %

Total Real Property Assessed Valuation \$580,028,090

Taxpayer	2003	
	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$16,815,400	3.51 %
Ohio Bell Telephone Company	12,044,980	2.52
PMD Group, Inc.	7,692,300	1.61
Grand Bay of Brecksville	7,087,140	1.48
Gateway Association III & IV	4,479,850	0.94
Treeline, Incorporated	3,399,970	0.71
Southpoint Association	2,827,490	0.59
Brecksville Shopping Center	2,798,410	0.58
Brecksville Land Development, LLC	2,673,930	0.56
312 Company	2,143,980	0.45
Total	\$61,963,450	12.95 %

Total Real Property Assessed Valuation \$478,490,900

Source: Cuyahoga County Fiscal Officer

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
2012	\$4,905,724	\$4,736,054	96.54%	\$122,347	\$4,858,401	99.04%	\$212,193	4.33%
2011	4,884,659	4,714,666	96.52	143,718	4,858,384	99.46	205,553	4.21
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

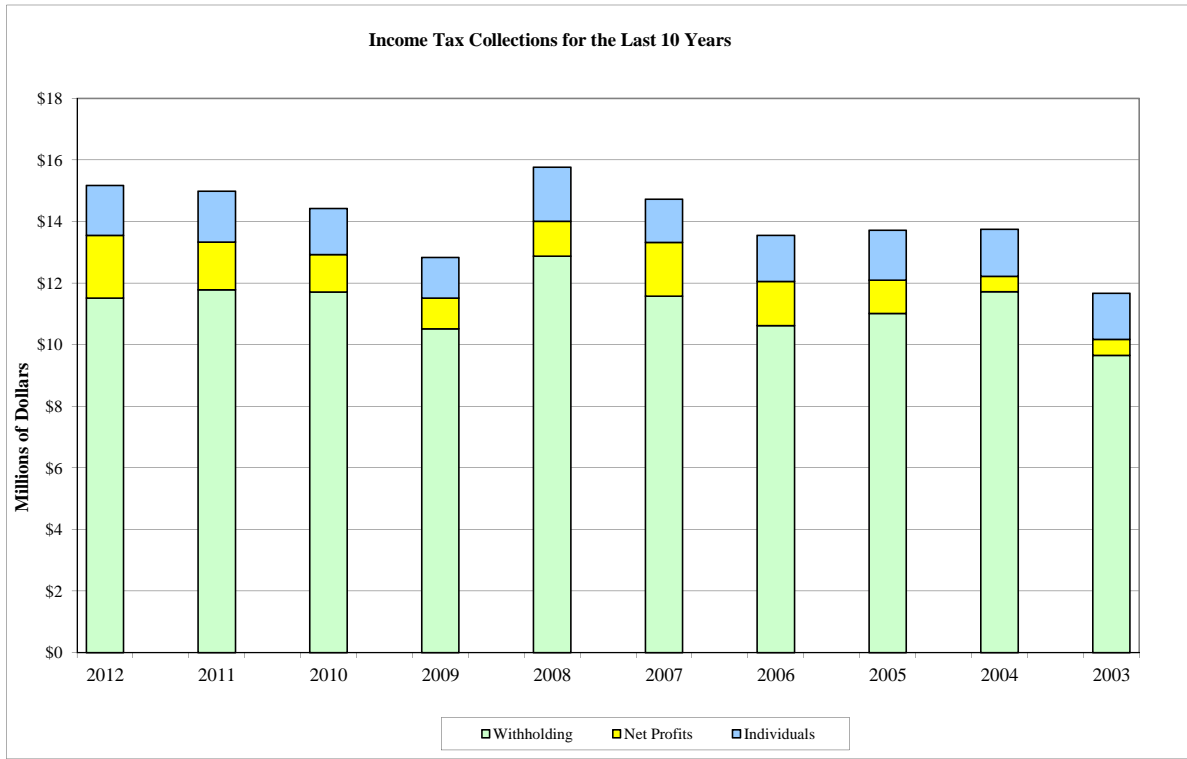
Source: Cuyahoga County, Ohio; County Fiscal Officer

(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
2012	2.00%	\$15,175,081	\$11,514,851	75.88%	\$2,030,426	13.38%	\$1,629,804	10.74%
2011	2.00	14,978,641	11,779,203	78.64	1,554,783	10.38	1,644,655	10.98
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	522,600	4.48	1,495,476	12.82



City of Brecksville, Ohio
Income Tax Filers by Income Level
Tax Years 2011 and 2004

Tax Year 2011 (1)				
Income Range	Number of Filers	Percent of Filers	Taxable Income (2)	Percent of Taxable Income
Over \$100,000	1,787	33.28 %	\$406,296,986	75.52 %
75,001-100,000	581	10.82	50,659,190	9.42
50,001-75,000	630	11.73	38,868,443	7.23
25,001-50,000	738	13.74	27,441,911	5.10
Under 25,000	1,634	30.43	14,664,071	2.73
Total	5,370	100.00 %	\$537,930,601	100.00 %

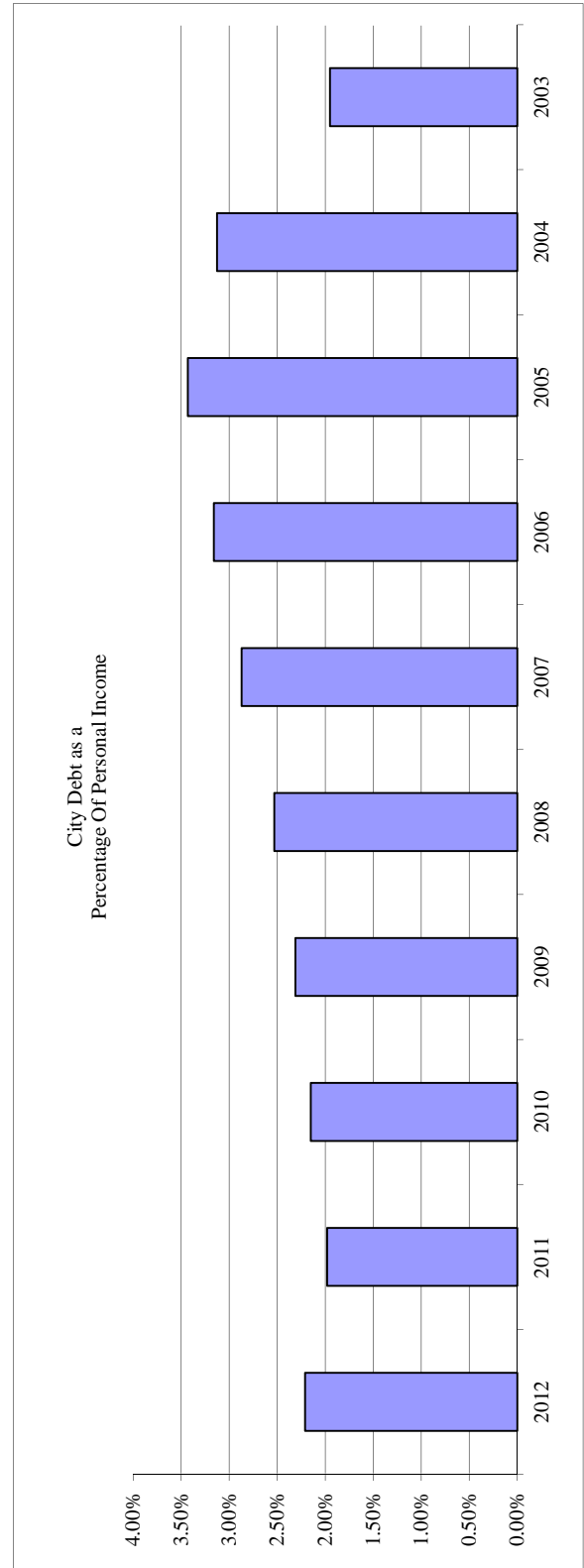
Tax Year 2004 (3)				
Income Range	Number of Filers	Percent of Filers	Taxable Income (3)	Percent of Taxable Income
Over \$100,000	1,564	29.52 %	\$327,284,262	70.64 %
75,001-100,000	588	11.10	50,990,915	11.01
50,001-75,000	642	12.12	40,181,654	8.67
25,001-50,000	818	15.43	30,303,048	6.54
Under 25,000	1,687	31.83	14,520,398	3.14
Total	5,299	100.00 %	\$463,280,277	100.00 %

Source: Regional Income Tax Agency Data

- (1) Information for 2012 was not available
- (2) Taxable income of residents of the City
- (3) Information prior to 2004 was not available

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	Total Debt Per Capita	
2012	\$7,321,387	\$4,559,758	\$442,183	\$0	\$12,323,328	\$557,914,651	2.21 %	13,656	\$902					
2011	7,856,490	2,851,828	493,759	0	11,202,077	565,836,360	1.98	13,656	820					
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					



(1) Brecksville Finance Department estimates 2002-2010;
 U.S. Census Bureau 2010

(2) Estimates 2002-2010; 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
2012	\$7,321,387	\$1,676,646,250	0.44%	\$536
2011	7,856,490	1,668,895,730	0.47	575
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

City of Brecksville
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2012*

	Debt Attributable to Governmental Activities	Percentage Applicable to City (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brecksville			
General Obligation Bonds	\$7,321,387	100.00%	\$7,321,387
Special Assessment Bonds	4,559,758	100.00	4,559,758
OPWC Loans	442,183	100.00	442,183
	<u>12,323,328</u>		<u>12,323,328</u>
Total Direct Debt			
Overlapping Debt:			
Payable from Property Taxes:			
Cuyahoga County Bonds	352,896,785	2.15	7,587,281
Regional Transit Authority Bonds	134,123,371	2.15	2,883,652
Brecksville-Broadview Heights City			
School District Bonds	11,144,108	59.18	6,595,083
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	441,559,586	2.15	9,493,531
Cuyahoga County Loans	7,269,902	2.15	156,303
Cuyahoga County Notes	7,200,000	2.15	154,800
Regional Transit Authority Capital Lease	17,793,437	2.15	382,559
Brecksville-Broadview Heights City			
School District Notes	9,128,612	59.18	5,402,313
Brecksville-Broadview Heights City			
School District Capital Leases	176,382	59.18	104,383
	<u>981,292,183</u>		<u>32,759,905</u>
Total Overlapping Debt			
Total Direct and Overlapping Debt			
	<u>\$993,615,511</u>		<u>\$45,083,233</u>

Source: Office of the Fiscal Officer, 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 2012 collection year.

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	
2012	13,656	\$557,914,651	\$91,432	\$40,855	6.6%	6.8%	19.57
2011	13,656	565,836,360	92,088	41,435	7.1	8.6	19.57
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

(1) Estimates 2003-2012; U.S. Census Bureau

(2) Brecksville Finance Department estimates 2003-2012;
U.S. Census Bureau.

(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 Seven Years Ago (1)

2012			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
AT&T/ Ohio Bell	Communication Services	1,189	8.39 %
PNC/National City Corporation	Banking Services	1,086	7.66
Lubrizol Corporation	Chemical Technology	842	5.94
First Energy/Illuminating Company	Electric Utility	447	3.16
Brecksville-Broadview Heights School	Public Education	418	2.95
House of LaRose	Beverage Distributor	329	2.32
Defense Finance	Financial Services	308	2.17
Ryan Homes Incorporated	Construction	245	1.73
Curtiss-Wright Flow Control	Manufacturing	219	1.55
Cuyahoga Valley Joint Vocational School	Vocational Education	183	1.29
Total		<u>5,266</u>	<u>37.16 %</u>
Total Employment within the City		<u>14,171</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	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Government										
Council	4.5	4.5	4.5	4.5	4.5	4.5	8.0	8.0	8.0	8.0
Mayor	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0
Finance	3.5	3.5	3.5	3.5	4.0	4.0	4.0	4.0	4.0	4.0
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	2.0	2.0	2.5	3.0	3.0	3.0	3.0	3.0	3.0
Legal	1.5	1.5	1.5	1.5	1.5	1.5	0.0	0.0	0.0	0.0
Mayor's Court	1.5	1.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Technology	3.0	3.5	3.5	3.5	3.5	3.0	3.0	1.0	1.0	1.0
Engineering	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	0.0	0.0
Administrative Support	1.5	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Public Safety										
Police	44.5	43.5	41.0	43.0	44.5	43.5	43.0	45.0	45.0	43.5
Fire	22.0	22.5	26.0	26.5	27.0	28.0	26.0	26.0	25.0	25.5
Recreational Activities										
Community Center	37.0	39.0	50.0	55.0	52.0	51.5	49.0	55.5	59.5	54.5
Senior/Community Services	7.5	7.5	7.5	9.5	9.5	9.0	8.0	4.0	4.0	4.0
Street Construction, Maintenance and Repair Service	46.0	48.0	43.5	47.0	44.0	48.0	59.5	60.5	61.0	62.0
Housing and Community Development										
Building Inspection	6.0	5.5	6.5	6.0	7.0	8.5	8.0	7.5	7.0	7.0
Basic Utility Services										
Housekeeping	12.0	12.0	11.5	12.0	13.5	13.5	11.0	10.0	9.5	8.0
Totals:	196.0	199.5	207.5	221.0	221.5	225.5	230.0	233.0	233.5	228.0

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee as of December 31, 2012.

Source: Finance Department

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

Function/Program	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Government										
Building Department Vehicles	5	5	5	6	6	6	6	6	6	5
Other Department Vehicles	4	3	4	5	5	5	5	5	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	22	22	23	23	22	22	22	22	22	22
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	17,674	17,674
Vehicles	14	15	14	13	12	12	12	13	12	12
Street Construction, Maintenance and Repair										
Streets (lane miles)	189	189	189	189	189	189	189	185	185	181
Urban Forestry Vehicles	3	3	3	3	3	3	3	3	3	4
Other Public Services Vehicles	57	54	54	53	54	54	54	54	51	49
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	65,000	65,000	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	10
Number of Playgrounds	8	8	8	8	8	8	8	8	8	8
Number of Tennis Courts	3	3	3	3	3	3	3	3	3	3
Number of Full Sized Soccer Fields	3	3	3	2	2	2	2	2	2	2
Vehicles	4	4	3	3	3	3	3	3	3	3
Housing and Community Development										
Human Services Center Square Footage	46,000	46,000	46,000	46,000	46,000	46,000	46,000	0	0	0
Vehicles	6	6	5	5	6	6	6	6	6	6

Source: Finance Department

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

Function/Program	2012	2011	2010	2009	2008
Police:					
Police Expenditures (in thousands)	\$3,956	\$3,645	\$3,716	\$3,516	\$3,350
Total Arrests	3,009	3,036	3,658	3,181	3,542
Part One Offenses	96	85	80	85	83
OVI Arrests	47	56	47	39	64
Prisoners	931	901	908	1,258	1,235
Motor Vehicle Accidents	206	204	215	256	293
Calls for Service	13,708	15,174	14,701	14,302	16,603
Incidents per Citizen	1.0040	1.1110	1.0770	1.0308	1.2030
Cost per Citizen	\$289.69	\$266.92	\$272.08	\$253.41	\$242.67
Fire:					
Fire Expenditures (in thousands)	\$2,244	\$2,304	\$2,438	\$2,159	\$2,067
Emergency Responses	1,318	1,395	1,351	1,346	1,399
Fire Safety Inspections	308	284	404	249	410
Fire Protection Systems Inspected	42	59	35	49	58
Building Fire Protection Plans Reviewed	5	3	2	3	9
Percentage of Business Inspected	31%	30%	36%	25%	39%
Number of Community Programs	140	143	197	181	245
Emergency Responses per Citizen	0.0965	0.1022	0.0989	0.0975	0.1013
Cost per Citizen	\$164.31	\$168.72	\$178.53	\$155.60	\$149.72
Street Lights Expenditures (in thousands)	\$116	\$101	\$108	\$98	\$86
Cost per Acre of Streetlights	\$9.26	\$8.08	\$8.61	\$7.60	\$6.88
Public Health Services:					
Health Department (in thousands)	\$52	\$50	\$50	\$50	\$48
Health Cost per Citizen	\$3.84	\$3.62	\$3.62	\$3.57	\$3.49
Recreational Activities:					
Blossom Hill (in thousands)	\$223	\$254	\$253	\$305	\$271
Community Center (in thousands)	1,808	1,762	1,843	1,791	1,610
Total Leisure Service Cost (in thousands)	\$2,031	\$2,016	\$2,096	\$2,096	\$1,881
Cost per Citizen	\$148.75	\$147.61	\$153.48	\$151.03	\$136.26
Community Center Square Feet	65,000	65,000	65,000	65,000	65,000
Square Feet per Citizen	4.76	4.76	4.76	4.68	4.71
Total Recreational Revenue (in thousands)	\$1,157	\$1,008	\$972	\$894	\$1,039
Community Center Members	6,242	6,693	6,479	6,606	6,798
Total Participations	192,970	171,646	169,171	199,102	218,209
Participations of Members Over Age 60	N/A	N/A	N/A	N/A	N/A
Fitness Class Participations	23,521	20,754	21,584	21,624	24,107
Participations per Citizen	14.13	12.57	12.39	14.35	15.81
Cost per Participation	\$9.37	\$10.27	\$10.89	\$10.53	\$7.38
Revenue per Participation	\$5.99	\$5.87	\$5.74	\$4.49	\$4.76
Housing and Community Development:					
Human Services (in thousands)	\$707	\$696	\$676	\$720	\$701
Cost per Citizen	\$52.00	\$51.00	\$50.00	\$51.89	\$51.00
Human Services Square Feet	29,000	29,000	29,000	29,000	29,000
Square Feet per Citizen	15.65	24.21	25.55	26.34	31.80
Total Human Services Revenue (in thousands)	\$89	\$81	\$81	\$81	\$76
Human Services Members	1,853	1,198	1,135	1,101	714
Total Participations	42,942	38,553	37,663	46,272	36,946
Participations per Citizen	3.14	2.82	2.76	3.33	2.68
Cost per Participation	\$381.33	\$580.88	\$595.59	\$653.95	\$982.18

2007	2006	2005	2004	2003
\$3,428	\$3,321	\$2,970	\$3,021	\$2,919
3,526	4,499	4,171	4,275	4,567
67	71	72	79	105
55	44	55	71	86
1,086	1,033	923	888	932
303	326	344	325	272
15,669	15,433	16,668	17,271	18,225
1.1349	1.1220	1.2202	1.2730	1.3526
\$248.32	\$241.41	\$217.41	\$222.67	\$216.64
\$2,194	\$2,220	\$2,053	\$1,997	\$1,880
1,313	1,387	1,386	1,345	1,263
276	268	164	235	257
47	34	46	38	30
7	14	7	39	39
44%	28%	28%	25%	26%
15	15	11	10	10
0.0951	0.1008	0.1015	0.0991	0.0937
\$158.91	\$161.40	\$150.29	\$147.20	\$139.53
\$85	\$85	\$85	\$84	\$85
\$6.81	\$6.80	\$6.80	\$6.72	\$6.80
\$48	\$45	\$45	\$41	\$41
\$3.49	\$3.27	\$3.29	\$3.02	\$3.04
\$280	\$254	\$260	\$271	\$215
1,609	1,527	1,666	1,546	1,642
\$1,889	\$1,781	\$1,926	\$1,817	\$1,857
\$136.85	\$129.48	\$140.99	\$133.93	\$137.82
65,000	65,000	49,000	49,000	49,000
4.71	4.73	3.59	3.61	3.64
\$928	\$791	\$796	\$747	\$694
7,440	6,637	6,453	6,564	6,405
171,266	165,066	155,135	171,000	167,000
N/A	N/A	30,144	34,437	28,817
21,779	15,531	14,345	16,382	14,546
12.40	12.00	11.36	12.61	12.42
\$9.40	\$9.25	\$10.74	\$9.03	\$9.82
\$5.42	\$4.79	\$5.13	\$4.37	\$4.15
\$659	\$504	N/A	N/A	N/A
\$48.00	\$37.00	N/A	N/A	N/A
29,000	29,000	N/A	N/A	N/A
31.80	44.89	N/A	N/A	N/A
\$52	\$51	N/A	N/A	N/A
912	646	N/A	N/A	N/A
32,542	33,299	N/A	N/A	N/A
2.36	2.42	N/A	N/A	N/A
\$722.15	\$780.19	N/A	N/A	N/A

(continued)

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

Function/Program	2012	2011	2010	2009	2008
Housing and Community Development:					
Planning and Zoning (in thousands)	\$5	\$5	\$5	\$4	\$13
Housing and Building Inspection (in thousands)	\$454	\$479	\$505	\$521	\$471
Cost per Citizen	\$34.00	\$35.00	\$37.00	\$37.84	\$35.00
Building Permits - Residential	853	845	895	882	742
Dollar Value of Permits (in thousands)	\$9,648	\$3,236	\$3,654	\$5,596	\$7,450
Building Permits - Commercial	208	244	207	137	205
Dollar Value of Permits (in thousands)	\$10,818	\$4,081	\$21,592	\$3,954	\$7,075
Engineering (in thousands)	\$339	\$339	\$241	\$256	\$178
Engineering Reviews					
New Topo Reviews	7	5	5	11	11
Revised Topo Reviews	9	8	8	13	23
Retaining Wall Reviews	7	5	39	15	9
Plat Reviews	4	3	6	16	9
Other Reviews	51	55	13	43	41
Builder Grades	6	5	9	15	17
Landscaping Grades	3	2	4	11	7
Total All Reviews	87	83	84	124	117
Number of Trees Planted	92	175	168	146	110
Number of Trees Removed	157	196	190	197	135
Cemetery Internments	54	48	43	41	46
Grave Purchases/Interment Payments (in thousands)	\$43	\$33	\$27	\$30	\$24
Street Construction, Maintenance and Repair:					
Street Maintenance (in thousands)	\$1,070	\$1,185	\$892	\$1,033	\$1,155
Snow and Ice Removal (in thousands)	\$97	\$157	\$220	\$175	\$208
Road Maintenance (man hours)	63,944	66,200	65,600	70,776	70,776
Streets (lane miles)	189	189	189	189	189
Cost per mile of street	\$6.18	\$7.10	\$5.88	\$7.21	\$7.21
Feet of street per capita	73.08	73.08	73.08	72.28	72.28
Asphalt Usage (in tons)	5,576	7,650	5,415	7,237	2,307
Asphalt Cost per ton	\$60.75	\$68.30	\$68.50	\$56.81	\$55.74
Salt Usage (in tons)	4,920	7,650	6,863	8,625	9,090
Concrete Used (in cubic yards)	5,239	44,438	3,945	1,941	1,941
Brush/Grass/Yard Waste Collected (in cubic yard)	1,743	3,094	2,354	2,409	2,729
Leaves Collected (in cubic yards)	7,710	6,333	6,411	7,722	5,926
General Government:					
Law (in thousands)	\$304	\$248	\$247	\$219	\$222
Cost per budget dollar	\$0.0077	\$0.0071	\$0.0069	\$0.0054	\$0.0052
Finance (in thousands)	\$319	\$308	\$325	\$342	\$299
Cost per budget dollar	\$0.0080	\$0.0088	\$0.0090	\$0.0085	\$0.0071
Purchasing (in thousands)	\$168	\$165	\$169	\$227	\$201
Cost per employee	\$720.77	\$706.21	\$724.63	\$1,027.15	\$861.07
Lands and Buildings (in thousands)	\$651	\$563	\$602	\$785	\$767
Cost per citizen	\$47.65	\$41.23	\$44.06	\$56.58	\$55.57
Mayor's Office (in thousands)	\$234	\$233	\$218	\$217	\$231
Council (in thousands)	\$250	\$248	\$238	\$234	\$229

Source: Finance Department

2007	2006	2005	2004	2003
\$8	\$9	\$15	\$16	\$7
\$492	\$473	\$487	\$496	\$463
\$36.00	\$35.00	\$37.00	\$38.00	\$35.00
1,077	981	1,095	926	843
\$7,609	\$12,371	\$19,823	\$17,508	\$19,503
126	124	104	157	232
\$23,762	\$4,212	\$7,461	\$19,572	\$25,600
\$152	\$129	\$114	N/A	N/A
15	29	39	N/A	N/A
28	46	40	N/A	N/A
32	12	0	N/A	N/A
3	0	11	N/A	N/A
38	41	0	N/A	N/A
66	31	0	N/A	N/A
20	11	0	N/A	N/A
202	170	90	N/A	N/A
168	278	73	231	294
103	102	157	166	106
60	68	58	38	50
\$40	\$37	\$38	\$30	\$90
\$1,112	\$1,115	\$1,070	\$1,086	\$1,053
\$175	\$70	\$229	\$181	\$172
66,405	63,460	74,505	71,160	72,481
189	189	185	185	181
\$6.81	\$6.27	\$7.02	\$6.85	\$6.77
72.28	72.55	71.51	72.00	70.93
2,119	4,526	4,000	3,188	3,949
\$60.68	\$52.02	\$52.02	\$51.00	\$51.50
9,875	4,255	9,770	5,809	9,168
1,172	1,600	1,205	1,246	2,400
2,120	2,717	3,269	3,240	3,497
6,953	6,145	5,721	5,934	4,920
\$241	\$208	\$205	\$203	\$188
\$0.0058	\$0.0060	\$0.0058	\$0.0049	\$0.0045
\$292	\$285	\$282	\$280	\$281
\$0.0070	\$0.0083	\$0.0080	\$0.0067	\$0.0067
\$198	\$191	\$179	\$183	\$178
\$847.97	\$817.99	\$766.60	\$879.81	\$784.14
\$769	\$777	\$732	\$808	\$862
\$55.70	\$56.49	\$53.58	\$59.56	\$63.98
\$206	\$210	\$227	\$186	\$220
\$230	\$212	\$204	\$200	\$185

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The completion of the Brecksville Community Center parking lot renovation.

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Dave Yost • Auditor of State

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 23, 2013**