



Mary Taylor, CPA
Auditor of State

CITY OF BRECKSVILLE
CUYAHOGA COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

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

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

To the City Council:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 1, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

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

Compliance and Other Matters

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

We did note a certain noncompliance or other matter that we reported to the City's management in a separate letter dated May 1, 2007.

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 1, 2007

CITY OF BRECKSVILLE, OHIO

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2006

ISSUED BY THE DEPARTMENT OF FINANCE

Virginia Price, CPA,

FINANCE DIRECTOR

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2006
Table of Contents

I. Introductory Section

Table of Contents	i
Letter of Transmittal.....	iv
GFOA Certificate of Achievement.....	xii
List of City Officials.....	xiii
Organizational Chart	xiv

II. Financial Section

Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual:	
General Fund.....	20
Fire Department Fund.....	21
Statement of Fund Net Assets - Proprietary Fund.....	22
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Fund.....	23
Statement of Cash Flows - Proprietary Fund	24
Statement of Fiduciary Net Assets - Fiduciary Funds.....	25
Statement of Changes in Fiduciary Net Assets - Fiduciary Fund.....	26
Notes to the Basic Financial Statements	27

Combining and Individual Fund Statements and Schedules:

Combining Statements - Nonmajor Governmental Funds:

Fund Descriptions.....	56
Combining Balance Sheet - Nonmajor Governmental Funds	59
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	60
Combining Balance Sheet - Nonmajor Special Revenue Funds	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	66
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	72

Combining Statements - Fiduciary Funds:

Fund Descriptions.....	74
Combining Statement of Changes in Assets and Liabilities - Agency Funds	75

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

Major Funds:

General Fund	77
Fire Department Fund	85
Special Assessment Bond Retirement Fund.....	86
General Municipal Improvement Fund	87
Buildings and Improvements Fund	88
Road Improvements Fund	89

Nonmajor Funds:

Motor Vehicle License Tax Fund.....	90
Street Repair and Maintenance Fund	91
State Highway Fund	92
Community Center Fund.....	93
Special Programs Fund.....	94
Road Maintenance Fund.....	95
Federal Equitable Sharing Fund	96
Indigent Prisoner Assistance Fund	97
Indigent Drivers Fund	98
Enforcement and Education Fund	99
Court Computerization Fund.....	100
Natureworks Grants Fund	101
Recycling Demo Fund.....	102
Tree Planting Grants Fund	103
Law Enforcement Fund.....	104
Law Enforcement Mandatory Drug Fund	105
Vehicle Immobilization Fund.....	106
Police Pension Fund	107
Memorial Fund.....	108
General Obligation Bond Retirement Fund.....	109
Issue II Fund.....	110
Capital Improvement Fund.....	111

Equipment Replacement Fund	112
Recreation Expansion Fund.....	113
Library Improvement Fund	114
Fire Station Building Fund	115
Police Station Building Fund	116
Human Services Facilities Fund.....	117
Sewer Improvement Fund	118
Public Utility Improvement Fund.....	119
Self Insurance Fund.....	120
Cemetery Endowment Fund.....	121

III. Statistical Section

Statistical Section Table of Contents.....	S1
Net Assets by Component – Last Eight Years	S3
Changes in Net Assets – Last Seven Years	S4
Fund Balances, Governmental Funds – Last Ten Years	S8
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S10
Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Years..	S12
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years.....	S14
Principal Real Property Taxpayers – 2006 and 1997	S16
Property Tax Levies and Collections – Last Ten Years	S17
Income Tax Revenue Base and Collections – Last Ten Years.....	S18
Income Tax Filers by Income Level – Tax Years 2005 and 1997.....	S19
Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years	S20
Ratio of General Obligation Bonded Debt to Estimated True Value of Taxable Property and Bonded Debt per Capita – Last Ten Years.....	S21
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S22
Legal Debt Margin Information – Last Ten Years	S23
Demographic and Economic Statistics – Last Ten Years.....	S24
Principal Employers – Current Year and Nine Years Ago.....	S25
Full-Time Equivalent City Government Employees by Function/Program – Last Ten Years	S26
Capital Assets Statistics by Function/Program – Last Seven Years.....	S27
Operating Indicators by Function/Program – Last Six Years.....	S28

JERRY N. HRUBY, MAYOR AND SAFETY DIRECTOR
CITY COUNCIL
LARRY J. POTLA, PRESIDENT
GERALD F. BROSKI, VICE-PRESIDENT
NEIL F. BRENNAN
LOUIS N. CAROUSE, JR.
DAVID J. DEUCH
NORA MURPHY
GREGORY SKALJAC
MARY SCULLIN, CLERK

May 1, 2007

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

We are pleased to submit to you the City of Brecksville's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2006; the seventeenth CAFR the City has submitted.

This is the official report of the City of Brecksville's results of operations and financial position to its residents, its elected officials, investment banks and underwriters, rating agencies and other interested parties. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

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

THE INTRODUCTORY SECTION includes a table of contents, this transmittal letter, the Certificate of Achievement, a list of the City's principal officials, both elected and appointed, and the City of Brecksville's organizational chart.

THE FINANCIAL SECTION begins with the Independent Accountants' Report, and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.

THE STATISTICAL SECTION includes selected financial and demographic information, generally presented on a multi-year basis.

REPORTING ENTITY

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



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

The Southwest Council of Governments and the Northeast Ohio Public Energy Council are jointly governed organizations and the Ohio Association of Public Treasurers rating pool is an insurance purchasing pool whose relationships to the City are described in Notes 17 and 18 to the basic financial statements. A complete discussion of the City's reporting entity is provided in Note 1 to the basic financial statements.

THE CITY OF BRECKSVILLE AND ITS BENEFITS

The City of Brecksville was founded in 1811. It was incorporated as a village under the laws of the State of Ohio in 1921 and attained City status in 1960 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 2000 the U.S. Census Bureau reported that Brecksville had a population of 13,382.

Residents have a variety of nearby transportation options because Brecksville is uniquely located "At The Center Of It All." 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, I-480 and I-80, which is the Ohio Turnpike. Amtrak cross-country rail service is available in downtown Cleveland, and Hopkins International Airport is located about fifteen miles from Brecksville.

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

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

The world-renowned Cleveland Clinic and University Hospitals supplement health care provided by nearby community hospitals and immediate care centers. Marymount and Marymount South 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.

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 Cuyahoga Valley National Park, one of the most visited National Parks in the country. Brecksville is unique among Cuyahoga County communities because one-third of the City is parkland. The Brecksville Reservation of the Cleveland Metroparks offers 2,500 acres of parkland with facilities for picnicking, softball, horseback riding, golf, hiking and cross-country skiing. A paved all-purpose fitness trail offers walking, biking, running or strolling by the beautiful scenery. Two ski areas are close by.

A sense of gracious living prevails from Public Square and its nearby cluster of historic homes along tree-shaded streets, to contemporary developments of single-family homes, to condominium complexes throughout the community. Housing in Brecksville offers a mix of sizes, styles and price ranges with colonial and Western Reserve styles predominating. Despite its proximity to major metropolitan

attractions, Brecksville maintains its quiet, suburban environment. Retail shopping is concentrated downtown near the Square, and nearby shopping malls complement local merchants.

The City of Brecksville provides many programs for all ages through its Recreation Department. Baseball, basketball, volleyball, swimming, golf, tennis, jazzercise, exercise classes, crafts and day camps are just some of the many programs for family fun, fitness and recreation. Recreational facilities include the 84-acre Blossom Hill property with its gymnasium, playground, pavilion, baseball fields and soccer fields. At City Hall there are three lighted baseball fields and three lighted tennis courts. Outdoor basketball courts are located on Stadium Drive. The 65,000 square foot Community Center houses the Recreation Department as well as a field house, indoor pool, outdoor leisure pool, elevated running track, youth game room, fitness center, whirlpool, saunas and a community room with catering facilities.

Brecksville's new \$10 million, 46,000 square foot Human Services Center and expanded facilities for the Community Center opened its doors with a gala grand opening weekend of May 12 – 14. The second floor of the new building houses the Community Center's vast new cardio-vascular fitness section. Headquartered in the new Center is the Department of Human Services which maintains many programs including snow removal and a food bank for low income seniors. It coordinates the local Meals on Wheels program and provides free health screenings. The Human Services Center has a 30' X 50' water therapy-exercise pool on the lower level and a full service kitchen with an accompanying large gathering area seating 194. A delicious and nutritious low cost lunch is served by volunteers every Thursday followed by a free movie. The cost of operation of the Human Services Center is tempered by the employment of only two full time and six part time employees.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. Brecksville is also home to the Cuyahoga Valley Career Center which is the area's high school age vocational school and it also provides a multitude of adult education programs for residents. The voters comfortably passed a renewal levy for the school in November

CITY GOVERNMENT

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

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

The City of Brecksville's chief executive officer is the Mayor who is elected by the voters for a four-year term. The Mayor appoints, subject to approval of Council, the directors of the City's departments except for the Director of Finance, the Law Director and the Clerk of Council, all of whom are appointed by Council. He is the chief conservator of the peace, oversees the enforcement of all laws and ordinances, 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.

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. Brecksville takes pride in its low crime rate and rapid response by both police and fire units. In 2006 the Fire Department was authorized to purchase five automatic external defibrillators at a cost of \$5,500 to replace existing units. The Police department was authorized to purchase an in-car mobile data switch for thirteen police cruisers at a cost of \$23,000. The 2006 budget provided for \$6.3 million to operate the Police and Fire Departments.

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.

ECONOMIC CONDITION AND OUTLOOK

The Brecksville City Administration and City Council are dedicated to the success of the downtown business district, and at the same time, and with the same enthusiasm, have promoted future growth and development of the City's industrial/office complex located on Brecksville's south side. Each day approximately 11,000 people come to work in Brecksville and are responsible for 62 percent of the City's income through the municipal income tax. Property tax accounts for 18 percent of the City's income. The City receives only 13 cents from each property tax dollar.

Local developers, The Dalad Group, has purchased property at Miller Road and I-77 and has proposed a mixed-use plan for development of the vacant land. The proposal includes offices, motor services, restaurants, 400,000 square feet of retail, a hotel and a gated, single family residential development.

The Dalad Group property will be a linked development with the adjacent 110 acre Veterans Administration hospital property at Miller and Brecksville Roads which the City is working to acquire under an Enhanced Use Lease agreement. In the next few years as the hospital vacates the grounds in stages the City will move forward with its four-phase redevelopment plan. The land is zoned office/laboratory. Although the loss of jobs will represent a 10 percent (\$1.4 million) loss to the City's income tax base the Mayor and City Council have planned for this eventuality and it is anticipated that future revenues from the redevelopment plan will exceed current revenues.

Not far from the above properties and further west on Miller Road is land acquired by Geis Construction. Applied Medical Technology has agreed to build an office building and two more office buildings are planned for the property.

The City acquired from the school district its old school bus garage and compound. It is now the headquarters of the service department's horticulture division, an area for heavy equipment storage and a winter garage for the Human Services Department's vehicles.

The Mayor and City Council are developing a master plan for the newly acquired 102 acre "Tree Farm." The farm, located adjacent to the Blossom Property on Oakes Road, is a strategic purchase from the City of Cleveland. It will enable the City to add more playing fields, a field house, outdoor basketball court and possibly a water park.

Brecksville continues its long-standing policy of controlled growth. On November 16, 2004 City Council accepted the recommendation of the Planning Commission for preliminary approval of a major subdivision of about 100 homes on approximately 145 acres on the south side of Snowville Road, west of

Dewey Road, to be known as the Woodlands of Snowville. No visible progress occurred in 2006 on the three-phase development. Construction continues on a Petros Homes development called One Chippewa Trail. It is located just east of the downtown area on Chippewa Road.

The City is involved in an ongoing legal case with Palmieri/Brecksville Road Realty LLC which purchased land formerly owned by BFGoodrich in Brecksville's south side industrial area. Although the land is zoned office/laboratory and voters overwhelmingly elected to maintain that zoning, the Palmieri Company has gone to court to request that the zoning be changed to R-40 residential.

In November of 2006, Brecksville voters approved a rezoning ballot issue to allow construction of independent and assisted living senior housing. At this point the Planning Commission is considering a redevelopment proposal which includes two buildings. The developer will only be permitted to develop the property in accordance with an approved plan recommended by the Planning Commission and voted on by City Council. The property, facing Brecksville Road just north of the square, is the site of the now defunct Pilgrim Inn which will be razed along with two secluded residences to the rear.

ACCOMPLISHMENTS

The City's financial picture continues to be strong. In 2006 Moody's Investors Service maintained its Aa1 credit rating for the City's General Obligation Bonds. Less than ten cities in Ohio have the coveted Aa1 rating and less than 3 percent of communities nationwide achieved an Aa1 rating, only one rating category less than Aaa which is the highest rating possible. The rating means a continued lower interest rate in the sale of City bonds and thus a lower overall cost of borrowing and the saving of taxpayer dollars. The City continues to receive praise from Moody's for its financial planning and the execution of its plan.

Meanwhile, the City of Brecksville's Finance Department was proud to receive its sixteenth Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2005. The City now prepares its annual budget so that it becomes effective on the first of the year.

The City protects the environment by maintaining an aggressive recycling program. This Citywide program conducts curbside pick-up and has a building dedicated solely to administering the program. The City collects metal, glass, newspapers, magazines, plastic containers and yard waste.

The City pays \$15,000 in annual dues to the Chemical Abuse Prevention Association (CAPA) for a part time Drug Prevention Coordinator to administer to our students, residents, and employers within the City. CAPA is jointly funded by the Brecksville-Broadview Heights City School District, the City of Brecksville and the CARE Concerned Citizens Group. The CARE program entered its 25th year in 2006, attesting to the program's longevity and commitment.

The 24th Annual Yuletide Hunger Program and its companion program, Adopt-A-Family, distributed a one-month's supply of food to 112 families and Christmas gifts to 56 of those families with small children. The effort began in Brecksville in 1983 and now serves Brecksville residents and people in three adjoining communities.

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

THE GREAT FLOOD

On June 22, 2006 Brecksville and surrounding communities were hit by a “100 year rainstorm” which caused extensive flood damage along the Chippewa Creek and to homes and businesses near the creek and homes downhill from runoff areas. Governor Taft and President Bush declared Cuyahoga County a disaster area in response to the City’s declaration that the community was an emergency disaster area. As a result, FEMA funding and Red Cross assistance were made available. The Fire Department reported 34 rescues of persons trapped in flooded areas. The City administration immediately launched an aggressive clean up program and plan to mitigate any reoccurrence in the future. City Council and the Administration met almost daily after the storm and authorized emergency spending totaling nearly \$200,000 for clean up and repairs. Thereafter, City Council and the Administration earmarked nearly \$1,800,000 of the 2006 budget that could be reallocated toward repairing infrastructure. The City and consulting engineering firms set a course of action to deal with storm water issues. Nearly \$5 million worth of improvements to our infrastructure are part of this extensive plan which will be implemented over the next few years.

BUILDING OUR FUTURE

In 2007 the City will:

- Continue its long range plans to avoid the sizeable damage inflicted by the June 22, 2006 flood.
- Continue planning for a new police facility and the reconfiguration of City Hall when the police department moves into its new quarters.
- Continue working on the master plan for the Blossom Hill/Tree Farm recreation complex.
- See St. Route 21 (Brecksville Road) resurfaced by the Ohio Department of Transportation south of St. Route 82.
- Celebrate the grand reopening of the Brecksville Branch of the Cuyahoga County Public Library which was severely damaged by the June 22 flood.
- Reconstruct the popular “Kids Quarters” children’s playground near the Community Center with safer building materials.
- Rebuild the parking lot and access road at the Community Center.

The City of Brecksville will continue to enhance the quality of its residential life and the growth of its industrial area and business district, all of which contribute to its tremendous reputation. Through careful and conservative planning, strict adherence to zoning codes and sound financial policies, Brecksville’s quality of life and fiscal stability will be maintained.

Financial Condition

This is the seventh year that the city of Brecksville has prepared financial statements following Governmental Accounting Standards Board Statement 34. This format of governmental reporting on the City’s financial activities includes:

Government-wide financial statements – These statements are prepared on an accrual basis of accounting similar to the basis of accounting followed by business. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. The City has no business-type activities.

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

activity accrual information presented in the government-wide financial statements. Fiduciary funds use the accrual basis of accounting.

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

As part of this new reporting model, management is responsible for preparing Management Discussion and Analysis of the City. This discussion follows the independent accountants' report, providing an assessment of the City finances for 2006.

Budgetary Control

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

The City adopted its 2006 annual appropriation ordinance before January 1 of 2006 eliminating the need for a temporary appropriation budget. All disbursements and transfers of cash between funds require appropriation authority.

Internal Control

As a part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. The Mayor and Finance Director continually evaluate enhancements to the present internal accounting controls and procedures. They oversee the appropriateness of internal control, develop procedures to enhance internal control and consult with outside auditors to insure that the City remains at a sound financial level of operations. The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss resulting from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognized that the cost of a control should not exceed the benefits likely to be derived from its implementation, and the evaluation of costs and benefits should require estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Cash Management

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

Risk Management

The City of Brecksville insures all risks, with the exception of health insurance, through private insurance carriers. Property valuations are revised annually to provide insurance companies and the City with an accurate inventory of insurable property and replacement cost values. The City of Brecksville manages the hospital and medical benefits for its employees on a self-insured basis. A third party administrator processes and pays the claims. An excess coverage insurance (stop-loss) policy covers claims in excess of \$60,000 per employee per year. Control of the plan rests with the City.

Independent Auditor

In accordance with Ohio law, independent audits must be performed on all financial operations of the City annually. Either the Auditor of State of Ohio, or if the Auditor permits, an independent public accounting firm conducts these audits. Brecksville City Council selected the Auditor of State's Office to perform these services for the year 2006. Their report is presented in the Financial Section.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Comprehensive Annual Financial Report for the year ended December 31, 2005. 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.

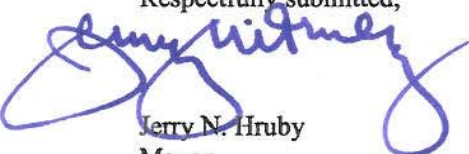
Acknowledgments

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

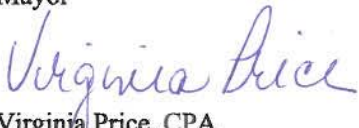
In addition, we would like to thank Brecksville City Council, without whose positive leadership and encouragement, the preparation of this report would not have been possible.

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

Respectfully submitted,



Jerry N. Hruby
Mayor



Virginia Price, 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, 2005

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



President

Executive Director

City of Brecksville, Ohio

City Officials

ELECTED OFFICIALS

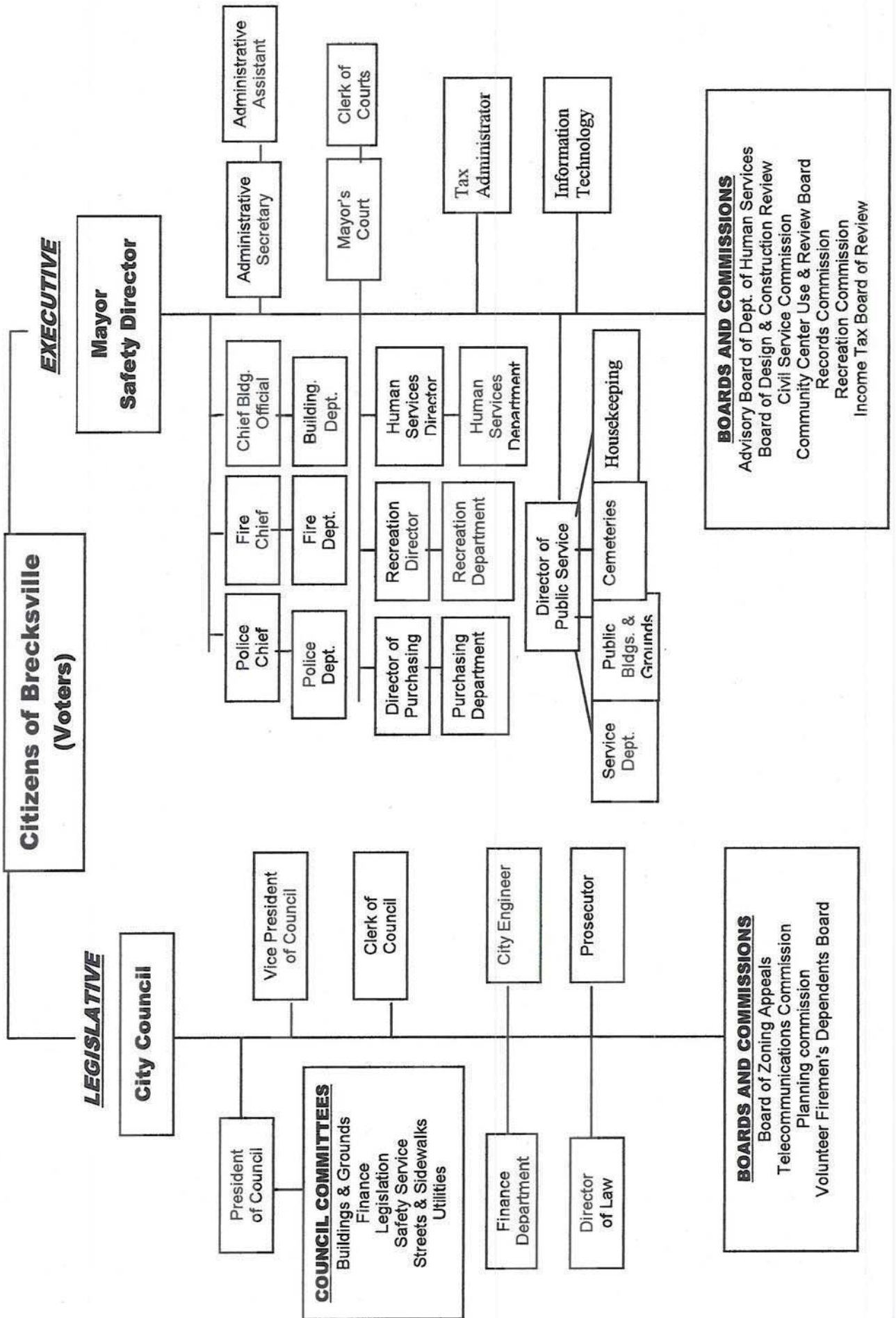
Mayor-Safety Director Jerry N. Hruby
President of Council Larry Potla
Vice-President of Council.....Gerald F. Broski
Council MemberNeil F. Brennan
Council MemberDavid J. Deuch
Council Member Louis N. Carouse
Council Member Nora L. Murphy
Council Member Gregory Skaljac

APPOINTED OFFICIALS

Director of Finance Virginia Price
Police Chief.....Dennis A. Kancler
Fire ChiefEdwin D. Egut
Service Director Robert J. Pech
Director of Purchasing Donna Shirer
Chief Building Official Robert L. Miller
Clerk of Courts..... Marilyn L. Sewell
Director of Recreation..... Thomas Tupa
Director of LawPaul A. Grau
Prosecutor Sergio I. Digeronimo
City EngineerVictoria McCauley
Clerk of Council.....Mary Scullin

CITY OF BRECKSVILLE, OHIO

ORGANIZATIONAL CHART





Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, as of December 31, 2006, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Fire Department funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2007, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 1, 2007

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
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, 2006. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key Financial highlights for 2006 are as follows:

- Total Net Assets increased \$3,152,826 or a 4.2 percent increase over 2005.
- The City's return on assets was 3.0 percent.
- Total Assets of Governmental Activities increased \$904,742 which represents a 0.9 percent increase over 2005.
- Total expenses of all City services were \$21,582,751 in 2006, an increase of \$1,609,961 over 2005.
- Total Current Liabilities decreased by \$1,259,200 or 15.5 percent from 2005.
- Total Capital Assets increased by \$908,549 or 1.2 percent over 2005.
- Total Liabilities at 2006 were \$2,248,084 less than year 2005, an 8 percent decrease including reductions in both current and long-term.

Using This Annual Financial Report

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

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

Reporting the City of Brecksville as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2006?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

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

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

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

Reporting the City of Brecksville's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of Brecksville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The presentation of the City's major funds begins on page 16. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brecksville, our major funds are the General, Fire Department, Special Assessment Bond Retirement, General Municipal Improvement, Buildings and Improvements and Road Improvements.

Governmental Funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. All City activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year-end available for 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.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

The City of Brecksville as a Whole

Recall that the Statement of Net Assets pictures the City as a whole. Table 1 provides a summary of the City's net assets for 2006 compared to 2005.

Table 1
Net Assets

	Governmental Activities		
	2006	2005	Change
Assets			
Current and Other Assets	\$29,162,984	\$29,166,791	(\$3,807)
Capital Assets, Net	75,543,383	74,634,834	908,549
<i>Total Assets</i>	<u>104,706,367</u>	<u>103,801,625</u>	<u>904,742</u>
Liabilities			
Current and Other Liabilities	6,847,039	8,106,239	(1,259,200)
Long-Term Liabilities			
Due Within One Year	1,540,163	1,460,653	79,510
Due in More Than One Year	17,218,555	18,286,949	(1,068,394)
<i>Total Liabilities</i>	<u>25,605,757</u>	<u>27,853,841</u>	<u>(2,248,084)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	57,841,389	55,145,792	2,695,597
Restricted for:			
Capital Projects	4,400,084	5,885,715	(1,485,631)
Debt Service	5,162,626	5,320,046	(157,420)
Fire Department	279,010	429,565	(150,555)
Community Center	218,840	151,056	67,784
Street Construction, Repair and Maintenance	1,110,622	1,195,093	(84,471)
Other Purpose	697,202	502,465	194,737
Unrestricted	9,390,837	7,318,052	2,072,785
<i>Total Net Assets</i>	<u>\$79,100,610</u>	<u>\$75,947,784</u>	<u>\$3,152,826</u>

Net assets may serve as a useful indicator of a government's financial position over time. In the case of the City of Brecksville, assets exceeded liabilities by \$79,100,610 at year end 2006. By far the largest portion of the City of Brecksville's assets (73 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.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

The City's net assets increased by \$3,152,826 during the current fiscal year. A primary factor for this increase is the City's continuing commitment to investment in its infrastructure, indicated by an increase in Capital Assets of \$908,549. Additionally, the City of Brecksville works very hard to stabilize current liabilities and reduce long-term liabilities. By paying down principal and not issuing any new debt in 2006, the City was able to reduce long-term liabilities by \$988,884. The City budgets \$100,000 per month from income tax revenues to provide future funding for specific building or infrastructure improvements. At the end of 2006 the City's total liabilities to net asset ratio was 32.4 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 \$636,011 in interest revenue. This additional revenue is utilized as part of the City's plan to pay off short-term debt or pay for future projects or improvements.

Table 2 shows the changes in net assets for the year ended December 31, 2006 compared to 2005.

Table 2
 Changes in Net Assets

	Governmental Activities		
	2006	2005	Change
Program Revenues			
Charges for Services	\$1,828,168	\$1,627,828	\$200,340
Operating Grants and Contributions	683,895	699,386	(15,491)
Capital Grants and Contributions	53,095	2,897,315	(2,844,220)
<i>Total Program Revenues</i>	<u>2,565,158</u>	<u>5,224,529</u>	<u>(2,659,371)</u>
General Revenues			
Property Taxes	4,500,339	4,546,706	(46,367)
Income Taxes	15,214,097	13,845,340	1,368,757
Grants and Entitlements	1,545,865	1,494,661	51,204
Investment Earnings	636,011	644,426	(8,415)
Gain on Sale of Capital Assets	4,087	0	4,087
Other	270,020	722,241	(452,221)
<i>Total General Revenues</i>	<u>22,170,419</u>	<u>21,253,374</u>	<u>917,045</u>
<i>Total Revenues</i>	<u>\$24,735,577</u>	<u>\$26,477,903</u>	<u>(\$1,742,326)</u>

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

Table 2 (continued)
 Changes in Net Assets

	Governmental Activities		
	2006	2005	Change
Program Expenses			
General Government:			
Legislative and Executive	\$5,443,397	\$4,355,622	\$1,087,775
Judicial	171,607	157,222	14,385
Public Safety:			
Police	3,996,184	3,811,772	184,412
Fire	2,248,157	2,027,052	221,105
Public Health Services	153,476	122,266	31,210
Street Construction, Maintenance and Repairs	3,913,477	4,280,735	(367,258)
Housing and Community Development	956,383	1,079,752	(123,369)
Basic Utility Services	2,048,065	1,946,379	101,686
Recreational Activities	1,843,775	1,466,915	376,860
Interest and Fiscal Charges	808,230	725,075	83,155
<i>Total Program Expenses</i>	<u>21,582,751</u>	<u>19,972,790</u>	<u>1,609,961</u>
<i>Change in Net Assets</i>	3,152,826	6,505,113	(3,352,287)
Net Assets Beginning of Year	<u>75,947,784</u>	<u>69,442,671</u>	<u>6,505,113</u>
Net Assets End of Year	<u><u>\$79,100,610</u></u>	<u><u>\$75,947,784</u></u>	<u><u>\$3,152,826</u></u>

Governmental Activities

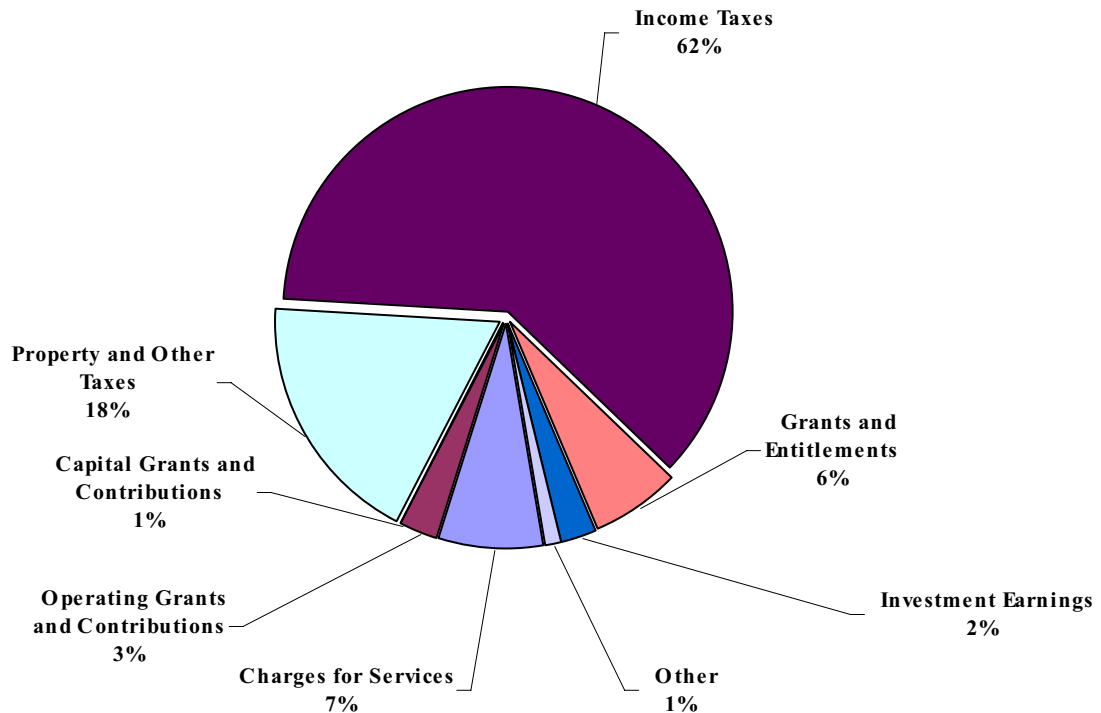
Several revenue sources fund our governmental activities with City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount for 2006 was \$15,214,097. General revenues from grants and entitlements, such as local government funds, are also sources of revenue

City income tax collections in 2006 were up 9.9 percent from 2005 collections. This increase can be attributed to some industries new to Brecksville and an overall healthier economy. The City has enjoyed a healthy revenue stream in its income tax collections for the past fifteen years. The catalyst behind its historical growth is a strong economic development program. 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. City income tax revenue of \$2,472,000 per year is earmarked for specific City improvements. \$10,000 per month or \$120,000 per year is part of the funding designated for road re-paving. \$16,000 per month or \$192,000 per year is part of the funding designated for capital improvements. \$80,000 per month or \$960,000 per year is allocated toward general municipal improvements. \$100,000 per month or \$1,200,000 per year is allocated toward building improvements.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

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. Of the \$24,735,577 in total revenue, income tax accounts for 62 percent of that total. Property taxes of \$4,500,339 accounts for 18 percent of total revenue, with program revenues, grants and entitlements, investment income and miscellaneous income accounting for the remaining 20 percent.

2006 Revenues by Source



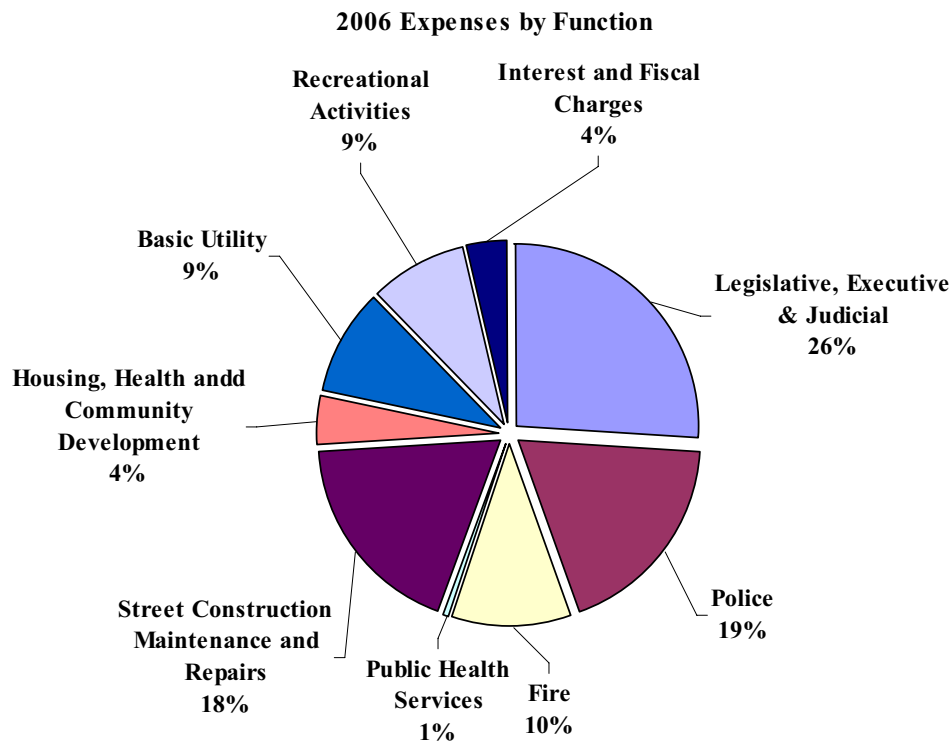
Public safety, including the police and fire departments, accounted for program expenses of \$6,244,341 which is 29 percent of total City expenses for the year 2006. Street construction, maintenance and repair expenses of \$3,913,477 accounted for 18 percent. These two figures illustrate the City's commitment toward infrastructure maintenance as well as the safety of our citizens. The police and fire departments live within their overtime budgets, which accounts for a small portion of the total cost of operating both departments.

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

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.

As stated previously, 18 percent of our year 2006 program expenses were for road and infrastructure maintenance and repair and an additional 9 percent was used to provide basic utility services. The City funds these projects through short-term notes and by utilizing earmarked income tax dollars as described previously. This is again an illustration of the City's commitment to improving and maintaining its infrastructure.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited



The City's Funds

Information about the City's Governmental funds begins on page 16. These funds are accounted for using the modified accrual basis of accounting. All Governmental Funds had total revenue of \$23,396,817 and expenditures of \$23,543,862. The most significant fund is our General Fund with an unreserved fund balance at year-end of \$7,472,841 compared to annual expenditures of \$13,619,201. While general fund revenues exceeded expenditures by \$1,876,173, \$1,100,000 of this excess was transferred to other funds. These transfers helped the City fund capital improvements. In 2006, the General Fund increased its fund balance over 2005 by \$787,660. The City was able to recognize this increase through increased income tax collections and a reduction in the amount of transfers out to other funds. Another significant fund is the Fire Department fund with revenues of \$2,096,309, expenditures of \$2,013,511 and transfers to other funds of \$200,000.

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 2006 the City amended its General Fund budget several times. The final budgeted revenues were \$1,000,000 higher than original budgeted revenues because income tax revenues were expected to increase. The large variance between final budget and actual expenditures was due to several factors, including 2 fewer police officers than budgeted for, and money not spent from the income tax reserve. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The City does allow small interdepartmental budget changes that modify line items within departments within the same fund. The General Fund supports many of our major activities including the Police Department, Recreation Department, and most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

Capital Assets and Debt Administration

Capital Assets

Table 3
 Capital Assets at December 31

	Governmental Activities	
	2006	2005
Land	\$9,027,253	\$9,027,253
Construction in Progress	2,749,981	12,988,275
Buildings and Improvements	19,868,328	10,231,099
Machinery and Equipment	4,685,756	4,341,734
Furniture and Fixtures	48,998	57,680
Infrastructure		
Roads	14,055,041	13,829,191
Sidewalks	1,097,546	1,164,943
Guardrails	52,604	67,875
Traffic Signals	1,937,512	1,986,199
Storm Sewer	4,954,176	5,021,888
Sanitary Sewer	10,008,990	10,123,468
Water Lines	7,057,198	5,795,229
Total Capital Assets	\$75,543,383	\$74,634,834

Total capital assets, net of depreciation, increased \$908,549 from 2005. The largest increase was in buildings and improvements. This is due to the completion of the Community Center expansion and Human Services building which was opened to the public in May of 2006. The value of the building was previously recognized in Construction in Progress and moved to Building and Improvements upon completion.

The City of Brecksville seeks grants for infrastructure projects as well as improving our City facilities. In 2004 it received approval for a \$1,026,119 infrastructure improvement grant through the Ohio Public Works Department for the Fitzwater/Riverview/Wiese roads water line cleaning, lining and replacement. The majority of the construction was completed in 2005, with final improvements completed in spring of 2006. In 2006, the City applied for and received tentative approval for Federal and State grants to make repairs and improvements to several areas of the City that were damaged by flooding. Repairs and improvements include storm and sanitary lines, roads and slopes.

As indicated by the substantial increases in our buildings and improvements, roads and waterline 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 11 for additional information on the City's capital assets.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

Debt

As of December 31, 2006, the City of Brecksville had \$18,758,718 in bonds, notes, loans and compensated absences outstanding with \$1,540,163 due within one year.

Table 4
 Outstanding Debt as Year End

	Governmental Activities	
	2006	2005
General Obligation Bonds	\$12,761,477	\$13,615,307
Special Assessment Bonds	4,569,483	4,929,614
Notes	0	800,000
OPWC Loans	763,179	651,478
Compensated Absences	664,579	551,203
Total	\$18,758,718	\$20,547,602

The General Obligation Bond Retirement bonds are composed of a Library Refunding Bond of \$1,053,182, two Community Center Bonds, one for \$1,209,636 and one for \$910,000, a Human Services Facility Bond of \$5,446,458 and the 2005 Tree Farm Property Bond for \$4,142,201. 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 Sewer Project #1312 #2, Old Royalton Road Water Main, Oakhurst-Fitzwater Sanitary Sewer Refunding, Southpointe Parkway, Four Seasons Sewer and Water, the Service Road Sewer and Water, Route 21/Hilton/Whitewood Sewer and Storm and Route 21 Access Road. Principal and interest for these bonds are paid from the collection of special assessments by the County Auditor. In 2006, the \$300,000 special assessment note was retired, leaving no special assessment notes outstanding.

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

The OPWC Loans are paid semi-annually from the Capital Improvement Fund, the Road Improvement Charter Levy Fund, and the Public Utility Improvement Fund and will be paid in full in the year 2027. In 2006, the City paid off the OPWC loan for Fitzwater Road landslide repairs. A new OPWC loan of \$162,934 was received for the Fitzwater/Riverview/Wiese/Carriage Hill Cleaning and Lining project with payments to be made from 2007 through 2027. The City's overall debt decreased in 2006 by \$1,788,884 due to the retirement of the outstanding \$500,000 various improvement note, principal payments on outstanding debt, and no new bonds issued. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2006 was \$62.8 million. The aggregated outstanding debt subject to the ten and one half percent limitation is \$12.2 million. The difference of \$50.6 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 15 and Note 16 for additional information on the City's debt.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

Current Financial Related Activities

The City of Brecksville is financially strong. Over the past sixteen years we have enjoyed strong growth in revenues and at the same time adopted a strong, fiscally responsible financial plan to live within our means. In 1990 we increased our income tax from 1.5 to 2 percent promising our constituents that the City of Brecksville would improve its facilities and infrastructure and increase its level of services without the need for additional taxes. Since that time we built our Community Center, acquired the 83-acre Blossom property, and expanded our Municipal Parking Lot, Service Department and recreational playing fields. The current addition to our Community Center building will provide additional space for recreational activities and a diverse operations center for our Human Services department including classrooms, meeting rooms, food service facilities and a physical therapy pool. The 102 acre tree farm property provides opportunities for additional recreational and cemetery use.

For many years the City has reduced its health care costs by operating a self-funded insurance program and joining a group rating workers' compensation program. While the cost increases for medical insurance are unavoidable in today's environment, the City is working diligently to maintain a high level of coverage for its employees at the lowest cost possible. In 2004, the City created a health care cost committee comprised of representatives from all departments to address the issue of rising health care and develop strategies to minimize increases. In 2006, the City realized a sixteen percent increase in its health care expenses. Using a five year average, the percentage increase from 2002 thru 2006 was 5 percent.

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

The City of Brecksville has committed itself to financial excellence and a landmark designation in 2001 greatly enhanced that status. Moody's Investors Service assigned an Aa1 credit rating to the City of Brecksville's General Bonds. Brecksville became one of only six cities in Ohio with the coveted Aa1 rating. Less than three percent of communities nationwide have achieved an Aa1 rating. Only two Ohio cities are rated AAA. In 2005 Moody's renewed this rating when reviewing the City in relation to its new bond issue. In its report Moody's said, "We expect the City's financial operations to remain sound, given conservative fiscal management and the support of healthy reserves." 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 Auditor of the State of Ohio presented Brecksville with the Auditor's Award for the City's exemplary 2004 annual financial report. Fewer than five percent of all the agencies audited are eligible for the award. Our commitment to our residents has always been one of full disclosure of the financial position of the City. Annually we publish and make available to our residents by mail a complete and total report of our revenues and expenditures through the City's Bulletin, a publication produced by the City six times per year. We also offer information regarding our City on our web site, www.brecksville.oh.us.

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 Assets

December 31, 2006

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$14,973,490
Cash and Cash Equivalents in Segregated Accounts	27,182
Materials and Supplies Inventory	131,332
Accounts Receivable	48,066
Accrued Interest Receivable	33,359
Intergovernmental Receivable	1,119,692
Prepaid Items	71,161
Municipal Income Taxes Receivable	2,922,791
Property Taxes Receivable	5,131,329
Deferred Charges	114,365
Special Assessments Receivable	4,590,217
Nondepreciable Capital Assets	11,777,234
Depreciable Capital Assets, Net	63,766,149
<i>Total Assets</i>	<u>104,706,367</u>
Liabilities	
Accounts Payable	142,085
Contracts Payable	178,977
Retainage Payable	403,195
Accrued Wages and Benefits	380,564
Intergovernmental Payable	278,123
Matured Compensated Absences Payable	16,350
Deferred Revenue	4,870,408
Accrued Interest Payable	58,725
Claims Payable	186,537
Vacation Benefits Payable	332,075
Long-Term Liabilities:	
Due Within One Year	1,540,163
Due In More Than One Year	17,218,555
<i>Total Liabilities</i>	<u>25,605,757</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	57,841,389
Restricted for:	
Capital Projects	4,400,084
Debt Service	5,162,626
Fire Department	279,010
Community Center	218,840
Street Construction, Repair and Maintenance	1,110,622
Other Purposes	697,202
Unrestricted	9,390,837
<i>Total Net Assets</i>	<u><u>\$79,100,610</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Activities
For the Year Ended December 31, 2006

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Governmental Activities
Governmental Activities					
General Government:					
Legislative and Executive	\$5,443,397	\$350,725	\$2,590	\$0	(\$5,090,082)
Judicial System	171,607	316,831	0	0	145,224
Public Safety:					
Police	3,996,184	42,463	25,883	0	(3,927,838)
Fire	2,248,157	50	6,816	0	(2,241,291)
Public Health Services	153,476	37,060	325	0	(116,091)
Street Construction, Maintenance and Repair	3,913,477	0	639,195	48,859	(3,225,423)
Housing and Community Development	956,383	186,792	0	4,236	(765,355)
Basic Utility Services	2,048,065	31,480	0	0	(2,016,585)
Recreational Activities	1,843,775	862,767	9,086	0	(971,922)
Interest and Fiscal Charges	808,230	0	0	0	(808,230)
<i>Total Governmental Activities</i>	<u>\$21,582,751</u>	<u>\$1,828,168</u>	<u>\$683,895</u>	<u>\$53,095</u>	<u>(19,017,593)</u>

General Revenues

Property Taxes Levied for:	
General Purposes	1,838,138
Fire Department	1,780,532
Streets	523,686
Police Department	157,106
Debt Service	200,877
Municipal Income Taxes Levied for:	
General Purposes	12,732,659
Capital Outlay	2,481,438
Grants and Entitlements not Restricted to Specific Programs	
	1,545,865
Investment Earnings	636,011
Gain on Sale of Capital Assets	4,087
Miscellaneous	270,020
<i>Total General Revenues</i>	<u>22,170,419</u>
Change in Net Assets	3,152,826
<i>Net Assets Beginning of Year - Restated (See Note 3)</i>	<u>75,947,784</u>
<i>Net Assets End of Year</i>	<u>\$79,100,610</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio

Balance Sheet

Governmental Funds

December 31, 2006

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Assets						
Equity in Pooled Cash and Cash Equivalents	\$7,529,606	\$365,802	\$487,219	\$677,207	\$251,221	\$690,051
Cash and Cash Equivalents						
In Segregated Accounts	27,182	0	0	0	0	0
Materials and Supplies Inventory	95,065	0	0	0	0	0
Accounts Receivable	46,262	1,804	0	0	0	0
Accrued Interest Receivable	33,359	0	0	0	0	0
Intergovernmental Receivable	539,151	96,155	0	45,713	0	81,125
Prepaid Items	71,011	150	0	0	0	0
Municipal Income Taxes Receivable	2,437,836	0	0	188,332	235,415	23,542
Property Taxes Receivable	2,094,298	2,028,665	0	0	0	0
Special Assessments Receivable	0	0	4,590,217	0	0	0
<i>Total Assets</i>	<u>\$12,873,770</u>	<u>\$2,492,576</u>	<u>\$5,077,436</u>	<u>\$911,252</u>	<u>\$486,636</u>	<u>\$794,718</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$115,348	\$8,293	\$0	\$415	\$0	\$0
Contracts Payable	31,696	0	0	37,281	0	0
Retainage Payable	0	0	0	19,078	0	1,944
Accrued Wages and Benefits	304,756	52,057	0	0	0	0
Matured Compensated Absences	16,350	0	0	0	0	0
Intergovernmental Payable	98,743	74,399	0	0	0	0
Deferred Revenue	4,313,003	2,124,820	4,590,217	154,045	135,415	94,667
<i>Total Liabilities</i>	<u>4,879,896</u>	<u>2,259,569</u>	<u>4,590,217</u>	<u>210,819</u>	<u>135,415</u>	<u>96,611</u>
Fund Balances						
Reserved for Encumbrances	521,033	18,983	0	152,214	0	245,524
Unreserved						
Undesignated, Reported in:						
General Fund	7,472,841	0	0	0	0	0
Special Revenue Funds	0	214,024	0	0	0	0
Debt Service Funds	0	0	487,219	0	0	0
Capital Projects Funds	0	0	0	548,219	351,221	452,583
<i>Total Fund Balances</i>	<u>7,993,874</u>	<u>233,007</u>	<u>487,219</u>	<u>700,433</u>	<u>351,221</u>	<u>698,107</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$12,873,770</u>	<u>\$2,492,576</u>	<u>\$5,077,436</u>	<u>\$911,252</u>	<u>\$486,636</u>	<u>\$794,718</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2006*

Other Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$14,731,176
		<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
\$4,801,878	\$14,802,984	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	75,543,383
0	27,182		
36,267	131,332	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
0	48,066	Property Taxes	260,921
0	33,359	Intergovernmental	855,437
357,548	1,119,692	Municipal Income Taxes	2,170,660
0	71,161	Special Assessments	4,590,217
37,666	2,922,791		
1,008,366	5,131,329	Total	7,877,235
0	4,590,217		
\$6,241,725	\$28,878,113	An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	(16,031)
\$18,029	\$142,085	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(58,725)
110,000	178,977		
382,173	403,195	Vacation benefits payables is not expected to be paid with expendable expendable available financial resources and therefore are not reported in the fund.	(332,075)
23,751	380,564		
0	16,350	In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued.	114,365
104,981	278,123		
1,335,476	12,747,643	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
1,974,410	14,146,937	General Obligation Bonds	(12,761,477)
1,167,048	2,104,802	Special Assessment Bonds	(4,569,483)
0	7,472,841	OPWC Loans	(763,179)
1,570,022	1,784,046	Compensated Absences	(664,579)
293,896	781,115		
1,236,349	2,588,372	Total	(18,758,718)
4,267,315	14,731,176	<i>Net Assets of Governmental Activities</i>	\$79,100,610
\$6,241,725	\$28,878,113		

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2006

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Revenues						
Property and Other Taxes	\$1,849,580	\$1,791,615	\$0	\$0	\$0	\$0
Municipal Income Taxes	11,285,132	0	0	880,000	1,100,000	110,000
Charges for Services	95,489	0	0	0	0	0
Licenses and Permits	272,778	50	0	0	0	0
Fines and Forfeitures	300,457	0	0	0	0	0
Intergovernmental	1,121,800	262,581	0	0	0	45,880
Special Assessments	0	0	612,128	0	0	0
Interest	290,677	35,830	0	29,273	10,868	20,671
Donations	10,941	0	0	0	0	0
Rentals	52,331	0	0	0	0	0
Miscellaneous	216,189	6,233	0	25,662	0	0
<i>Total Revenues</i>	<u>15,495,374</u>	<u>2,096,309</u>	<u>612,128</u>	<u>934,935</u>	<u>1,110,868</u>	<u>176,551</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	5,212,713	0	6,075	0	0	0
Judicial System	169,613	0	0	0	0	0
Public Safety:						
Police	3,653,212	0	0	0	0	0
Fire	32,577	2,013,511	0	0	0	0
Public Health Services	150,617	0	0	0	0	0
Street Construction, Maintenance and Repair	1,831,275	0	0	0	0	0
Housing and Community Development	769,491	0	0	0	0	0
Basic Utility Services	1,777,645	0	0	0	0	0
Recreational Activities	22,058	0	0	0	0	0
Capital Outlay	0	0	0	750,267	0	295,220
Debt Service:						
Principal Retirement	0	0	360,000	0	0	0
Interest and Fiscal Charges	0	0	250,892	4,793	0	223
<i>Total Expenditures</i>	<u>13,619,201</u>	<u>2,013,511</u>	<u>616,967</u>	<u>755,060</u>	<u>0</u>	<u>295,443</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,876,173</u>	<u>82,798</u>	<u>(4,839)</u>	<u>179,875</u>	<u>1,110,868</u>	<u>(118,892)</u>
Other Financing Sources (Uses)						
OPWC Loan Issued	0	0	0	0	0	0
Sale of Capital Assets	11,487	0	0	0	0	0
Transfers In	0	0	0	1,370,000	0	530,000
Transfers Out	(1,100,000)	(200,000)	0	(1,405,244)	(1,279,999)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,088,513)</u>	<u>(200,000)</u>	<u>0</u>	<u>(35,244)</u>	<u>(1,279,999)</u>	<u>530,000</u>
<i>Net Change in Fund Balances</i>	787,660	(117,202)	(4,839)	144,631	(169,131)	411,108
<i>Fund Balances Beginning of Year</i>	<u>7,206,214</u>	<u>350,209</u>	<u>492,058</u>	<u>555,802</u>	<u>520,352</u>	<u>286,999</u>
<i>Fund Balances End of Year</i>	<u>\$7,993,874</u>	<u>\$233,007</u>	<u>\$487,219</u>	<u>\$700,433</u>	<u>\$351,221</u>	<u>\$698,107</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, 2006*

Other Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	\$27,376
		<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$890,538	\$4,531,733	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
176,000	13,551,132	Capital Asset Additions	3,413,121
700,328	795,817	Current Year Depreciation	(2,497,172)
97,833	370,661	Total	915,949
18,284	318,741	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.	(7,400)
771,099	2,201,360	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
0	612,128	Property Taxes	(31,394)
237,444	624,763	Intergovernmental	60,228
10,326	21,267	Municipal Income Taxes	1,662,965
46,864	99,195	Special Assessments	(368,374)
21,936	270,020	Total	1,323,425
2,970,652	23,396,817	Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	1,271,233
		Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
		Accrued Interest on Bonds	(15,339)
		Amortization of Issuance Cost	(9,035)
		Amortization of Premium on Bonds	9,805
		Amortization of Accounting Loss	(1,928)
		Bond Accretion	(13,916)
		Total	(30,413)
		Some expenses require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
		Compensated Absences	(113,376)
		Vacation Payable	10,258
		Total	(103,118)
		Other financing sources, such as OPWC loan proceeds, in the governmental funds increase long-term liabilities in the statement of net assets.	(162,934)
		The internal service fund used by management to charge the individual funds is reported in the district-wide statement of activities. Governmental activities. Governmental fund expenditures and related internal service fund revenues are eliminated.	(81,292)
		<i>Change in Net Assets of Governmental Activities</i>	\$3,152,826

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, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,817,805	\$1,817,805	\$1,849,580	\$31,775
Municipal Income Taxes	10,868,000	11,868,000	12,426,574	558,574
Charges for Services	50,700	50,700	79,699	28,999
Licenses and Permits	239,900	239,900	280,450	40,550
Fines and Forfeitures	275,500	275,500	277,975	2,475
Intergovernmental	1,004,563	1,004,563	1,047,075	42,512
Interest	150,000	150,000	337,332	187,332
Donations	8,400	8,400	10,941	2,541
Rentals	42,400	42,400	51,184	8,784
Miscellaneous	136,800	136,800	216,189	79,389
<i>Total Revenues</i>	<u>14,594,068</u>	<u>15,594,068</u>	<u>16,576,999</u>	<u>982,931</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	6,507,792	6,880,611	5,695,399	1,185,212
Judicial System	165,760	165,760	154,650	11,110
Public Safety:				
Police	3,994,411	4,009,809	3,665,614	344,195
Fire	70,643	70,643	52,445	18,198
Public Health Services	134,795	155,295	136,413	18,882
Street Construction, Maintenance and Repair	2,130,291	2,180,791	1,882,025	298,766
Housing and Community Development	825,559	844,059	797,249	46,810
Basic Utility Services	2,000,648	2,007,649	1,833,485	174,164
Recreational Activities	26,746	26,743	23,872	2,871
<i>Total Expenditures</i>	<u>15,856,645</u>	<u>16,341,360</u>	<u>14,241,152</u>	<u>2,100,208</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,262,577)</u>	<u>(747,292)</u>	<u>2,335,847</u>	<u>3,083,139</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	23,000	23,000	11,487	(11,513)
Transfers In	30,000	30,000	0	(30,000)
Transfers Out	(803,000)	(1,103,000)	(1,100,000)	3,000
<i>Total Other Financing Sources (Uses)</i>	<u>(750,000)</u>	<u>(1,050,000)</u>	<u>(1,088,513)</u>	<u>(38,513)</u>
<i>Net Change in Fund Balance</i>	<u>(2,012,577)</u>	<u>(1,797,292)</u>	<u>1,247,334</u>	<u>3,044,626</u>
<i>Fund Balance Beginning of Year</i>	5,346,461	5,346,461	5,346,461	0
Prior Year Encumbrances Appropriated	<u>297,925</u>	<u>297,925</u>	<u>297,925</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,631,809</u></u>	<u><u>\$3,847,094</u></u>	<u><u>\$6,891,720</u></u>	<u><u>\$3,044,626</u></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, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,770,830	\$1,770,830	\$1,791,615	\$20,785
Licenses and Permits	0	0	50	50
Intergovernmental	282,403	285,903	262,581	(23,322)
Interest	15,000	15,000	35,830	20,830
Miscellaneous	0	0	4,612	4,612
<i>Total Revenues</i>	2,068,233	2,071,733	2,094,688	22,955
Expenditures				
Current:				
Public Safety:				
Fire	2,237,288	2,268,788	2,047,249	221,539
<i>Excess of Revenues Over (Under) Expenditures</i>	(169,055)	(197,055)	47,439	244,494
Other Financing Uses				
Transfers Out	(200,000)	(200,000)	(200,000)	0
<i>Net Change in Fund Balance</i>	(369,055)	(397,055)	(152,561)	244,494
<i>Fund Balance Beginning of Year</i>	469,102	469,102	469,102	0
Prior Year Encumbrances Appropriated	22,143	22,143	22,143	0
<i>Fund Balance End of Year</i>	<u>\$122,190</u>	<u>\$94,190</u>	<u>\$338,684</u>	<u>\$244,494</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fund Net Assets
Proprietary Fund
December 31, 2006

	Internal Service Fund - Insurance
Assets	
Equity in Pooled Cash and Cash Equivalents	\$170,506
Liabilities	
Claims Payable	<u>186,537</u>
Net Assets	
Unrestricted (Deficit)	<u><u>(\$16,031)</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Assets
Proprietary Fund
For the Year Ended December 31, 2006*

	Internal Service Fund - Insurance
Operating Revenues	
Charges for Services	\$1,211,766
Operating Expenses	
Purchased Services	265,488
Claims	1,038,818
<i>Total Operating Expenses</i>	1,304,306
<i>Operating Loss</i>	(92,540)
Non-Operating Revenues	
Interest	11,248
<i>Change in Net Assets</i>	(81,292)
<i>Net Assets Beginning of Year</i>	65,261
<i>Net Assets (Deficit) End of Year</i>	(\$16,031)

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2006

	Internal Service Fund - Insurance
<i>Increase (Decrease) In Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Interfund Services	\$1,211,766
Cash Payments to Suppliers for Goods and Services	(265,488)
Cash Payments for Claims	(962,225)
<i>Net Cash Used for Operating Activities</i>	(15,947)
Cash Flows from Investing Activities	
Interest	11,248
<i>Net Decrease In Cash and Cash Equivalents</i>	(4,699)
<i>Cash and Cash Equivalents Beginning of Year</i>	175,205
<i>Cash and Cash Equivalents End of Year</i>	\$170,506
 Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
<i>Operating Loss</i>	(\$92,540)
Increase in Claims Payable	76,593
<i>Net Cash Used for Operating Activities</i>	(\$15,947)

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2006

	Private Purpose Trust	
	Cemetery	Agency
Assets		
Equity Pooled in Cash and Cash Equivalents	\$3,101	\$535,224
Liabilities		
Undistributed Monies	0	\$17,150
Deposits Held and Due to Others	0	518,074
<i>Total Liabilities</i>	0	\$535,224
Net Assets		
Held in Trust for Cemetery	\$3,101	

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Year Ended December 31, 2006

	Private Purpose Trust
	Cemetery
Additions	
Interest	\$126
Deductions	
Materials and Supplies	141
<i>Change in Net Assets</i>	(15)
<i>Net Assets Beginning of Year</i>	3,116
<i>Net Assets End of Year</i>	\$3,101

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Note 1 - Description of the City and Reporting Entity

The City of Brecksville (the "City") was incorporated under the laws of the State of Ohio in 1921, and adopted its first charter in 1956. The Charter provides for a Mayor-Council form of government. The Mayor is elected for a four-year term and Council 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 no ongoing financial interest nor responsibility on the part of the participating governments. These organizations are discussed in Note 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 City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service fund unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the City's accounting policies are described below.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

A. Basis of Presentation

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

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

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

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

B. Fund Accounting

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

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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

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

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

Buildings and Improvements Fund The buildings and improvement capital projects fund accounts for City income tax to be used for the acquisition, construction, or improvement of major capital facilities.

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

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

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

Internal Service Fund 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 dental, prescription drug and hospital/medical claims of the City employees.

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

C. Measurement Focus

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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

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

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

D. Basis of Accounting

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

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

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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

Property taxes for which there is an enforceable legal claim as of December 31, 2006, but which were levied to finance year 2007 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

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

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

During 2006, investments were limited to a repurchase agreement, federal home loan bank bonds, federal home loan mortgage bonds, commercial paper, federal national mortgage association bonds and the State Treasury Asset Reserve of Ohio (STAROhio).

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2006.

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 2006 amounted to \$290,677, of which \$29,722 was assigned from other funds.

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

F. Inventory

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2006, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Capital Assets

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

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

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

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

I. Compensated Absences

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

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

J. Accrued Liabilities and Long-Term Obligations

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

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

K. Fund Balance Reserves

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

L. Operating Revenues and Expenses

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

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$11,868,384 of restricted net assets, none of which is restricted by enabling legislation. Net assets restricted for other purposes include law enforcement, court computerization, recycling, tree planting and natureworks.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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

N. Interfund Activity

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

O. Bond Issuance Costs

Bond issuance costs for underwriting fees and bond insurance for the Community Center refunding bonds and Human Services Facility general obligation bonds are being amortized using the straight-line method over the life of the bonds on the government-wide statements. The straight-line method of amortization is not materially different from the effective-interest method.

P. 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.

Q. Deferred Loss on Refunding

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

R. 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.

S. 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.

T. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original 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.

Note 3 – Change in Accounting Principles and Restatement of Net Assets

A. Change in Accounting Principles

For 2006, the City has implemented GASB Statement No. 47, "Accounting for Termination Benefits." GASB Statement No. 47 establishes standards of accounting and financial reporting for termination benefits.

The implementation of GASB Statement No. 47 did not materially affect the presentation of the financial statements of the City.

B. Restatement of Prior Year Net Assets

During 2005, the City overstated grants receivable. This restatement decreased net assets at December 31, 2005 by \$398,984, from \$76,346,768 to \$75,947,784.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Note 4 – Accountability

At December 31, 2006 the police pension special revenue fund had an individual fund deficit in the amount of \$76,631. The deficit is caused by the recognition of expenditures on the modified accrual basis of accounting. The general fund is liable for any deficits in this fund and provides operating transfers when cash is required, not when accruals occur.

Note 5 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. 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
GAAP Basis	\$787,660	(\$117,202)
Net Adjustment for Revenue Accruals	1,092,526	(1,621)
Beginning Fair Value Adjustment for Investments	(6,543)	0
Ending Fair Value Adjustment for Investments	(4,358)	0
Net Adjustment for Expenditure Accruals	20,293	(6,620)
Encumbrances	(642,244)	(27,118)
Budget Basis	\$1,247,334	(\$152,561)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Note 6 - Deposits and Investments

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

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

Inactive deposits are 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.

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 the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily;
4. Investment grade obligations of state and local governments, and public authorities;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAROhio).

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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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.

At year-end, the carrying amount of the City's deposits was \$8,356,050 and the bank balance was \$8,591,513. Of the uninsured bank balance, \$842,830 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, 2006, the City had the following investments:

	Maturity			Total
	Less Than Six Months	More Than Six Months But Less Than One Year	More Than One Year But Less Than Two Years	
Repurchase Agreements	\$911,120	\$0	\$0	\$911,120
Federal Home Loan Bank Bonds	0	799,304	2,002,039	2,801,343
Federal Home Loan Mortgage Bonds	973,755	0	500,000	1,473,755
Commercial Paper	974,190	0	0	974,190
Federal National Mortgage Association Bonds	0	0	1,002,152	1,002,152
STAROhio	20,387	0	0	20,387
Total Portfolio	\$2,879,452	\$799,304	\$3,504,191	\$7,182,947

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 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. To date, no investments have been purchased with a life greater than two years.

Credit Risk is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that portfolio be diversified both by types of investment and issuer. All investments of the City carry a rating AAA by Standard & Poor's, except for the commercial paper, which carries a rating of A1+ by Standard & Poor's. Ohio law requires that investments in commercial

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

paper are limited to notes rated at the time of purchase to the highest classification established by two nationally recognized standard rating services.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2006:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Repurchase Agreement	12.69%
Federal Home Loan Bank Bonds	39.00
Federal Home Loan Mortgage Bonds	20.52
Federal National Mortgage Association Bonds	13.95
Commercial Paper	13.56

Note 7 – Receivables

Receivables at December 31, 2006, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), special assessments and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$4,167,000 in the special assessments bond retirement fund. At December 31, 2006 the amount of delinquent special assessments was \$23,217

A. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2006 for real and public utility property taxes represents collections of the 2005 taxes. Property tax payments received during 2006 for tangible personal property (other than public utility property) is for 2006 taxes.

2006 real property taxes are levied after October 1, 2006 on the assessed value as of January 1, 2006, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2006 real property taxes are collected in and intended to finance 2007.

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. 2006 public utility property taxes which became a lien on December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

2006 tangible personal property taxes are levied after October 1, 2005, on the value as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2006 is 18.75 percent. This will be reduced to 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

The full tax rate for all City operations for the year ended December 31, 2006, was \$8.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2006 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Residential/Agricultural	\$441,195,080
Other Real Estate	107,170,670
Tangible Personal Property	
Public Utility	19,629,130
General	30,089,242
Total Assessed Values	\$598,084,122

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

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Brecksville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2006 and for which there is an enforceable legal claim. In the general, fire department, road maintenance, bond retirement and police pension funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2006 operations and the collection of delinquent taxes during the available period are not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and a revenue while on a modified accrual basis the revenue is deferred.

B. Income Tax

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

C. Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

Governmental Activities	
Homestead and Rollback	\$232,205
Estate Tax	231,820
Local Government	213,189
Excise Tax	159,054
Gasoline Tax	89,478
Ohio Department of Development Grant	81,125
FEMA Storm Damage Grant	45,713
Auto Registration	45,270
Permissive Tax	17,484
FEMA Fire Department Grant	4,354
Total	\$1,119,692

Note 8 – Contingencies

A. Grants

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with 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, 2006.

B. Litigation

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2006.

Note 9 - Interfund Transfers

Interfund transfers for the year ended December 31, 2006 consisted of the following:

Transfer To	Transfers From		
	General	Fire Department	General Municipal Improvement
General Municipal Improvement	\$0	\$0	\$0
Road Improvements	300,000	0	230,000
Other Governmental Funds	800,000	200,000	1,175,244
<i>Total All Funds</i>	\$1,100,000	\$200,000	\$1,405,244

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Transfer To	Transfers From		Totals
	Buildings and Improvements	Other Governmental Funds	
General Municipal Improvement	\$1,119,999	\$250,001	\$1,370,000
Road Improvements	0	0	530,000
Other Governmental Funds	160,000	406,727	2,741,971
<i>Total All Funds</i>	\$1,279,999	\$656,728	\$4,641,971

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; and reclassification of prior year distributed monies, to segregate money for anticipated capital projects. The General Municipal Improvement Fund received \$200,000 in transfers from the Street Construction and Maintenance Fund to support road improvement projects and \$50,000 in transfers from the Fire Station Building Expansion Fund to repay monies for the renovation of the Fire Station. To provide funds for loan payments, transfers totaling \$56,727 were made to the Issue II Fund from the Capital Improvement Fund, the Public Utility Fund and the Road Improvement Fund. The General Bond Retirement Fund is funded for loan payment obligations from the General Municipal Improvement Fund. In 2006 this amount was \$1,175,244. The Buildings and Improvements Fund provided funding totaling \$1,279,999 to both the General Municipal Improvement Fund and Public Utility Improvement Fund to afford various city capital improvement projects. The Road Improvement Fund received \$230,000 in funding from the General Municipal Improvement Fund to allow for completion of a Route 21 access road. The Capital Improvement Fund received \$150,000 in monies from the Fire Department Fund to provide for capital equipment purchases while the Issue II Fund provided \$350,000 in funds unused from a completed capital project.

Note 10 – Other Employee Benefits

A. Compensated Absences

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

Employees earn sick leave at the rate of 1.25 days per month of service. 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.

B. Dental Insurance

The City provides dental benefits to employees through Met Life. The family and single premiums for 2006 were \$66.41 and \$22.08, respectively. Met Life charges the City an administrative fee of \$1.50 per employee per month.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Note 11 - Capital Assets

A summary of changes in capital assets during 2006 follows:

Governmental Activities	Balance 12/31/2005	Additions	Deductions	Balance 12/31/2006
<i>Capital Assets not being Depreciated:</i>				
Land	\$9,027,253	\$0	\$0	\$9,027,253
Construction in Progress	12,988,275	1,847,430	(12,085,724)	2,749,981
<i>Total Capital Assets not being Depreciated</i>	<u>22,015,528</u>	<u>1,847,430</u>	<u>(12,085,724)</u>	<u>11,777,234</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	16,349,695	10,244,233	(7,400)	26,586,528
Machinery and Equipment	9,179,493	1,000,620	(126,392)	10,053,721
Furniture and Fixtures	679,258	27,085	(11,271)	695,072
<i>Infrastructure:</i>				
Roads	31,570,075	965,205	0	32,535,280
Sidewalks	3,568,143	21,806	0	3,589,949
Guardrails	425,927	0	0	425,927
Traffic Signals	2,258,764	55,850	0	2,314,614
Storm Sewers	6,778,891	0	0	6,778,891
Sanitary Sewers	12,655,448	0	0	12,655,448
Water Lines	7,927,102	1,336,616	0	9,263,718
<i>Total Capital Assets being Depreciated</i>	<u>91,392,796</u>	<u>13,651,415</u>	<u>(145,063)</u>	<u>104,899,148</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(6,118,596)	(599,604)	0	(6,718,200)
Machinery and Equipment	(4,837,759)	(656,598)	126,392	(5,367,965)
Furniture and Fixtures	(621,578)	(35,767)	11,271	(646,074)
<i>Infrastructure:</i>				
Roads	(17,740,884)	(739,355)	0	(18,480,239)
Sidewalks	(2,403,200)	(89,203)	0	(2,492,403)
Guardrails	(358,052)	(15,271)	0	(373,323)
Traffic Signals	(272,565)	(104,537)	0	(377,102)
Storm Sewers	(1,757,003)	(67,712)	0	(1,824,715)
Sanitary Sewers	(2,531,980)	(114,478)	0	(2,646,458)
Water Lines	(2,131,873)	(74,647)	0	(2,206,520)
<i>Total Accumulated Depreciation</i>	<u>(38,773,490)</u>	<u>(2,497,172) *</u>	<u>137,663</u>	<u>(41,132,999)</u>
<i>Total Capital Assets being Depreciated, Net</i>	<u>52,619,306</u>	<u>11,154,243</u>	<u>(7,400)</u>	<u>63,766,149</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$74,634,834</u>	<u>\$13,001,673</u>	<u>(\$12,093,124)</u>	<u>\$75,543,383</u>

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

*Depreciation expense was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$185,200
Public Safety:	
Police	91,326
Fire	176,531
Street Construction, Maintenance and Repair	1,307,495
Housing and Community Development	166,079
Basic Utility Services	277,136
Recreational Activities	293,405
Total Depreciation Expense	<u>\$2,497,172</u>

Note 12 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

For the year ended December 31, 2006, the members of all three plans, except those in law enforcement participating in the traditional plan, were required to contribute 9 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary. The City's contribution rate for pension benefits for 2006 was 13.7 percent, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 16.93 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2006, 2005, and 2004 were \$565,116, \$565,363 and \$540,587 respectively; 94.9 percent has been contributed for 2006 and 100 percent for 2005 and 2004. Contributions to the member-directed plan for 2006 were \$14,116 made by the City and \$9,274 made by the plan members.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 19.5 percent for police officers and 24 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$244,727 and \$181,298 for the year ended December 31, 2006, \$238,802 and \$165,517 for the year ended December 31, 2005 and \$348,383 and \$161,782 for the year ended December 31, 2004. The full amount has been contributed for 2005 and 2004. 71.9 percent has been contributed for 2006.

Note 13 - Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2006 local government employer contribution rate was 13.7 percent of covered payroll (16.93 percent for public safety and law enforcement); 4.50 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between .50 and 6.00 percent annually for the next nine years and 4.00 percent annually after nine years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 369,214. The number of active contributing participants for both plans used in the December 31, 2005 actuarial valuation was 358,804. Actual employer contributions for 2006 which were used to fund postemployment benefits were \$276,415. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2005, (the latest information available) were \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. To improve the solvency of the Health Care Fund, OPERS created a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

B. Police and Firemen's Disability and Pension Fund

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

The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2006 and 2005. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2006 that were used to fund postemployment benefits were \$161,416 for police and \$86,465 for firefighters. The OP&F's total health care expense for the year ended December 31, 2005; (the latest information available) was \$108,039,449, which was net of member contributions of \$55,271,881. The number of OP&F participants eligible to receive health care benefits as of December 31, 2005, was 13,922 for police and 10,537 for firefighters.

Note 14 - Risk Management

A. 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 2006, the City contracted with several companies for various types of insurance as follows:

Company	Type of Coverage	Coverage Amount
Wichert Insurance Services	Blanket Building/Contents	\$25,144,017
	Crime	250,000
	Boiler and Machinery	25,144,017
	Public Officials Liability	1,000,000
	General Liability	1,000,000
	Garage Keepers Liability	120,000
Curtis Insurance Services	Law Enforcement	1,000,000
	Canine Mortality and Medical	5,500

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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.

B. Worker's Compensation

The City participates in the Ohio Association of Public Treasurers 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.

C. Employee Insurance Benefits

The City manages employee 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 \$60,000 per person per year to a maximum specific benefit of \$1,000,000 per person.

The claims liability of \$186,537, reported in the self-insurance fund at December 31, 2006, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

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

	<u>Balance at</u> <u>Beginning of Year</u>	<u>Current</u> <u>Year Claims</u>	<u>Claims</u> <u>Payment</u>	<u>Balance at</u> <u>End of Year</u>
2005	\$260,997	\$668,538	\$819,591	\$109,944
2006	109,944	1,038,818	962,225	186,537

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Note 15 - 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				
Library Refunding				
Current Interest Serial Bonds	1997	3.75% to 5.10%	\$1,630,000	December 1, 2012
Capital Appreciation Bonds	1997	3.75% to 5.10%	221,915	December 8, 2008
Community Center Refunding	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
Community Center Refunding 1997	1997	3.75% to 5.10%	1,585,000	December 1, 2012
Special Assessment				
Route 21 Access Road	2005	3.10% to 4.75%	165,000	December 1, 2025
Sewer Project #1312 #2	1988	7.25%	2,310,000	December 1, 2008
Old Royalton Road Water Main	1989	7.25%	117,000	December 1, 2009
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	2001	4.00% to 4.90%	935,000	December 1, 2021
Four Seasons Sewer and Water	2001	4.00% to 4.90%	1,265,000	December 1, 2021
Route 21, Hilton, Whitewood Sewer and Storm	2005	3.00% to 5.00%	1,075,000	December 1, 2025
OPWC Loans				
Elm Street Improvement	1996	0.00%	234,638	January 1, 2016
Fitzwater Road Landslide Repairs	1996	0.00%	109,904	January 1, 2006
Fairview, Pershing, Wallings Water Main	1999	0.00%	224,480	January 1, 2019
Brecksville Center and Old Town Water Main	1999	0.00%	224,475	July 1, 2019
Route 21 Hilton, Whitewood Sanitary Sewer	2005	0.00%	231,143	July 1, 2025
Fitzwater, Riverview, Wiese, Carriage Hill Cleaning	2006	0.00%	162,934	January 1, 2027

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

A schedule of changes in bonds and other long-term obligations of the City during 2006 follows:

	Principal Outstanding 12/31/2005	Additions	Deletions	Principal Outstanding 12/31/2006	Amounts Due in One Year
Governmental Activities					
<i>General Obligations Bonds:</i>					
Library Refunding					
Current Interest Serial Bonds	\$900,000	\$0	\$0	\$900,000	\$0
Capital Appreciation Bonds	97,458	0	(49,712)	47,746	47,746
Accretion on Capital Appreciation Bonds	201,808	13,916	(110,288)	105,436	116,254
Total Library Refunding Bonds	<u>1,199,266</u>	<u>13,916</u>	<u>(160,000)</u>	<u>1,053,182</u>	<u>164,000</u>
Community Center Refunding Bonds					
Unamortized Loss	1,415,000	0	(195,000)	1,220,000	195,000
Premium on Refunding Bonds	(13,494)	0	1,928	(11,566)	0
Total Community Center Refunding Bonds	<u>1,402,908</u>	<u>0</u>	<u>(193,272)</u>	<u>1,209,636</u>	<u>195,200</u>
Human Services Facility Bonds					
Premium on Bonds	5,590,000	0	(240,000)	5,350,000	240,000
Total Human Services Facility Bonds	<u>102,132</u>	<u>0</u>	<u>(5,674)</u>	<u>96,458</u>	<u>5,674</u>
Tree Farm Property Bonds					
Premium on Bonds	4,205,000	0	(135,000)	4,070,000	155,000
Total Tree Farm Property Bonds	<u>76,001</u>	<u>0</u>	<u>(3,800)</u>	<u>72,201</u>	<u>3,800</u>
Community Center Refunding 1997	<u>4,281,001</u>	<u>0</u>	<u>(138,800)</u>	<u>4,142,201</u>	<u>158,800</u>
<i>Total General Obligation Bonds</i>	<u>13,615,307</u>	<u>13,916</u>	<u>(867,746)</u>	<u>12,761,477</u>	<u>898,674</u>
<i>Special Assessment Bonds with Governmental Commitment:</i>					
Route 21 Access Road	165,000	0	0	165,000	5,000
Premium on Bonds	2,614	0	(131)	2,483	131
Total Route 21 Access Road	<u>167,614</u>	<u>0</u>	<u>(131)</u>	<u>167,483</u>	<u>5,131</u>
Sewer Project #1312 #2	355,000	0	(115,000)	240,000	120,000
Old Royalton Road Water Main	37,000	0	(10,000)	27,000	10,000
Oakhurst-Fitzwater Sanitary Sewer	570,000	0	(70,000)	500,000	75,000
Southpointe Parkway	835,000	0	(55,000)	780,000	55,000
Service Road	790,000	0	(40,000)	750,000	45,000
Four Seasons Sewer and Water	1,100,000	0	(50,000)	1,050,000	50,000
Route 21, Hilton, Whitewood Sewer and Storm	1,075,000	0	(20,000)	1,055,000	40,000
<i>Total Special Assessment Bonds</i>	<u>\$4,929,614</u>	<u>\$0</u>	<u>(\$360,131)</u>	<u>\$4,569,483</u>	<u>\$400,131</u>

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

	Principal Outstanding 12/31/2005	Additions	Deletions	Principal Outstanding 12/31/2006	Amounts Due in One Year
<i>OPWC Loans:</i>					
Elm Street Improvement	\$123,185	\$0	(\$11,732)	\$111,453	\$11,732
Fitzwater Road Landslide Repairs	5,496	0	(5,496)	0	0
Fairview, Pershing, Walling Water Main	145,912	0	(11,224)	134,688	11,224
Brecksville Center and Old Town Water Main	151,521	0	(11,224)	140,297	11,224
Route 21, Hilton, Whitewood Sanitary Sewer	225,364	0	(11,557)	213,807	11,557
Fitzwater, Riverview Wiese, Carriage Hill Cleaning	0	162,934	0	162,934	8,147
<i>Total OPWC Loans</i>	<u>651,478</u>	<u>162,934</u>	<u>(51,233)</u>	<u>763,179</u>	<u>53,884</u>
Compensated Absences	<u>551,203</u>	<u>206,952</u>	<u>(93,576)</u>	<u>664,579</u>	<u>187,474</u>
<i>Total Governmental Activities</i>	<u>\$19,747,602</u>	<u>\$383,802</u>	<u>(\$1,372,686)</u>	<u>\$18,758,718</u>	<u>\$1,540,163</u>

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

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

On October 9, 1997, the City issued \$1,851,915 in voted general obligation bonds which include serial and capital appreciation (deep discount) bonds in the amounts of \$1,630,000 and \$221,915 respectively. The general obligation bonds were issued to refund bonds which were issued for the purpose of construction of the library. The bonds were issued for a fifteen year period with final maturity at December 1, 2012. All bonds will be retired from the debt service fund.

The serial and capital appreciation bond remained outstanding at December 31, 2006. The capital appreciation bonds were originally sold at a discount of \$211,915, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2000 through 2007.

The maturity amount of outstanding capital appreciation bonds at December 31, 2006 is \$164,000. The accretion recorded for 2006 was \$13,916, for a total outstanding bond liability of \$1,053,182 at December 31, 2006.

On November 1, 1989, the City issued \$2,500,000 in voted general obligation bonds for construction of the Brecksville branch of the Cuyahoga County Library. These bonds were issued for a twenty-three year period with final maturity at December 1, 2012. On October 9, 1997, \$1,851,915 of these bonds were refunded and re-issued at a lower interest rate with a final maturity at December 1, 2012. At December 31, 2006 \$947,746 of these bonds are outstanding.

On September 8, 1992 the City issued \$3,000,000 in general obligation bonds for construction of the Brecksville Community Center. The bonds were issued for a twenty year period with final maturity at December 1, 2012. On March 1, 2004, \$1,785,000 of these bonds were refunded and re-issued at a lower interest rate with final maturity at December 1, 2012. At December 31, 2006 \$1,220,000 of these bonds are outstanding.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

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

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

On September 1, 1991, the City issued \$2,000,000 in general obligation bonds for construction of the Brecksville Community Center. The bonds were issued for a twenty year period with final maturity at December 1, 2012. On October 9, 1997, \$1,585,000 of these bonds were refunded and re-issued at a lower interest rate with final maturity at December 1, 2012. At December 31, 2006 \$910,000 of these bonds are outstanding.

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

On June 1, 1988, the City issued \$2,310,000 in special assessment bonds for sanitary sewer construction in the Brecksville Road/Miller Road/Snowville Road area. The bonds were issued for a twenty year period with final maturity at December 1, 2008.

On November 1, 1989, the City issued \$117,000 in special assessment bonds for water main improvements on Old Royalton Road. The bonds were issued for a twenty year period with final maturity at December 1, 2009.

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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

The City's overall legal debt margin was \$50,597,000 at December 31, 2006. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2006, are as follows:

	General Obligation Bonds				Special Assessment		OPWC	Totals
	Capital Appreciation		Serial Bonds		Bonds		Loans	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	
2007	\$47,746	\$116,254	\$725,000	\$533,859	\$400,000	\$219,526	\$53,884	\$2,096,269
2008	0	0	900,000	506,727	415,000	198,541	53,884	2,074,152
2009	0	0	930,000	470,502	287,000	177,425	53,884	1,918,811
2010	0	0	960,000	431,452	300,000	164,743	53,884	1,910,079
2011	0	0	1,000,000	389,524	315,000	151,811	53,884	1,910,219
2012-2016	0	0	3,010,000	1,431,269	1,330,000	567,099	263,553	6,601,921
2017-2021	0	0	2,960,000	891,137	1,165,000	255,565	149,025	5,420,727
2022-2026	0	0	1,965,000	200,038	355,000	46,163	81,181	2,647,382
Total	<u>\$47,746</u>	<u>\$116,254</u>	<u>\$12,450,000</u>	<u>\$4,854,508</u>	<u>\$4,567,000</u>	<u>\$1,780,873</u>	<u>\$763,179</u>	<u>\$24,579,560</u>

Note 16 – Notes Payable

The \$500,000 various purpose note, issued May 8, 2005 at an interest rate of 2.90 percent, matured and was retired May 4, 2006. The \$300,000 street improvement note, issued on September 8, 2005 at an interest rate of 3.35 percent, matured and was retired January 10, 2006.

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 Comp Management, Inc. 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 its payroll percent of the group.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Note 18 - Jointly Governed Organizations

A. 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 2006, the City contributed \$7,500 which represents 5.4 percent of total contributions.

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

B. Northeast Ohio Public Energy Council

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

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. In 2006, 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 175 South Main Street, Akron, Ohio, 44308 or at the website www.nopecinfo.org.

Note 19 – 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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Authority plus some administrative fees. The City then subleases the property to the House of LaRose for their operations for \$1 a year. In return for the House of LaRose's sublease, they agree to reach a job creation and retention goal along with an aggregate wage structure for these jobs. Provided the House of LaRose complies with the terms of the economic development agreement for the ten-year period, they have the option to purchase the land from the Port Authority for \$10. The City's participation in the annual lease would end at that time, and it would have no future obligation related to the agreement or acquire any assets. The City paid \$257,775 on the lease in 2006. The City will be making the following lease payments in:

2007	\$255,550
2008	258,112
2009	255,250
2010	257,175
2011	258,675
2012-2014	990,988

Note 20 - Contractual Commitments

At December 31, 2006, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Architect	\$4,700	\$1,500	\$3,200
Street Construction	221,738	189,802	31,936
Engineering	273,132	138,839	134,293
Asphalt, Concrete, Street Repairs	589,973	31,260	558,713
Human Services Building Construction	9,727,510	9,308,433	419,077
Information Technology Equipment	49,000	34,528	14,472
Service Equipment	189,672	0	189,672
Police Equipment	8,121	0	8,121
Totals	\$11,063,846	\$9,704,362	\$1,359,484

**Combining and Individual
Fund Statements and Schedules**

Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

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

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

Nonmajor Debt Service Fund

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

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

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Capital Projects Funds

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

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

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

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

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

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

Fire Station Building Fund - This fund accounts for financing, construction and related costs of improvements to the Fire Station.

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

Human Services Facilities Fund - This fund accounts for financing, construction and related costs of improvements to the human services facility.

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

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

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,781,824	\$293,896	\$2,726,158	\$4,801,878
Materials and Supplies Inventory	36,267	0	0	36,267
Intergovernmental Receivable	347,017	10,531	0	357,548
Municipal Income Taxes Receivable	0	0	37,666	37,666
Property Taxes Receivable	775,667	232,699	0	1,008,366
<i>Total Assets</i>	<u>\$2,940,775</u>	<u>\$537,126</u>	<u>\$2,763,824</u>	<u>\$6,241,725</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$12,574	\$0	\$5,455	\$18,029
Contracts Payable	0	0	110,000	110,000
Retainage Payable	0	0	382,173	382,173
Accrued Wages and Benefits	23,751	0	0	23,751
Intergovernmental Payable	104,981	0	0	104,981
Deferred Revenue	1,070,580	243,230	21,666	1,335,476
<i>Total Liabilities</i>	<u>1,211,886</u>	<u>243,230</u>	<u>519,294</u>	<u>1,974,410</u>
Fund Balances				
Reserved for Encumbrances	158,867	0	1,008,181	1,167,048
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,570,022	0	0	1,570,022
Debt Service Fund	0	293,896	0	293,896
Capital Projects Funds	0	0	1,236,349	1,236,349
<i>Total Fund Balances</i>	<u>1,728,889</u>	<u>293,896</u>	<u>2,244,530</u>	<u>4,267,315</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,940,775</u>	<u>\$537,126</u>	<u>\$2,763,824</u>	<u>\$6,241,725</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property and Other Taxes	\$685,029	\$205,509	\$0	\$890,538
Municipal Income Taxes	0	0	176,000	176,000
Charges for Services	700,328	0	0	700,328
Licenses and Permits	36,021	0	61,812	97,833
Fines and Forfeitures	18,284	0	0	18,284
Intergovernmental	692,203	30,037	48,859	771,099
Interest	93,948	0	143,496	237,444
Donations	6,090	0	4,236	10,326
Rentals	46,864	0	0	46,864
Miscellaneous	21,936	0	0	21,936
<i>Total Revenues</i>	<u>2,300,703</u>	<u>235,546</u>	<u>434,403</u>	<u>2,970,652</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	1,736	156	0	1,892
Public Safety:				
Police	195,159	0	0	195,159
Street Construction, Maintenance and Repair	934,486	0	0	934,486
Housing and Community Development	38,099	0	0	38,099
Recreational Activities	1,531,270	0	0	1,531,270
Capital Outlay	0	0	2,109,632	2,109,632
Debt Service:				
Principal Retirement	0	860,000	51,233	911,233
Interest and Fiscal Charges	0	521,909	0	521,909
<i>Total Expenditures</i>	<u>2,700,750</u>	<u>1,382,065</u>	<u>2,160,865</u>	<u>6,243,680</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(400,047)</u>	<u>(1,146,519)</u>	<u>(1,726,462)</u>	<u>(3,273,028)</u>
Other Financing Sources (Uses)				
OPWC Loan Issued	0	0	162,934	162,934
Transfers In	800,000	1,175,244	766,727	2,741,971
Transfers Out	(211,732)	0	(444,996)	(656,728)
<i>Total Other Financing Sources (Uses)</i>	<u>588,268</u>	<u>1,175,244</u>	<u>484,665</u>	<u>2,248,177</u>
<i>Net Change in Fund Balances</i>	188,221	28,725	(1,241,797)	(1,024,851)
<i>Fund Balances Beginning of Year</i>	<u>1,540,668</u>	<u>265,171</u>	<u>3,486,327</u>	<u>5,292,166</u>
<i>Fund Balances End of Year</i>	<u>\$1,728,889</u>	<u>\$293,896</u>	<u>\$2,244,530</u>	<u>\$4,267,315</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
Assets				
Equity in Pooled Cash and Cash Equivalents	\$142,220	\$405,714	\$36,742	\$299,206
Materials and Supplies Inventory	0	36,267	0	0
Intergovernmental Receivable	17,484	271,767	22,035	0
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$159,704</u>	<u>\$713,748</u>	<u>\$58,777</u>	<u>\$299,206</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$11,231
Accrued Wages and Benefits	0	0	0	23,751
Intergovernmental Payable	0	0	0	8,804
Deferred Revenue	14,806	226,631	18,375	0
<i>Total Liabilities</i>	<u>14,806</u>	<u>226,631</u>	<u>18,375</u>	<u>43,786</u>
Fund Balances				
Reserved for Encumbrances	0	88,142	0	47,785
Unreserved, Undesignated (Deficit)	144,898	398,975	40,402	207,635
<i>Total Fund Balances (Deficit)</i>	<u>144,898</u>	<u>487,117</u>	<u>40,402</u>	<u>255,420</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$159,704</u>	<u>\$713,748</u>	<u>\$58,777</u>	<u>\$299,206</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2006

	Special Programs	Road Maintenance	Federal Equitable Sharing	Indigent Prisoner Assistance
Assets				
Equity in Pooled Cash and Cash Equivalents	\$8,037	\$340,876	\$3,905	\$9,322
Materials and Supplies Inventory	0	0	0	0
Intergovernmental Receivable	0	27,001	0	0
Property Taxes Receivable	0	596,666	0	0
<i>Total Assets</i>	<u>\$8,037</u>	<u>\$964,543</u>	<u>\$3,905</u>	<u>\$9,322</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$1,343	\$0	\$0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	623,667	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>625,010</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	0	22,940	0	0
Unreserved, Undesignated (Deficit)	8,037	316,593	3,905	9,322
<i>Total Fund Balances (Deficit)</i>	<u>8,037</u>	<u>339,533</u>	<u>3,905</u>	<u>9,322</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$8,037</u>	<u>\$964,543</u>	<u>\$3,905</u>	<u>\$9,322</u>

<u>Indigent Drivers</u>	<u>Enforcement and Education</u>	<u>Court Computerization</u>	<u>Natureworks Grants</u>	<u>Recycling Demo</u>
\$9,726	\$49,043	\$196,019	\$950	\$14,152
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$9,726</u>	<u>\$49,043</u>	<u>\$196,019</u>	<u>\$950</u>	<u>\$14,152</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0
<u>9,726</u>	<u>49,043</u>	<u>196,019</u>	<u>950</u>	<u>14,152</u>
<u>9,726</u>	<u>49,043</u>	<u>196,019</u>	<u>950</u>	<u>14,152</u>
<u>\$9,726</u>	<u>\$49,043</u>	<u>\$196,019</u>	<u>\$950</u>	<u>\$14,152</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2006

	Tree Planting Grants	Law Enforcement	Law Enforcement Mandatory Drug	Vehicle Immobilization
Assets				
Equity in Pooled Cash and Cash Equivalents	\$143,833	\$16,673	\$40,740	\$27,613
Materials and Supplies Inventory	0	0	0	0
Intergovernmental Receivable	0	0	0	630
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$143,833</u>	<u>\$16,673</u>	<u>\$40,740</u>	<u>\$28,243</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	0	0	0	0
Unreserved, Undesignated (Deficit)	143,833	16,673	40,740	28,243
<i>Total Fund Balances (Deficit)</i>	<u>143,833</u>	<u>16,673</u>	<u>40,740</u>	<u>28,243</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$143,833</u>	<u>\$16,673</u>	<u>\$40,740</u>	<u>\$28,243</u>

<u>Police Pension</u>	<u>Memorial</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$19,546	\$17,507	\$1,781,824
0	0	36,267
8,100	0	347,017
179,001	0	775,667
<u>\$206,647</u>	<u>\$17,507</u>	<u>\$2,940,775</u>
\$0	\$0	\$12,574
0	0	23,751
96,177	0	104,981
187,101	0	1,070,580
<u>283,278</u>	<u>0</u>	<u>1,211,886</u>
0	0	158,867
(76,631)	17,507	1,570,022
<u>(76,631)</u>	<u>17,507</u>	<u>1,728,889</u>
<u>\$206,647</u>	<u>\$17,507</u>	<u>\$2,940,775</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, 2006

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
Revenues				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	700,328
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	32,009	520,184	42,178	0
Interest	6,256	16,986	1,554	23,522
Donations	0	0	0	2,350
Rentals	0	0	0	46,864
Miscellaneous	0	0	0	17,555
<i>Total Revenues</i>	<u>38,265</u>	<u>537,170</u>	<u>43,732</u>	<u>790,619</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Public Safety:				
Police	0	0	0	0
Street Construction, Maintenance and Repair	4,625	203,143	79,186	0
Housing and Community Development	0	0	0	0
Recreational Activities	0	0	0	1,528,747
<i>Total Expenditures</i>	<u>4,625</u>	<u>203,143</u>	<u>79,186</u>	<u>1,528,747</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>33,640</u>	<u>334,027</u>	<u>(35,454)</u>	<u>(738,128)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	800,000
Transfers Out	0	(200,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(200,000)</u>	<u>0</u>	<u>800,000</u>
<i>Net Change in Fund Balances</i>	33,640	134,027	(35,454)	61,872
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>111,258</u>	<u>353,090</u>	<u>75,856</u>	<u>193,548</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$144,898</u></u>	<u><u>\$487,117</u></u>	<u><u>\$40,402</u></u>	<u><u>\$255,420</u></u>

Special Programs	Road Maintenance	Federal Equitable Sharing	Indigent Prisoner Assistance	Indigent Drivers	Enforcement and Education	Court Computerization
\$0	\$526,945	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
2,087	0	0	35	0	0	16,374
0	0	0	0	275	653	0
0	75,225	0	0	0	0	0
0	21,151	0	452	464	2,327	9,066
0	0	0	0	0	1,750	0
0	0	0	0	0	0	0
0	0	0	0	0	4,381	0
2,087	623,321	0	487	739	9,111	25,440
0	0	0	0	0	0	0
0	0	0	34	0	3,989	0
0	647,532	0	0	0	0	0
0	0	0	0	0	0	0
2,523	0	0	0	0	0	0
2,523	647,532	0	34	0	3,989	0
(436)	(24,211)	0	453	739	5,122	25,440
0	0	0	0	0	0	0
0	(11,732)	0	0	0	0	0
0	(11,732)	0	0	0	0	0
(436)	(35,943)	0	453	739	5,122	25,440
8,473	375,476	3,905	8,869	8,987	43,921	170,579
\$8,037	\$339,533	\$3,905	\$9,322	\$9,726	\$49,043	\$196,019

(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, 2006

	Natureworks Grants	Recycling Demo	Tree Planting Grants	Law Enforcement
Revenues				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0
Licenses and Permits	0	0	17,525	0
Fines and Forfeitures	0	0	0	11,927
Intergovernmental	0	40	0	0
Interest	0	629	7,523	838
Donations	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>669</u>	<u>25,048</u>	<u>12,765</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Public Safety:				
Police	0	0	0	4,839
Street Construction, Maintenance and Repair	0	0	0	0
Housing and Community Development	0	0	38,099	0
Recreational Activities	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>38,099</u>	<u>4,839</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>669</u>	<u>(13,051)</u>	<u>7,926</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	0	669	(13,051)	7,926
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>950</u>	<u>13,483</u>	<u>156,884</u>	<u>8,747</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$950</u></u>	<u><u>\$14,152</u></u>	<u><u>\$143,833</u></u>	<u><u>\$16,673</u></u>

Law Enforcement Mandatory Drug	Vehicle Immobilization	Police Pension	Memorial	Total Nonmajor Special Revenue Funds
\$0	\$0	\$158,084	\$0	\$685,029
0	0	0	0	700,328
0	0	0	0	36,021
389	5,040	0	0	18,284
0	0	22,567	0	692,203
1,932	1,248	0	0	93,948
0	0	0	1,990	6,090
0	0	0	0	46,864
0	0	0	0	21,936
<u>2,321</u>	<u>6,288</u>	<u>180,651</u>	<u>1,990</u>	<u>2,300,703</u>
0	0	0	1,736	1,736
0	0	186,297	0	195,159
0	0	0	0	934,486
0	0	0	0	38,099
0	0	0	0	1,531,270
<u>0</u>	<u>0</u>	<u>186,297</u>	<u>1,736</u>	<u>2,700,750</u>
<u>2,321</u>	<u>6,288</u>	<u>(5,646)</u>	<u>254</u>	<u>(400,047)</u>
0	0	0	0	800,000
0	0	0	0	(211,732)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>588,268</u>
2,321	6,288	(5,646)	254	188,221
38,419	21,955	(70,985)	17,253	1,540,668
<u>\$40,740</u>	<u>\$28,243</u>	<u>(\$76,631)</u>	<u>\$17,507</u>	<u>\$1,728,889</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2006

	<u>Issue II</u>	<u>Capital Improvement</u>	<u>Equipment Replacement</u>	<u>Recreation Expansion</u>	<u>Library Improvement</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$327,653	\$651,542	\$80,676	\$141,463	\$37,460
Municipal Income Tax Receivable	<u>0</u>	<u>37,666</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$327,653</u></u>	<u><u>\$689,208</u></u>	<u><u>\$80,676</u></u>	<u><u>\$141,463</u></u>	<u><u>\$37,460</u></u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$0	\$2,179	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0
Retainage Payable	0	0	0	0	0
Deferred Revenue	<u>0</u>	<u>21,666</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>23,845</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Reserved for Encumbrances	0	230,732	0	0	0
Unreserved, Undesignated	<u>327,653</u>	<u>434,631</u>	<u>80,676</u>	<u>141,463</u>	<u>37,460</u>
<i>Total Fund Balances</i>	<u>327,653</u>	<u>665,363</u>	<u>80,676</u>	<u>141,463</u>	<u>37,460</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$327,653</u></u>	<u><u>\$689,208</u></u>	<u><u>\$80,676</u></u>	<u><u>\$141,463</u></u>	<u><u>\$37,460</u></u>

<u>Fire Station Building</u>	<u>Police Station Building</u>	<u>Human Services Facilities</u>	<u>Sewer Improvement</u>	<u>Public Utility Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$34,725	\$19,352	\$800,478	\$68,112	\$564,697	\$2,726,158
0	0	0	0	0	37,666
<u>\$34,725</u>	<u>\$19,352</u>	<u>\$800,478</u>	<u>\$68,112</u>	<u>\$564,697</u>	<u>\$2,763,824</u>
\$0	\$0	\$1,901	\$0	\$1,375	\$5,455
0	0	0	0	110,000	110,000
0	0	382,173	0	0	382,173
0	0	0	0	0	21,666
0	0	384,074	0	111,375	519,294
33,076	0	425,594	0	318,779	1,008,181
1,649	19,352	(9,190)	68,112	134,543	1,236,349
34,725	19,352	416,404	68,112	453,322	2,244,530
<u>\$34,725</u>	<u>\$19,352</u>	<u>\$800,478</u>	<u>\$68,112</u>	<u>\$564,697</u>	<u>\$2,763,824</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, 2006

	Issue II	Capital Improvement	Equipment Replacement	Recreation Expansion	Library Improvement
Revenues					
Municipal Income Taxes	\$0	\$176,000	\$0	\$0	\$0
Licenses and Permits	0	0	0	30,332	0
Intergovernmental	48,859	0	0	0	0
Interest	22,336	28,304	3,835	8,005	0
Donations	0	0	0	0	0
<i>Total Revenues</i>	<u>71,195</u>	<u>204,304</u>	<u>3,835</u>	<u>38,337</u>	<u>0</u>
Expenditures					
Capital Outlay	185,118	489,817	0	64,006	0
Debt Service:					
Principal Retirement	51,233	0	0	0	0
<i>Total Expenditures</i>	<u>236,351</u>	<u>489,817</u>	<u>0</u>	<u>64,006</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(165,156)</u>	<u>(285,513)</u>	<u>3,835</u>	<u>(25,669)</u>	<u>0</u>
Other Financing Sources (Uses)					
OPWC Loan Issued	162,934	0	0	0	0
Transfers In	56,727	500,000	0	0	0
Transfers Out	(350,000)	(22,214)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(130,339)</u>	<u>477,786</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(295,495)</u>	<u>192,273</u>	<u>3,835</u>	<u>(25,669)</u>	<u>0</u>
<i>Fund Balances Beginning of Year</i>	<u>623,148</u>	<u>473,090</u>	<u>76,841</u>	<u>167,132</u>	<u>37,460</u>
<i>Fund Balances End of Year</i>	<u><u>\$327,653</u></u>	<u><u>\$665,363</u></u>	<u><u>\$80,676</u></u>	<u><u>\$141,463</u></u>	<u><u>\$37,460</u></u>

Fire Station Building	Police Station Building	Human Services Facilities	Sewer Improvement	Public Utility Improvement	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$0	\$176,000
0	0	0	0	31,480	61,812
0	0	0	0	0	48,859
1,649	0	61,890	3,247	14,230	143,496
0	0	4,236	0	0	4,236
1,649	0	66,126	3,247	45,710	434,403
0	0	1,151,723	0	218,968	2,109,632
0	0	0	0	0	51,233
0	0	1,151,723	0	218,968	2,160,865
1,649	0	(1,085,597)	3,247	(173,258)	(1,726,462)
0	0	0	0	0	162,934
50,000	0	0	0	160,000	766,727
(50,000)	0	0	0	(22,782)	(444,996)
0	0	0	0	137,218	484,665
1,649	0	(1,085,597)	3,247	(36,040)	(1,241,797)
33,076	19,352	1,502,001	64,865	489,362	3,486,327
\$34,725	\$19,352	\$416,404	\$68,112	\$453,322	\$2,244,530

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, 2006

	Beginning Balance 12/31/05	Additions	Deductions	Ending Balance 12/31/06
Senior Citizens' Programs				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$19,561	\$9,569	\$11,980	\$17,150
Liabilities				
Undistributed Monies	\$19,561	\$9,569	\$11,980	\$17,150
Street Openings				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$228,005	\$55,650	\$54,915	\$228,740
Liabilities				
Deposits Held and Due to Others	\$228,005	\$55,650	\$54,915	\$228,740
Deposits and Fees				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$360,005	\$194,561	\$265,232	\$289,334
Liabilities				
Deposits Held and Due to Others	\$360,005	\$194,561	\$265,232	\$289,334
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$607,571	\$259,780	\$332,127	\$535,224
Liabilities				
Undistributed Monies	\$19,561	\$9,569	\$11,980	\$17,150
Deposits Held and Due to Others	588,010	250,211	320,147	518,074
<i>Total Liabilities</i>	\$607,571	\$259,780	\$332,127	\$535,224

**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, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,817,805	\$1,817,805	\$1,849,580	\$31,775
Municipal Income Taxes	10,868,000	11,868,000	12,426,574	558,574
Charges for Services	50,700	50,700	79,699	28,999
Licenses and Permits	239,900	239,900	280,450	40,550
Fines and Forfeitures	275,500	275,500	277,975	2,475
Intergovernmental	1,004,563	1,004,563	1,047,075	42,512
Interest	150,000	150,000	337,332	187,332
Donations	8,400	8,400	10,941	2,541
Rentals	42,400	42,400	51,184	8,784
Miscellaneous	136,800	136,800	216,189	79,389
<i>Total Revenues</i>	<u>14,594,068</u>	<u>15,594,068</u>	<u>16,576,999</u>	<u>982,931</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Mayor:				
Salaries and Wages	202,960	202,960	172,341	30,619
Fringe Benefits	74,410	74,410	65,990	8,420
Materials and Supplies	4,690	4,690	3,996	694
Capital Outlay	2,110	2,110	2,107	3
Total Mayor	<u>284,170</u>	<u>284,170</u>	<u>244,434</u>	<u>39,736</u>
Finance Director:				
Salaries and Wages	275,053	275,053	244,296	30,757
Fringe Benefits	78,792	78,792	72,409	6,383
Materials and Supplies	7,000	7,000	6,835	165
Capital Outlay	1,200	1,200	1,200	0
Total Finance Director	<u>362,045</u>	<u>362,045</u>	<u>324,740</u>	<u>37,305</u>
Purchasing Department:				
Salaries and Wages	165,921	165,921	164,594	1,327
Fringe Benefits	45,113	45,113	45,113	0
Materials and Supplies	3,716	3,408	1,692	1,716
Capital Outlay	192	1,500	1,489	11
Total Purchasing Department	<u>214,942</u>	<u>215,942</u>	<u>212,888</u>	<u>3,054</u>
Legal Department:				
Salaries and Wages	107,660	107,660	107,450	210
Fringe Benefits	29,851	29,851	29,851	0
Purchased Services	92,109	144,125	128,841	15,284
Materials and Supplies	2,000	2,000	837	1,163
Total Legal Department	<u>\$231,620</u>	<u>\$283,636</u>	<u>\$266,979</u>	<u>\$16,657</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, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Legislative:				
Salaries and Wages	\$160,283	\$160,283	\$160,180	\$103
Fringe Benefits	65,887	65,887	65,887	0
Purchased Services	13,770	13,770	12,249	1,521
Materials and Supplies	7,521	7,522	5,827	1,695
Capital Outlay	3,810	3,810	3,809	1
Total Legislative	251,271	251,272	247,952	3,320
Civil Service:				
Salaries and Wages	1,500	1,500	297	1,203
Fringe Benefits	438	438	89	349
Purchased Services	22,350	21,850	20,100	1,750
Materials and Supplies	1,100	1,600	9	1,591
Total Civil Service	25,388	25,388	20,495	4,893
Information Technology:				
Salaries and Wages	157,880	157,880	157,187	693
Fringe Benefits	45,046	45,046	44,913	133
Purchased Services	57,800	57,800	41,912	15,888
Materials and Supplies	30,871	30,871	20,617	10,254
Capital Outlay	2,429	17,429	16,111	1,318
Total Information Technology	294,026	309,026	280,740	28,286
Land and Building:				
Salaries and Wages	340,000	310,000	259,938	50,062
Purchased Services	437,505	455,172	394,799	60,373
Materials and Supplies	107,806	106,903	83,888	23,015
Capital Outlay	154,715	137,951	83,917	54,034
Total Land and Building	1,040,026	1,010,026	822,542	187,484
Engineer:				
Salaries and Wages	115,900	115,900	100,706	15,194
Fringe Benefits	34,400	34,400	31,027	3,373
Purchased Services	29,105	27,105	15,211	11,894
Materials and Supplies	6,500	6,500	1,851	4,649
Capital Outlay	3,582	5,582	2,849	2,733
Total Engineer	189,487	189,487	151,644	37,843
Cable Advisory Commission:				
Salaries and Wages	500	500	119	381
Fringe Benefits	144	144	35	109
Purchased Services	1,000	1,000	0	1,000
Total Cable Advisory Commission	1,644	1,644	154	1,490
County Auditor and Treasurer:				
Fringe Benefits	230,610	230,610	229,352	1,258
Purchased Services	66,600	66,600	60,854	5,746
Total County Auditor and Treasurer	\$297,210	\$297,210	\$290,206	\$7,004

(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, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Income Tax Administration:				
Salaries and Wages	\$13,975	\$13,975	\$13,900	\$75
Fringe Benefits	4,157	4,157	4,145	12
Purchased Services	449,300	460,700	427,827	32,873
Materials and Supplies	700	1,300	1,235	65
Total Income Tax Administration	468,132	480,132	447,107	33,025
Administrative Support:				
Salaries and Wages	33,990	33,990	33,126	864
Fringe Benefits	52,944	52,944	52,944	0
Purchased Services	528,500	500,202	444,609	55,593
Materials and Supplies	992,110	995,698	969,193	26,505
Capital Outlay	12,970	12,382	5,176	7,206
Other	190,000	500,300	0	500,300
Total Administrative Support	1,810,514	2,095,516	1,505,048	590,468
Human Resources Department:				
Salaries and Wages	237,210	202,210	196,785	5,425
Fringe Benefits	60,199	60,199	57,997	2,202
Purchased Services	250,000	328,340	278,024	50,316
Materials and Supplies	90,284	90,172	68,308	21,864
Capital Outlay	3,686	3,286	3,285	1
Other	1,228	1,200	1,019	181
Total Human Resources Department	642,607	685,407	605,418	79,989
Blossom Hill:				
Salaries and Wages	143,000	138,000	129,998	8,002
Purchased Services	214,191	195,090	135,098	59,992
Materials and Supplies	20,899	15,000	5,167	9,833
Capital Outlay	16,620	41,620	4,789	36,831
Total Blossom Hill	394,710	389,710	275,052	114,658
Total Legislative and Executive	6,507,792	6,880,611	5,695,399	1,185,212
Judicial System:				
Mayor's Court:				
Salaries and Wages	106,953	106,953	102,693	4,260
Fringe Benefits	29,307	29,307	27,704	1,603
Purchased Services	25,000	25,000	22,662	2,338
Materials and Supplies	4,200	4,200	1,591	2,609
Capital Outlay	300	300	0	300
Total Judicial System	165,760	165,760	154,650	11,110
Total General Government	\$6,673,552	\$7,046,371	\$5,850,049	\$1,196,322

(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, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	\$2,673,669	\$2,673,669	\$2,517,500	\$156,169
Fringe Benefits	771,270	770,493	656,398	114,095
Purchased Services	106,914	103,351	79,213	24,138
Materials and Supplies	88,354	100,352	83,870	16,482
Capital Outlay	24,835	25,175	19,402	5,773
Total Law Enforcement	3,665,042	3,673,040	3,356,383	316,657
Prisoner Support:				
Salaries and Wages	185,000	187,976	175,284	12,692
Fringe Benefits	57,362	57,362	57,039	323
Purchased Services	13,000	13,000	8,215	4,785
Materials and Supplies	14,076	18,500	16,396	2,104
Capital Outlay	1,750	1,750	0	1,750
Total Prisoner Support	271,188	278,588	256,934	21,654
Animal Control:				
Salaries and Wages	39,944	39,944	36,974	2,970
Fringe Benefits	12,837	12,837	11,013	1,824
Purchased Services	2,700	2,700	2,185	515
Materials and Supplies	1,300	1,300	1,141	159
Capital Outlay	1,400	1,400	984	416
Total Animal Control	58,181	58,181	52,297	5,884
Total Police	3,994,411	4,009,809	3,665,614	344,195
Fire:				
Hydrants:				
Salaries and Wages	12,000	12,000	5,192	6,808
Purchased Services	24,430	32,215	21,325	10,890
Materials and Supplies	34,213	26,428	25,928	500
Total Fire	70,643	70,643	52,445	18,198
Total Public Safety	\$4,065,054	\$4,080,452	\$3,718,059	\$362,393

(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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Health Services:				
Cemetery:				
Salaries and Wages	\$75,525	\$96,025	\$84,147	\$11,878
Materials and Supplies	7,299	7,299	4,265	3,034
Capital Outlay	3,000	3,141	3,141	0
Other	4,141	4,000	30	3,970
Total Cemetery	89,965	110,465	91,583	18,882
Board of Health:				
Purchased Services	44,830	44,830	44,830	0
Total Public Health Services	134,795	155,295	136,413	18,882
Street Construction, Maintenance and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	723,000	763,000	748,633	14,367
Fringe Benefits	759,091	759,091	657,463	101,628
Purchased Services	14,500	14,500	0	14,500
Materials and Supplies	51,000	51,000	37,165	13,835
Total Street Repairs and Maintenance	1,547,591	1,587,591	1,443,261	144,330
Snow and Ice Removal:				
Salaries and Wages	160,500	160,500	57,508	102,992
Purchased Services	30,280	26,780	25,960	820
Materials and Supplies	4,084	7,584	4,186	3,398
Total Snow and Ice Removal	194,864	194,864	87,654	107,210
Vehicle Maintenance:				
Salaries and Wages	181,520	192,020	189,823	2,197
Purchased Services	40,000	40,000	17,336	22,664
Materials and Supplies	161,316	161,316	139,012	22,304
Capital Outlay	5,000	5,000	4,939	61
Total Vehicle Maintenance	387,836	398,336	351,110	47,226
Total Street Construction, Maintenance and Repair	\$2,130,291	\$2,180,791	\$1,882,025	\$298,766

(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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Housing and Community Development:				
Planning Commission:				
Salaries and Wages	\$3,500	\$3,500	\$2,545	\$955
Fringe Benefits	1,020	1,020	760	260
Purchased Services	22,947	21,097	15,053	6,044
Materials and Supplies	1,875	3,725	3,230	495
Total Planning Commission	29,342	29,342	21,588	7,754
Housing and Building Inspection:				
Salaries and Wages	396,874	396,874	396,858	16
Fringe Benefits	111,511	111,511	111,511	0
Purchased Services	8,000	16,500	7,703	8,797
Materials and Supplies	10,024	13,342	8,273	5,069
Capital Outlay	1,500	9,182	7,046	2,136
Other	1,000	5,000	1,203	3,797
Total Housing and Building Inspection	528,909	552,409	532,594	19,815
Urban Forestry:				
Salaries and Wages	224,000	219,000	208,693	10,307
Purchased Services	21,100	21,145	16,263	4,882
Materials and Supplies	19,208	18,208	14,156	4,052
Capital Outlay	3,000	3,955	3,955	0
Total Urban Forestry	267,308	262,308	243,067	19,241
Total Housing and Community Development	825,559	844,059	797,249	46,810
Basic Utility Services:				
Storm Sewers and Drains:				
Salaries and Wages	44,000	44,000	21,572	22,428
Purchased Services	59,000	39,000	18,263	20,737
Materials and Supplies	7,000	7,000	2,439	4,561
Total Storm Sewers and Drains	\$110,000	\$90,000	\$42,274	\$47,726

(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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Refuse Collection:				
Salaries and Wages	\$253,000	\$253,000	\$241,037	\$11,963
Purchased Services	303,935	303,936	303,935	1
Total Refuse Collection	<u>556,935</u>	<u>556,936</u>	<u>544,972</u>	<u>11,964</u>
Service Department:				
Salaries and Wages	225,500	236,634	223,835	12,799
Fringe Benefits	157,451	157,003	139,766	17,237
Purchased Services	30,000	10,186	4,562	5,624
Materials and Supplies	5,910	24,538	19,143	5,395
Capital Outlay	4,275	9,775	8,931	844
Total Service Department	<u>423,136</u>	<u>438,136</u>	<u>396,237</u>	<u>41,899</u>
House-Keeping Service:				
Salaries and Wages	293,126	293,126	269,147	23,979
Fringe Benefits	89,746	89,746	80,208	9,538
Purchased Services	13,000	13,000	10,085	2,915
Capital Outlay	27,000	27,000	25,129	1,871
Total House-Keeping Service	<u>422,872</u>	<u>422,872</u>	<u>384,569</u>	<u>38,303</u>
Street Lighting:				
Purchased Services	90,000	90,000	90,000	0
Rubbish Recycling:				
Salaries and Wages	265,500	275,500	262,490	13,010
Purchased Services	24,705	24,705	17,079	7,626
Materials and Supplies	13,000	13,000	9,914	3,086
Total Rubbish Recycling	<u>303,205</u>	<u>313,205</u>	<u>289,483</u>	<u>23,722</u>
Leaf Program:				
Salaries and Wages	67,000	69,000	66,309	2,691
Purchased Services	25,000	25,000	17,310	7,690
Materials and Supplies	2,500	2,500	2,331	169
Total Leaf Program	<u>94,500</u>	<u>96,500</u>	<u>85,950</u>	<u>10,550</u>
Total Basic Utility Services	<u>\$2,000,648</u>	<u>\$2,007,649</u>	<u>\$1,833,485</u>	<u>\$174,164</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Recreational Activities:				
Brecksville Center for the Arts:				
Purchased Services	\$5,471	\$17,443	\$15,858	\$1,585
Materials and Supplies	21,275	6,800	5,570	1,230
Capital Outlay	0	2,500	2,444	56
Total Recreational Activities	<u>26,746</u>	<u>26,743</u>	<u>23,872</u>	<u>2,871</u>
<i>Total Expenditures</i>	<u>15,856,645</u>	<u>16,341,360</u>	<u>14,241,152</u>	<u>2,100,208</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,262,577)</u>	<u>(747,292)</u>	<u>2,335,847</u>	<u>3,083,139</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	23,000	23,000	11,487	(11,513)
Transfers In	30,000	30,000	0	(30,000)
Transfers Out	<u>(803,000)</u>	<u>(1,103,000)</u>	<u>(1,100,000)</u>	<u>3,000</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(750,000)</u>	<u>(1,050,000)</u>	<u>(1,088,513)</u>	<u>(38,513)</u>
<i>Net Change in Fund Balance</i>	<u>(2,012,577)</u>	<u>(1,797,292)</u>	<u>1,247,334</u>	<u>3,044,626</u>
<i>Fund Balance Beginning of Year</i>	5,346,461	5,346,461	5,346,461	0
Prior Year Encumbrances Appropriated	<u>297,925</u>	<u>297,925</u>	<u>297,925</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,631,809</u></u>	<u><u>\$3,847,094</u></u>	<u><u>\$6,891,720</u></u>	<u><u>\$3,044,626</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, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$1,770,830	\$1,770,830	\$1,791,615	\$20,785
Licenses and Permits	0	0	50	50
Intergovernmental	282,403	285,903	262,581	(23,322)
Interest	15,000	15,000	35,830	20,830
Miscellaneous	0	0	4,612	4,612
<i>Total Revenues</i>	<u>2,068,233</u>	<u>2,071,733</u>	<u>2,094,688</u>	<u>22,955</u>
Expenditures				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,542,495	1,541,222	1,485,531	55,691
Fringe Benefits	392,964	422,238	378,212	44,026
Purchased Services	285,981	179,980	112,195	67,785
Materials and Supplies	15,448	69,948	44,122	25,826
Capital Outlay	400	55,400	27,189	28,211
<i>Total Expenditures</i>	<u>2,237,288</u>	<u>2,268,788</u>	<u>2,047,249</u>	<u>221,539</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(169,055)	(197,055)	47,439	244,494
Other Financing Uses				
Transfers Out	(200,000)	(200,000)	(200,000)	0
<i>Net Change in Fund Balance</i>	(369,055)	(397,055)	(152,561)	244,494
<i>Fund Balance Beginning of Year</i>	469,102	469,102	469,102	0
Prior Year Encumbrances Appropriated	22,143	22,143	22,143	0
<i>Fund Balance End of Year</i>	<u>\$122,190</u>	<u>\$94,190</u>	<u>\$338,684</u>	<u>\$244,494</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, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Special Assessments	\$500,000	\$650,000	\$612,128	(\$37,872)
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Other	50,000	50,000	6,075	43,925
Debt Service:				
Principal Retirement	399,108	399,108	360,000	39,108
Interest and Fiscal Charges	250,892	250,892	250,892	0
Total Debt Service	650,000	650,000	610,892	39,108
<i>Total Expenditures</i>	700,000	700,000	616,967	83,033
<i>Net Change in Fund Balance</i>	(200,000)	(50,000)	(4,839)	45,161
<i>Fund Balance Beginning of Year</i>	492,058	492,058	492,058	0
<i>Fund Balance End of Year</i>	<u>\$292,058</u>	<u>\$442,058</u>	<u>\$487,219</u>	<u>\$45,161</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, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$740,000	\$960,000	\$960,000	\$0
Interest	10,000	10,000	29,273	19,273
Miscellaneous	173,000	173,000	25,662	(147,338)
<i>Total Revenues</i>	<u>923,000</u>	<u>1,143,000</u>	<u>1,014,935</u>	<u>(128,065)</u>
Expenditures				
Capital Outlay:				
Purchased Services	211,000	191,103	23,903	167,200
Capital Outlay	987,652	1,231,555	879,772	351,783
Total Capital Outlay	<u>1,198,652</u>	<u>1,422,658</u>	<u>903,675</u>	<u>518,983</u>
Debt Service:				
Principal Retirement	500,000	500,000	500,000	0
Interest and Fiscal Charges	14,500	14,500	14,500	0
Total Debt Service	<u>514,500</u>	<u>514,500</u>	<u>514,500</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,713,152</u>	<u>1,937,158</u>	<u>1,418,175</u>	<u>518,983</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(790,152)</u>	<u>(794,158)</u>	<u>(403,240)</u>	<u>390,918</u>
Other Financing Sources (Uses)				
Transfers In	1,370,000	1,370,000	1,370,000	0
Transfers Out	(1,405,244)	(1,405,244)	(1,405,244)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(35,244)</u>	<u>(35,244)</u>	<u>(35,244)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(825,396)</u>	<u>(829,402)</u>	<u>(438,484)</u>	<u>390,918</u>
<i>Fund Balance Beginning of Year</i>	865,629	865,629	865,629	0
Prior Year Encumbrances Appropriated	60,152	60,152	60,152	0
<i>Fund Balance End of Year</i>	<u>\$100,385</u>	<u>\$96,379</u>	<u>\$487,297</u>	<u>\$390,918</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, 2006*

	<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
Interest	4,000	4,000	10,868	6,868
<i>Total Revenues</i>	1,204,000	1,204,000	1,210,868	6,868
Expenditures				
Capital Outlay:				
Capital Outlay	20,000	20,000	0	20,000
<i>Excess of Revenues Over Expenditures</i>	1,184,000	1,184,000	1,210,868	26,868
Other Financing Uses				
Transfers Out	(1,380,000)	(1,410,000)	(1,279,999)	130,001
<i>Net Change in Fund Balance</i>	(196,000)	(226,000)	(69,131)	156,869
<i>Fund Balance Beginning of Year</i>	320,352	320,352	320,352	0
<i>Fund Balance End of Year</i>	<u>\$124,352</u>	<u>\$94,352</u>	<u>\$251,221</u>	<u>\$156,869</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, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$120,000	\$120,000	\$120,000	\$0
Intergovernmental	127,125	127,125	45,880	(81,245)
Interest	5,500	5,500	20,671	15,171
Miscellaneous	90,300	90,300	0	(90,300)
<i>Total Revenues</i>	342,925	342,925	186,551	(156,374)
Expenditures				
Capital Outlay:				
Oakes Road Reconstruction:				
Purchased Services	17,230	16,920	16,501	419
Capital Outlay	57,000	57,310	55,062	2,248
Total Oakes Road Reconstruction	74,230	74,230	71,563	2,667
Road Repaving:				
Purchased Services	262,279	459,029	455,793	3,236
Route 21 Access Roads				
Capital Outlay	205,676	225,676	20,876	204,800
Citywide Traffic Resignal:				
Capital Outlay	39,554	65,554	55,850	9,704
Total Capital Outlay	581,739	824,489	604,082	220,407
Debt Service:				
Principal Retirement	300,000	300,000	300,000	0
Interest and Fiscal Charges	10,000	10,000	3,406	6,594
Total Debt Service	310,000	310,000	303,406	6,594
<i>Total Expenditures</i>	891,739	1,134,489	907,488	227,001
<i>Excess of Revenues Under Expenditures</i>	(548,814)	(791,564)	(720,937)	70,627
Other Financing Sources (Uses)				
Transfers In	184,000	530,000	530,000	0
Transfers Out	(20,000)	(20,000)	0	20,000
<i>Total Other Financing Sources (Uses)</i>	164,000	510,000	530,000	20,000
<i>Net Change in Fund Balance</i>	(384,814)	(281,564)	(190,937)	90,627
<i>Fund Balance Beginning of Year</i>	498,725	498,725	498,725	0
Prior Year Encumbrances Appropriated	136,739	136,739	136,739	0
<i>Fund Balance End of Year</i>	\$250,650	\$353,900	\$444,527	\$90,627

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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$32,000	\$32,000	\$35,075	\$3,075
Interest	1,530	1,530	6,256	4,726
<i>Total Revenues</i>	33,530	33,530	41,331	7,801
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Capital Outlay	100,000	100,000	4,625	95,375
<i>Net Change in Fund Balance</i>	(66,470)	(66,470)	36,706	103,176
<i>Fund Balance Beginning of Year</i>	105,514	105,514	105,514	0
<i>Fund Balance End of Year</i>	<u>\$39,044</u>	<u>\$39,044</u>	<u>\$142,220</u>	<u>\$103,176</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$495,000	\$495,000	\$569,065	\$74,065
Interest	5,000	5,000	16,986	11,986
<i>Total Revenues</i>	<u>500,000</u>	<u>500,000</u>	<u>586,051</u>	<u>86,051</u>
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Snow and Ice Removal:				
Materials and Supplies	351,514	327,714	260,014	67,700
Capital Outlay	44,373	68,173	68,173	0
<i>Total Expenditures</i>	<u>395,887</u>	<u>395,887</u>	<u>328,187</u>	<u>67,700</u>
<i>Excess of Revenues Over Expenditures</i>	104,113	104,113	257,864	153,751
Other Financing Uses				
Transfers Out	(200,000)	(200,000)	(200,000)	0
<i>Net Change in Fund Balance</i>	(95,887)	(95,887)	57,864	153,751
<i>Fund Balance Beginning of Year</i>	173,821	173,821	173,821	0
Prior Year Encumbrances Appropriated	85,887	85,887	85,887	0
<i>Fund Balance End of Year</i>	<u>\$163,821</u>	<u>\$163,821</u>	<u>\$317,572</u>	<u>\$153,751</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$40,000	\$40,000	\$46,140	\$6,140
Interest	1,500	1,500	1,554	54
<i>Total Revenues</i>	<u>41,500</u>	<u>41,500</u>	<u>47,694</u>	<u>6,194</u>
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Route 21 Center Strip:				
Salaries and Wages	10,000	10,000	7,212	2,788
Purchased Services	41,337	31,337	29,857	1,480
Materials and Supplies	2,500	0	0	0
Total Route 21 Center Strip	<u>53,837</u>	<u>41,337</u>	<u>37,069</u>	<u>4,268</u>
Snow and Ice Removal:				
Materials and Supplies	<u>40,000</u>	<u>52,500</u>	<u>42,117</u>	<u>10,383</u>
<i>Total Expenditures</i>	<u>93,837</u>	<u>93,837</u>	<u>79,186</u>	<u>14,651</u>
<i>Net Change in Fund Balance</i>	(52,337)	(52,337)	(31,492)	20,845
<i>Fund Balance Beginning of Year</i>	44,397	44,397	44,397	0
Prior Year Encumbrances Appropriated	<u>23,837</u>	<u>23,837</u>	<u>23,837</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$15,897</u>	<u>\$15,897</u>	<u>\$36,742</u>	<u>\$20,845</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$721,700	\$721,700	\$700,328	(\$21,372)
Interest	0	15,000	23,522	8,522
Donations	3,000	3,000	2,350	(650)
Rentals	56,500	56,500	46,864	(9,636)
Miscellaneous	13,500	13,500	17,555	4,055
<i>Total Revenues</i>	<u>794,700</u>	<u>809,700</u>	<u>790,619</u>	<u>(19,081)</u>
Expenditures				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	803,301	869,706	854,117	15,589
Fringe Benefits	141,039	152,698	148,780	3,918
Purchased Services	436,647	458,311	381,432	76,879
Materials and Supplies	178,858	169,736	132,618	37,118
Capital Outlay	91,864	73,027	59,227	13,800
Other	2,771	3,000	2,370	630
<i>Total Expenditures</i>	<u>1,654,480</u>	<u>1,726,478</u>	<u>1,578,544</u>	<u>147,934</u>
<i>Excess of Revenues Under Expenditures</i>	(859,780)	(916,778)	(787,925)	128,853
Other Financing Sources				
Transfers In	800,000	800,000	800,000	0
<i>Net Change in Fund Balance</i>	(59,780)	(116,778)	12,075	128,853
<i>Fund Balance Beginning of Year</i>	176,116	176,116	176,116	0
Prior Year Encumbrances Appropriated	59,824	59,824	59,824	0
<i>Fund Balance End of Year</i>	<u>\$176,160</u>	<u>\$119,162</u>	<u>\$248,015</u>	<u>\$128,853</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Programs Fund
For the Year Ended December 31, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$1,500	\$1,500	\$2,087	\$587
Expenditures				
Current:				
Recreational Activities:				
Special Events:				
Materials and Supplies	8,000	8,000	2,523	5,477
<i>Net Change in Fund Balance</i>	(6,500)	(6,500)	(436)	6,064
<i>Fund Balance Beginning of Year</i>	8,473	8,473	8,473	0
<i>Fund Balance End of Year</i>	<u>\$1,973</u>	<u>\$1,973</u>	<u>\$8,037</u>	<u>\$6,064</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$518,015	\$518,015	\$526,945	\$8,930
Intergovernmental	85,845	85,845	75,225	(10,620)
Interest	12,000	12,000	21,151	9,151
<i>Total Revenues</i>	<u>615,860</u>	<u>615,860</u>	<u>623,321</u>	<u>7,461</u>
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Purchased Services	833,605	648,855	646,576	2,279
Capital Outlay	35,952	23,952	23,896	56
<i>Total Expenditures</i>	<u>869,557</u>	<u>672,807</u>	<u>670,472</u>	<u>2,335</u>
<i>Excess of Revenues Under Expenditures</i>	(253,697)	(56,947)	(47,151)	9,796
Other Financing Uses				
Transfers Out	(11,732)	(11,732)	(11,732)	0
<i>Net Change in Fund Balance</i>	(265,429)	(68,679)	(58,883)	9,796
<i>Fund Balance Beginning of Year</i>	130,919	130,919	130,919	0
Prior Year Encumbrances Appropriated	244,557	244,557	244,557	0
<i>Fund Balance End of Year</i>	<u>\$110,047</u>	<u>\$306,797</u>	<u>\$316,593</u>	<u>\$9,796</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$30	\$30	\$0	(\$30)
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Federal Equitable Sharing				
Other	3,900	3,900	0	3,900
<i>Net Change in Fund Balance</i>	(3,870)	(3,870)	0	3,870
<i>Fund Balance Beginning of Year</i>	3,905	3,905	3,905	0
<i>Fund Balance End of Year</i>	<u>\$35</u>	<u>\$35</u>	<u>\$3,905</u>	<u>\$3,870</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Prisoner Assistance Fund
For the Year Ended December 31, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$200	\$200	\$35	(\$165)
Interest	100	100	452	352
<i>Total Revenues</i>	300	300	487	187
Expenditures				
Current:				
Public Safety:				
Police:				
Prisoner Support:				
Materials and Supplies	8,000	8,000	34	7,966
<i>Net Change in Fund Balance</i>	(7,700)	(7,700)	453	8,153
<i>Fund Balance Beginning of Year</i>	8,869	8,869	8,869	0
<i>Fund Balance End of Year</i>	<u>\$1,169</u>	<u>\$1,169</u>	<u>\$9,322</u>	<u>\$8,153</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, 2006

	<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	\$275	(\$225)
Interest	200	200	464	264
<i>Total Revenues</i>	700	700	739	39
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	8,000	8,000	0	8,000
<i>Net Change in Fund Balance</i>	(7,300)	(7,300)	739	8,039
<i>Fund Balance Beginning of Year</i>	8,987	8,987	8,987	0
<i>Fund Balance End of Year</i>	<u>\$1,687</u>	<u>\$1,687</u>	<u>\$9,726</u>	<u>\$8,039</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,200	\$1,200	\$675	(\$525)
Interest	750	750	2,327	1,577
Donations	0	0	1,750	1,750
Miscellaneous	4,100	4,100	4,381	281
<i>Total Revenues</i>	<u>6,050</u>	<u>6,050</u>	<u>9,133</u>	<u>3,083</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	4,000	4,000	2,074	1,926
Purchased Services	25,198	26,048	3,053	22,995
Materials and Supplies	6,000	6,000	0	6,000
Capital Outlay	967	117	117	0
<i>Total Expenditures</i>	<u>36,165</u>	<u>36,165</u>	<u>5,244</u>	<u>30,921</u>
<i>Net Change in Fund Balance</i>	(30,115)	(30,115)	3,889	34,004
<i>Fund Balance Beginning of Year</i>	43,839	43,839	43,839	0
Prior Year Encumbrances Appropriated	<u>1,315</u>	<u>1,315</u>	<u>1,315</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$15,039</u></u>	<u><u>\$15,039</u></u>	<u><u>\$49,043</u></u>	<u><u>\$34,004</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computerization Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$17,000	\$17,000	\$16,374	(\$626)
Interest	4,000	4,000	9,066	5,066
<i>Total Revenues</i>	21,000	21,000	25,440	4,440
Expenditures				
Current:				
General Government:				
Judicial:				
Court Computerization:				
Purchased Services	165,000	165,000	0	165,000
<i>Net Change in Fund Balance</i>	(144,000)	(144,000)	25,440	169,440
<i>Fund Balance Beginning of Year</i>	170,579	170,579	170,579	0
<i>Fund Balance End of Year</i>	<u>\$26,579</u>	<u>\$26,579</u>	<u>\$196,019</u>	<u>\$169,440</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, 2006

	<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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$0	\$2,281	\$2,281
Interest	800	800	629	(171)
<i>Total Revenues</i>	800	800	2,910	2,110
Expenditures				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Capital Outlay	11,000	11,000	0	11,000
<i>Net Change in Fund Balance</i>	(10,200)	(10,200)	2,910	13,110
<i>Fund Balance Beginning of Year</i>	11,242	11,242	11,242	0
<i>Fund Balance End of Year</i>	<u>\$1,042</u>	<u>\$1,042</u>	<u>\$14,152</u>	<u>\$13,110</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$23,000	\$23,000	\$17,525	(\$5,475)
Interest	2,500	2,500	7,523	5,023
<i>Total Revenues</i>	<u>25,500</u>	<u>25,500</u>	<u>25,048</u>	<u>(452)</u>
Expenditures				
Current:				
Housing and Community Development:				
Tree Planning:				
Salaries and Wages	20,000	20,000	8,348	11,652
Capital Outlay	109,778	107,778	23,976	83,802
Other	6,000	8,000	5,775	2,225
<i>Total Expenditures</i>	<u>135,778</u>	<u>135,778</u>	<u>38,099</u>	<u>97,679</u>
<i>Net Change in Fund Balance</i>	(110,278)	(110,278)	(13,051)	97,227
<i>Fund Balance Beginning of Year</i>	154,106	154,106	154,106	0
Prior Year Encumbrances Appropriated	<u>2,778</u>	<u>2,778</u>	<u>2,778</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$46,606</u></u>	<u><u>\$46,606</u></u>	<u><u>\$143,833</u></u>	<u><u>\$97,227</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$0	\$11,000	\$11,927	\$927
Interest	150	150	838	688
<i>Total Revenues</i>	150	11,150	12,765	1,615
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	5,000	5,000	4,839	161
<i>Net Change in Fund Balance</i>	(4,850)	6,150	7,926	1,776
<i>Fund Balance Beginning of Year</i>	8,747	8,747	8,747	0
<i>Fund Balance End of Year</i>	<u>\$3,897</u>	<u>\$14,897</u>	<u>\$16,673</u>	<u>\$1,776</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,200	\$1,200	\$585	(\$615)
Interest	500	500	1,932	1,432
<i>Total Revenues</i>	1,700	1,700	2,517	817
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	35,000	35,000	0	35,000
<i>Net Change in Fund Balance</i>	(33,300)	(33,300)	2,517	35,817
<i>Fund Balance Beginning of Year</i>	38,223	38,223	38,223	0
<i>Fund Balance End of Year</i>	<u>\$4,923</u>	<u>\$4,923</u>	<u>\$40,740</u>	<u>\$35,817</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$0	\$0	\$4,410	\$4,410
Interest	400	400	1,248	848
<i>Total Revenues</i>	400	400	5,658	5,258
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	21,000	21,000	0	21,000
<i>Net Change in Fund Balance</i>	(20,600)	(20,600)	5,658	26,258
<i>Fund Balance Beginning of Year</i>	21,955	21,955	21,955	0
<i>Fund Balance End of Year</i>	<u>\$1,355</u>	<u>\$1,355</u>	<u>\$27,613</u>	<u>\$26,258</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$155,405	\$155,405	\$158,084	\$2,679
Intergovernmental	25,799	25,799	22,567	(3,232)
<i>Total Revenues</i>	<u>181,204</u>	<u>181,204</u>	<u>180,651</u>	<u>(553)</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Fringe Benefits	200,000	200,000	194,112	5,888
Purchased Services	400	400	120	280
<i>Total Expenditures</i>	<u>200,400</u>	<u>200,400</u>	<u>194,232</u>	<u>6,168</u>
<i>Net Change in Fund Balance</i>	(19,196)	(19,196)	(13,581)	5,615
<i>Fund Balance Beginning of Year</i>	<u>33,127</u>	<u>33,127</u>	<u>33,127</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,931</u></u>	<u><u>\$13,931</u></u>	<u><u>\$19,546</u></u>	<u><u>\$5,615</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Donations	\$0	\$0	\$1,990	\$1,990
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Memorials:				
Materials and Supplies	<u>17,061</u>	<u>17,061</u>	<u>1,736</u>	<u>15,325</u>
<i>Net Change in Fund Balance</i>	(17,061)	(17,061)	254	17,315
<i>Fund Balance Beginning of Year</i>	17,192	17,192	17,192	0
Prior Year Encumbrances Appropriated	<u>61</u>	<u>61</u>	<u>61</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$192</u></u>	<u><u>\$192</u></u>	<u><u>\$17,507</u></u>	<u><u>\$17,315</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$200,816	\$200,816	\$205,509	\$4,693
Intergovernmental	36,088	36,088	30,037	(6,051)
<i>Total Revenues</i>	<u>236,904</u>	<u>236,904</u>	<u>235,546</u>	<u>(1,358)</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Other	160	160	156	4
Debt Service:				
Principal Retirement	860,000	860,000	860,000	0
Interest and Fiscal Charges	569,774	569,774	521,909	47,865
Total Debt Service	<u>1,429,774</u>	<u>1,429,774</u>	<u>1,381,909</u>	<u>47,865</u>
<i>Total Expenditures</i>	<u>1,429,934</u>	<u>1,429,934</u>	<u>1,382,065</u>	<u>47,869</u>
<i>Excess of Revenues Under Expenditures</i>	(1,193,030)	(1,193,030)	(1,146,519)	46,511
Other Financing Sources				
Transfers In	<u>1,175,244</u>	<u>1,175,244</u>	<u>1,175,244</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(17,786)	(17,786)	28,725	46,511
<i>Fund Balance Beginning of Year</i>	<u>265,171</u>	<u>265,171</u>	<u>265,171</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$247,385</u>	<u>\$247,385</u>	<u>\$293,896</u>	<u>\$46,511</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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$50,000	\$50,000	\$48,859	(\$1,141)
Interest	13,000	13,000	22,336	9,336
<i>Total Revenues</i>	<u>63,000</u>	<u>63,000</u>	<u>71,195</u>	<u>8,195</u>
Expenditures				
Capital Outlay:				
Purchased Services	1,000	1,000	0	1,000
Capital Outlay	269,681	264,184	255,716	8,468
Total Capital Outlay	270,681	265,184	255,716	9,468
Debt Service:				
Principal Retirement	51,232	56,729	51,233	5,496
<i>Total Expenditures</i>	<u>321,913</u>	<u>321,913</u>	<u>306,949</u>	<u>14,964</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(258,913)</u>	<u>(258,913)</u>	<u>(235,754)</u>	<u>23,159</u>
Other Financing Sources (Uses)				
OPWC Loan Issued	0	0	162,934	162,934
Transfers In	56,717	56,717	56,727	10
Transfers Out	(350,000)	(350,000)	(350,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(293,283)</u>	<u>(293,283)</u>	<u>(130,339)</u>	<u>162,944</u>
<i>Net Change in Fund Balance</i>	(552,196)	(552,196)	(366,093)	186,103
<i>Fund Balance Beginning of Year</i>	629,562	629,562	629,562	0
Prior Year Encumbrances Appropriated	64,184	64,184	64,184	0
<i>Fund Balance End of Year</i>	<u>\$141,550</u>	<u>\$141,550</u>	<u>\$327,653</u>	<u>\$186,103</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$192,000	\$192,000	\$192,000	\$0
Interest	15,000	15,000	28,304	13,304
<i>Total Revenues</i>	207,000	207,000	220,304	13,304
Expenditures				
Capital Outlay:				
Capital Outlay	1,122,839	1,139,038	804,336	334,702
<i>Excess of Revenues Under Expenditures</i>	(915,839)	(932,038)	(584,032)	348,006
Other Financing Sources (Uses)				
Transfers In	500,000	500,000	500,000	0
Transfers Out	(22,214)	(22,215)	(22,214)	1
<i>Total Other Financing Sources (Uses)</i>	477,786	477,785	477,786	1
<i>Net Change in Fund Balance</i>	(438,053)	(454,253)	(106,246)	348,007
<i>Fund Balance Beginning of Year</i>	336,759	336,759	336,759	0
Prior Year Encumbrances Appropriated	188,118	188,118	188,118	0
<i>Fund Balance End of Year</i>	<u>\$86,824</u>	<u>\$70,624</u>	<u>\$418,631</u>	<u>\$348,007</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Equipment Replacement Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$1,000	\$1,000	\$3,835	\$2,835
Expenditures				
Capital Outlay:				
Capital Outlay	75,000	75,000	0	75,000
<i>Net Change in Fund Balance</i>	(74,000)	(74,000)	3,835	77,835
<i>Fund Balance Beginning of Year</i>	76,841	76,841	76,841	0
<i>Fund Balance End of Year</i>	<u>\$2,841</u>	<u>\$2,841</u>	<u>\$80,676</u>	<u>\$77,835</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Expansion Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$28,000	\$28,000	\$30,332	\$2,332
Interest	3,000	3,000	8,005	5,005
<i>Total Revenues</i>	31,000	31,000	38,337	7,337
Expenditures				
Capital Outlay:				
Capital Outlay	147,000	147,000	63,784	83,216
Other	3,000	3,000	222	2,778
<i>Total Expenditures</i>	150,000	150,000	64,006	85,994
<i>Net Change in Fund Balance</i>	(119,000)	(119,000)	(25,669)	93,331
<i>Fund Balance Beginning of Year</i>	167,132	167,132	167,132	0
<i>Fund Balance End of Year</i>	<u>\$48,132</u>	<u>\$48,132</u>	<u>\$141,463</u>	<u>\$93,331</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Library Improvement Fund
For the Year Ended December 31, 2006

	<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				
Capital Outlay:				
Purchased Services	<u>37,000</u>	<u>37,000</u>	<u>0</u>	<u>37,000</u>
<i>Net Change in Fund Balance</i>	(37,000)	(37,000)	0	37,000
<i>Fund Balance Beginning of Year</i>	<u>37,460</u>	<u>37,460</u>	<u>37,460</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$460</u></u>	<u><u>\$460</u></u>	<u><u>\$37,460</u></u>	<u><u>\$37,000</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Station Building Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$1,000	\$1,000	\$1,649	\$649
Expenditures				
Capital Outlay:				
Purchased Services	1,000	1,000	0	1,000
Capital Outlay	30,000	30,000	0	30,000
<i>Total Expenditures</i>	31,000	31,000	0	31,000
<i>Excess of Revenues Over (Under) Expenditures</i>	(30,000)	(30,000)	1,649	31,649
Other Financing Sources (Uses)				
Transfers In	50,000	50,000	50,000	0
Transfers Out	(50,000)	(50,000)	(50,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	0	0	0
<i>Net Change in Fund Balance</i>	(30,000)	(30,000)	1,649	31,649
<i>Fund Balance Beginning of Year</i>	33,076	33,076	33,076	0
<i>Fund Balance End of Year</i>	<u>\$3,076</u>	<u>\$3,076</u>	<u>\$34,725</u>	<u>\$31,649</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Station Building Fund
For the Year Ended December 31, 2006

	<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				
Capital Outlay:				
Capital Outlay	<u>275,000</u>	<u>145,000</u>	<u>63</u>	<u>144,937</u>
<i>Excess of Revenues Under Expenditures</i>	(275,000)	(145,000)	(63)	144,937
Other Financing Sources				
Transfers In	<u>260,000</u>	<u>130,000</u>	<u>0</u>	<u>(130,000)</u>
<i>Net Change in Fund Balance</i>	(15,000)	(15,000)	(63)	14,937
<i>Fund Balance Beginning of Year</i>	<u>19,415</u>	<u>19,415</u>	<u>19,415</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,415</u>	<u>\$4,415</u>	<u>\$19,352</u>	<u>\$14,937</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Human Services Facilities Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$245,000	\$25,000	\$61,890	\$36,890
Donations	0	0	4,236	4,236
<i>Total Revenues</i>	<u>245,000</u>	<u>25,000</u>	<u>66,126</u>	<u>41,126</u>
Expenditures				
Capital Outlay:				
Purchased Services	79,171	56,978	44,428	12,550
Material and Supplies	1,000	1,000	160	840
Capital Outlay	2,554,612	2,381,805	2,066,447	315,358
<i>Total Expenditures</i>	<u>2,634,783</u>	<u>2,439,783</u>	<u>2,111,035</u>	<u>328,748</u>
<i>Net Change in Fund Balance</i>	(2,389,783)	(2,414,783)	(2,044,909)	369,874
<i>Fund Balance Beginning of Year</i>	545,109	545,109	545,109	0
Prior Year Encumbrances Appropriated	<u>1,872,783</u>	<u>1,872,783</u>	<u>1,872,783</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$28,109</u></u>	<u><u>\$3,109</u></u>	<u><u>\$372,983</u></u>	<u><u>\$369,874</u></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, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$2,000	\$2,000	\$3,247	\$1,247
Expenditures				
Capital Outlay:				
Purchased Services	66,000	66,000	0	66,000
<i>Net Change in Fund Balance</i>	(64,000)	(64,000)	3,247	67,247
<i>Fund Balance Beginning of Year</i>	64,865	64,865	64,865	0
<i>Fund Balance End of Year</i>	<u>\$865</u>	<u>\$865</u>	<u>\$68,112</u>	<u>\$67,247</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Utility Improvement Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$36,500	\$36,500	\$31,480	(\$5,020)
Interest	5,000	8,000	14,230	6,230
<i>Total Revenues</i>	<u>41,500</u>	<u>44,500</u>	<u>45,710</u>	<u>1,210</u>
Expenditures				
Capital Outlay:				
Purchased Services	206,275	206,275	1,275	205,000
Capital Outlay	244,504	454,504	428,657	25,847
<i>Total Expenditures</i>	<u>450,779</u>	<u>660,779</u>	<u>429,932</u>	<u>230,847</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(409,279)</u>	<u>(616,279)</u>	<u>(384,222)</u>	<u>232,057</u>
Other Financing Sources (Uses)				
Transfers In	120,000	160,000	160,000	0
Transfers Out	(22,782)	(22,782)	(22,782)	0
<i>Total Other Financing Sources (Uses)</i>	<u>97,218</u>	<u>137,218</u>	<u>137,218</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(312,061)	(479,061)	(247,004)	232,057
<i>Fund Balance Beginning of Year</i>	482,768	482,768	482,768	0
Prior Year Encumbrances Appropriated	8,779	8,779	8,779	0
<i>Fund Balance End of Year</i>	<u><u>\$179,486</u></u>	<u><u>\$12,486</u></u>	<u><u>\$244,543</u></u>	<u><u>\$232,057</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,309,000	\$1,309,000	\$1,211,766	(\$97,234)
Interest	5,000	5,000	11,248	6,248
<i>Total Revenues</i>	<u>1,314,000</u>	<u>1,314,000</u>	<u>1,223,014</u>	<u>(90,986)</u>
Expenses				
Purchased Services	310,400	310,400	265,488	44,912
Claims	977,600	977,600	962,225	15,375
<i>Total Expenses</i>	<u>1,288,000</u>	<u>1,288,000</u>	<u>1,227,713</u>	<u>60,287</u>
<i>Net Change in Fund Equity</i>	26,000	26,000	(4,699)	(30,699)
<i>Fund Equity Beginning of Year</i>	<u>175,205</u>	<u>175,205</u>	<u>175,205</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$201,205</u>	<u>\$201,205</u>	<u>\$170,506</u>	<u>(\$30,699)</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$0	\$50	\$126	\$76
Expenses				
Materials and Supplies	3,000	348	141	207
<i>Net Change in Fund Equity</i>	(3,000)	(298)	(15)	283
<i>Fund Equity Beginning of Year</i>	3,116	3,116	3,116	0
<i>Fund Equity End of Year</i>	<u>\$116</u>	<u>\$2,818</u>	<u>\$3,101</u>	<u>\$283</u>

This Page Intentionally Left Blank

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>S3 – 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 – S29</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

This Page Intentionally Left Blank.

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

	2006	2005	2004	2003	2002	2001	2000	1999
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$57,841,389	\$55,145,792	\$52,108,292	\$45,138,862	\$38,639,023	\$34,795,536	\$30,614,461	\$26,373,272
Restricted:								
Capital Projects	4,400,084	5,885,715	4,953,157	6,896,322	6,919,152	4,904,140	4,923,709	5,387,122
Debt Service	5,162,626	5,320,046	4,493,213	4,786,541	6,111,400	6,344,837	2,831,673	3,899,231
Fire Department	279,010	429,565	370,646	265,884	N/A	N/A	N/A	N/A
Community Center	218,840	151,056	185,522	117,212	N/A	N/A	N/A	N/A
Street Construction, Repair and Maintenance	1,110,622	1,195,093	999,759	393,836	N/A	N/A	N/A	N/A
Other Purposes	697,202	502,465	642,334	1,143,615	2,854,699	2,568,737	1,836,373	1,848,429
Unrestricted	9,390,837	7,318,052	5,689,748	5,494,860	6,105,475	7,347,422	8,652,492	8,667,715
<i>Total Governmental Activities Net Assets</i>	<u>\$79,100,610</u>	<u>\$75,947,784</u>	<u>\$69,442,671</u>	<u>\$64,237,132</u>	<u>\$60,629,749</u>	<u>\$55,960,672</u>	<u>\$48,858,708</u>	<u>\$46,175,769</u>

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

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

	2006	2005	2004
Program Revenues			
Governmental Activities:			
Charges for Services:			
General Government:			
Legislative and Executive	\$350,725	\$87,170	\$151,662
Judicial System	316,831	326,593	349,991
Public Safety:			
Police	42,463	20,849	8,841
Fire	50	669	2,853
Public Health Services	37,060	37,965	93,342
Street Construction, Maintenance and Repair	0	0	0
Housing and Community Development	186,792	214,392	192,314
Basic Utility Services	31,480	56,030	39,616
Recreational Activities	862,767	884,160	782,684
Subtotal - Charges for Services	<u>1,828,168</u>	<u>1,627,828</u>	<u>1,621,303</u>
Operating Grants and Contributions:			
General Government:			
Legislative and Executive	2,590	1,330	11,400
Public Safety:			
Police	25,883	33,445	41,675
Fire	6,816	7,584	0
Public Health and Welfare	325	0	0
Street Construction, Maintenance and Repair	639,195	638,155	637,407
Housing and Community Development	0	2,281	0
Basic Utility Services	0	7,745	5,907
Recreational Activities	9,086	8,846	4,836
Subtotal - Operating Grants and Contributions	<u>683,895</u>	<u>699,386</u>	<u>701,225</u>
Capital Grants and Contributions:			
General Government			
Legislative and Executive	0	0	0
Public Safety:			
Fire	0	0	0
Public Health Services	0	0	0
Street Construction, Maintenance and Repair	48,859	2,619,017	1,394,171
Housing and Community Development	4,236	0	0
Basic Utility Services	0	278,298	0
Recreational Activities	0	0	724,841
Subtotal - Capital Grants and Contributions	<u>53,095</u>	<u>2,897,315</u>	<u>2,119,012</u>
<i>Total Primary Government Program Revenues</i>	<u>\$2,565,158</u>	<u>\$5,224,529</u>	<u>\$4,441,540</u>

2003	2002	2001	2000
\$146,626	\$214,328	\$136,062	\$115,258
335,897	346,837	366,916	358,507
5,774	40,233	55,580	21,042
2,092	3,843	2,420	1,982
90,250	19,691	28,734	26,997
340	330	1,420	15,768
183,530	162,026	127,232	179,512
56,635	0	77,320	77,010
717,068	602,448	605,477	574,423
<u>1,538,212</u>	<u>1,389,736</u>	<u>1,401,161</u>	<u>1,370,499</u>
5,781	4,696	13,368	5,365
21,666	41,587	26,555	32,799
6,525	5,542	6,200	154,401
0	0	0	0
539,875	479,926	441,349	398,028
0	222,928	27,325	0
11,666	20,000	0	23,400
3,348	3,684	726	39,794
<u>588,861</u>	<u>778,363</u>	<u>515,523</u>	<u>653,787</u>
95,000	0	0	0
0	4,050	0	0
0	0	30,000	0
3,532,626	1,436,541	0	0
0	0	0	0
0	43,490	2,201,667	0
0	23,440	200,000	0
<u>3,627,626</u>	<u>1,507,521</u>	<u>2,431,667</u>	<u>0</u>
<u>\$5,754,699</u>	<u>\$3,675,620</u>	<u>\$4,348,351</u>	<u>\$2,024,286</u>

(continued)

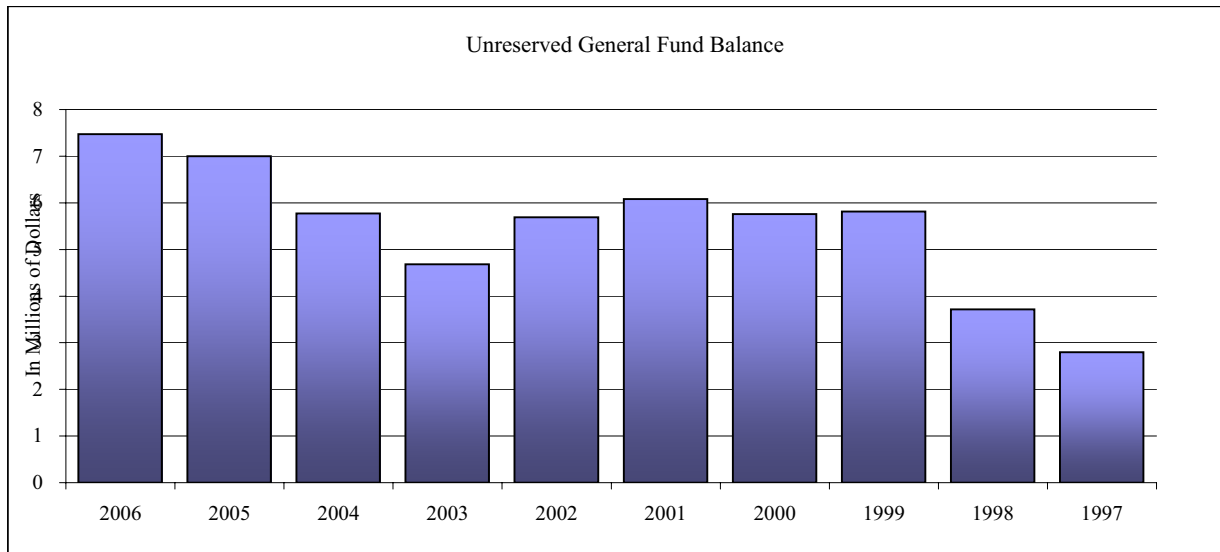
City of Brecksville, Ohio
Changes in Net Assets (continued)
Last Seven Years
(Accrual Basis of Accounting)

	2006	2005	2004
Expenses			
Governmental Activities:			
General Government:			
Legislative and Executive	\$5,443,397	\$4,355,622	\$4,246,585
Judicial System	171,607	157,222	151,584
Public Safety:			
Police	3,996,184	3,811,772	3,930,138
Fire	2,248,157	2,027,052	1,862,540
Public Health Services	153,476	122,266	113,498
Street Construction, Maintenance and Repair	3,913,477	4,280,735	3,433,446
Housing and Community Development	956,383	1,079,752	860,061
Basic Utility Services	2,048,065	1,946,379	2,457,634
Recreational Activities	1,843,775	1,466,915	1,568,851
Interest and Fiscal Charges	808,230	725,075	496,051
<i>Total Governmental Activities Expenses</i>	<u>21,582,751</u>	<u>19,972,790</u>	<u>19,120,388</u>
Net (Expense)/Revenue			
Governmental Activities	<u>(19,017,593)</u>	<u>(14,748,261)</u>	<u>(14,678,848)</u>
General Revenues and Other Changes in Net Assets			
Governmental Activities			
Taxes:			
Property and Other Local Taxes Levied For:			
General Purposes	1,838,138	1,832,776	1,772,674
Fire Department	1,780,532	1,777,908	1,716,753
Streets	523,686	522,913	504,927
Police Department	157,106	156,874	151,478
Debt Service	200,877	256,235	245,481
Other Purposes	0	0	0
Municipal Income Taxes levied for:			
General Purposes	12,732,659	11,350,171	10,309,796
Capital Outlay	2,481,438	2,495,169	2,452,992
Grants and Entitlements not Restricted to			
Specific Programs	1,545,865	1,494,661	1,760,102
Investment Earnings	636,011	644,426	594,442
Gain on Sale of Capital Assets	4,087	0	0
Miscellaneous	270,020	722,241	375,742
<i>Total Governmental Activities</i>	<u>22,170,419</u>	<u>21,253,374</u>	<u>19,884,387</u>
Change in Net Assets			
Governmental Activities	<u>\$3,152,826</u>	<u>\$6,505,113</u>	<u>\$5,205,539</u>

2003	2002	2001	2000
\$4,135,163	\$4,088,405	\$3,793,602	\$3,478,288
151,387	158,683	125,666	154,482
3,901,614	3,655,090	3,060,371	3,078,248
1,964,919	1,374,110	1,738,761	1,533,443
118,442	145,378	54,214	96,675
4,132,195	2,784,828	2,760,673	4,486,001
1,186,316	830,697	883,503	782,844
1,884,812	1,701,700	1,659,828	2,019,430
1,859,992	1,522,030	1,437,308	1,343,632
519,414	577,384	651,325	686,151
<u>19,854,254</u>	<u>16,838,305</u>	<u>16,165,251</u>	<u>17,659,194</u>
<u>(14,099,555)</u>	<u>(13,162,685)</u>	<u>(11,816,900)</u>	<u>(15,634,908)</u>
1,646,088	1,586,320	1,574,747	1,422,726
1,593,930	1,535,769	0	0
468,802	0	0	0
140,640	0	0	0
278,400	221,332	219,672	198,407
0	587,206	2,107,068	1,929,684
8,930,938	8,684,168	9,806,736	9,606,196
2,442,323	2,376,998	2,380,619	2,651,311
1,307,353	1,781,468	1,186,863	1,310,106
634,052	714,986	964,378	950,457
16,532	18,321	1,915	0
247,880	325,194	676,866	248,960
<u>17,706,938</u>	<u>17,831,762</u>	<u>18,918,864</u>	<u>18,317,847</u>
<u>\$3,607,383</u>	<u>\$4,669,077</u>	<u>\$7,101,964</u>	<u>\$2,682,939</u>

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

	2006	2005	2004	2003	2002
General Fund					
Reserved	\$521,033	\$205,703	\$152,799	\$129,821	\$186,479
Unreserved	7,472,841	7,000,511	5,774,941	4,678,964	5,688,101
Total General Fund	<u>7,993,874</u>	<u>7,206,214</u>	<u>5,927,740</u>	<u>4,808,785</u>	<u>5,874,580</u>
All Other Governmental Funds					
Reserved	1,583,769	2,405,842 *	8,161,824	2,708,943	3,026,921
Unreserved, Undesignated, Reported in:					
Special Revenue funds	1,784,046	1,493,502	1,573,035	1,382,265	1,464,612
Debt Service funds	781,115	757,229	542,934	719,213	478,266
Capital Projects funds (Deficit)	2,588,372	2,841,013	2,476,285	3,756,795	4,158,804
Total All Other Governmental Funds	<u>6,737,302</u>	<u>7,497,586</u>	<u>12,754,078</u>	<u>8,567,216</u>	<u>9,128,603</u>
Total Governmental Funds	<u>\$14,731,176</u>	<u>\$14,703,800</u>	<u>\$18,681,818</u>	<u>\$13,376,001</u>	<u>\$15,003,183</u>



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

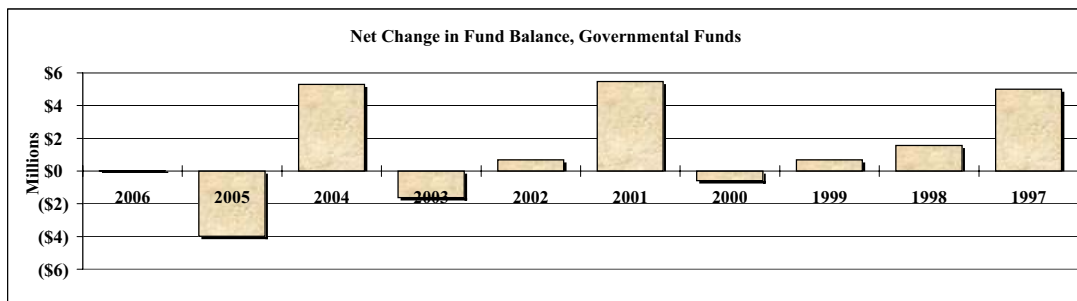
2001	2000	1999	1998	1997
\$348,005	\$281,273	\$362,971	\$155,610	\$151,099
6,082,777	5,758,845	5,812,661	3,716,064	2,795,931
6,430,782	6,040,118	6,175,632	3,871,674	2,947,030
1,328,730	2,544,652	2,161,410	1,705,698	646,174
2,237,924	1,396,426	1,194,816	1,047,925	1,264,106
394,277	323,042	247,845	216,972	168,331
3,927,051	(1,455,495)	(338,962)	1,920,959	2,170,135
7,887,982	2,808,625	3,265,109	4,891,554	4,248,746
\$14,318,764	\$8,848,743	\$9,440,741	\$8,763,228	\$7,195,776

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

	2006	2005	2004	2003	2002	2001
Revenues						
Taxes (1)	\$18,082,865	\$18,112,579	\$18,163,891	\$15,798,469	\$15,605,768	\$16,544,343
Charges for Services	795,817	780,783	763,763	757,802	621,980	640,568
Licenses and Permits	370,661	426,845	433,896	382,356	335,530	290,325
Fines and Forfeitures	318,741	315,131	331,702	321,007	353,697	394,319
Intergovernmental	2,201,360	3,381,031	3,445,386	2,776,961	3,496,062	1,869,874
Special Assessments	612,128	723,870	335,895	327,902	325,000	265,000
Interest	624,763	633,497	587,077	629,781	714,986	960,118
Sales	0	0	0	0	0	0
Donations	21,267	13,142	32,231	9,734	8,611	15,130
Rentals	99,195	105,069	91,942	77,047	150,939	75,949
Miscellaneous	270,020	719,916	270,539	223,698	415,384	641,602
<i>Total Revenues</i>	<i>23,396,817</i>	<i>25,211,863</i>	<i>24,456,322</i>	<i>21,304,757</i>	<i>22,027,957</i>	<i>21,697,228</i>
Expenditures						
Current:						
General Government: (2)						
Legislative and Executive	5,220,680	4,332,900	4,142,258	4,024,845	3,490,750	3,606,295
Judicial System	169,613	157,402	148,162	150,947	154,019	132,114
Public Safety: (2)						
Police	3,848,371	3,710,648	3,853,278	3,699,440	3,419,938	3,250,985
Fire	2,046,088	1,866,348	1,797,479	1,845,131	1,641,677	1,521,449
Public Health Services	150,617	123,716	119,739	118,588	142,703	103,780
Street Construction, Maintenance and Repair	2,765,761	3,060,674	2,803,466	3,327,036	2,568,880	2,299,218
Housing and Community Development	807,590	835,066	818,070	1,183,455	963,679	761,285
Basic Utilities Services	1,777,645	1,678,032	1,593,358	1,640,660	1,324,054	1,246,551
Recreational Activities	1,553,328	1,655,893	1,781,954	1,661,078	1,492,749	1,264,053
Capital Outlay	3,155,119	13,663,395	8,203,769	3,997,138	4,825,124	2,959,846
Debt Service:						
Principal Retirement	1,271,233	1,880,949	2,040,170	1,810,170	760,170	685,170
Repayment to Refunded Bond Escrow Agent	0	0	12,867	0	0	0
Interest and Fiscal Charges	777,817	722,436	437,710	502,644	584,633	617,742
Bond Issuance Costs	0	0	141,470	0	0	0
<i>Total Expenditures</i>	<i>23,543,862</i>	<i>33,687,459</i>	<i>27,893,750</i>	<i>23,961,132</i>	<i>21,368,376</i>	<i>18,448,488</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(147,045)</i>	<i>(8,475,596)</i>	<i>(3,437,428)</i>	<i>(2,656,375)</i>	<i>659,581</i>	<i>3,248,740</i>
Other Financing Sources (Uses)						
Bond Anticipation Notes Issued	0	1,550,000	2,550,000	1,000,000	0	0
General Obligation Bonds Issued	0	4,205,000	7,785,000	0	0	2,200,000
Special Assessment Bonds Issued	0	1,240,000	0	0	0	0
OPWC Loan Issued	162,934	231,143	0	0	0	0
Premium on Issuance of Debt	0	78,615	115,282	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	(1,739,483)	0	0	0
Payment to Refund Notes	0	(2,850,000)	0	0	0	0
Sale of Capital Assets	11,487	42,820	32,446	29,193	24,838	21,281
Transfers In	4,641,971	4,254,600	5,386,125	6,465,396	6,082,372	6,157,935
Transfers Out	(4,641,971)	(4,254,600)	(5,386,125)	(6,465,396)	(6,082,372)	(6,157,935)
<i>Total Other Financing Sources (Uses)</i>	<i>174,421</i>	<i>4,497,578</i>	<i>8,743,245</i>	<i>1,029,193</i>	<i>24,838</i>	<i>2,221,281</i>
<i>Net Change in Fund Balances</i>	<i>\$27,376</i>	<i>(\$3,978,018)</i>	<i>\$5,305,817</i>	<i>(\$1,627,182)</i>	<i>\$684,419</i>	<i>\$5,470,021</i>

Debt Service as a Percentage of Noncapital Expenditures

10.2% 14.9% 15.4% 13.1% 8.8% 9.2%



(1) Includes All Taxes

(2) 2000 was the first year subcategories were identified for general government and public safety

2000	1999	1998	1997
\$14,872,585	\$14,463,984	\$13,452,239	\$11,907,637
569,601	532,604	546,933	556,004
376,390	317,020	271,021	281,453
356,597	375,327	310,979	297,455
1,922,782	2,087,824	1,895,182	1,630,733
510,618	495,518	479,277	407,245
973,121	655,703	461,111	327,063
0	20,519	23,033	58,848
11,227	50,785	50,111	62,512
75,186	50,351	48,677	72,889
245,914	200,843	361,336	59,987
<u>19,914,021</u>	<u>19,250,478</u>	<u>17,899,899</u>	<u>15,661,826</u>
	3,369,331	3,029,340	2,864,953
3,393,415	N/A	N/A	N/A
156,667	N/A	N/A	N/A
	4,457,722	4,411,141	4,048,103
3,111,668	N/A	N/A	N/A
1,505,903	N/A	N/A	N/A
93,325	103,603	90,101	94,558
2,478,337	2,313,386	2,289,444	1,995,451
646,989	606,612	622,808	527,055
1,289,244	1,182,446	1,104,936	1,162,420
1,151,375	1,122,847	1,032,279	1,054,206
5,369,478	4,278,188	2,606,384	1,499,830
660,170	624,558	579,449	572,244
0	0	0	0
689,069	646,856	600,691	593,253
0	0	0	0
<u>20,545,640</u>	<u>18,705,549</u>	<u>16,366,573</u>	<u>14,412,073</u>
<u>(631,619)</u>	<u>544,929</u>	<u>1,533,326</u>	<u>1,249,753</u>
0	0	0	0
0	106,372	0	3,752,659
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
39,621	26,212	34,126	329
5,521,290	2,089,809	3,100,098	2,183,308
<u>(5,521,290)</u>	<u>(2,089,809)</u>	<u>(3,100,098)</u>	<u>(2,183,308)</u>
<u>39,621</u>	<u>132,584</u>	<u>34,126</u>	<u>3,752,988</u>
<u>(\$591,998)</u>	<u>\$677,513</u>	<u>\$1,567,452</u>	<u>\$5,002,741</u>
9.8%	9.7%	9.4%	9.9%

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
2006	\$441,195,080	\$107,170,670	\$1,566,759,286	\$19,629,130	\$22,305,830
2005	433,727,390	91,010,670	1,499,251,600	20,730,430	23,557,307
2004	424,437,130	89,385,240	1,468,063,914	21,523,860	24,458,932
2003	390,955,440	87,535,460	1,367,116,857	20,984,450	23,845,966
2002	377,071,210	83,881,000	1,317,006,314	21,668,560	24,623,364
2001	366,435,280	80,782,980	1,277,766,457	33,447,710	38,008,761
2000	325,272,420	66,492,890	1,119,329,457	34,466,070	39,165,989
1999	322,807,710	63,790,780	1,104,567,114	35,334,490	40,152,830
1998	314,100,770	62,843,620	1,076,983,971	35,441,760	40,274,727
1997	288,237,980	58,682,030	991,200,029	25,843,020	29,367,068

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 is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

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

Source: Cuyahoga County, Ohio; County Auditor

<u>Tangible Personal Property</u>					
<u>General Business</u>		<u>Total</u>		<u>Ratio</u>	<u>Tax Rate</u>
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>		
\$30,089,242	\$160,475,957	\$598,084,122	\$1,749,541,073	34.19%	\$8.60
29,751,764	119,007,056	575,220,254	1,641,815,963	35.04	8.70
28,958,950	115,835,800	564,305,180	1,608,358,646	35.09	8.70
29,509,649	118,038,596	528,984,999	1,509,001,419	35.06	8.70
30,013,647	120,054,588	512,634,417	1,461,684,266	35.07	8.70
27,244,402	108,977,608	507,910,372	1,424,752,827	35.65	8.70
27,974,748	111,898,992	454,206,128	1,270,394,438	35.75	8.70
27,789,077	111,156,308	449,722,057	1,255,876,252	35.81	8.70
32,077,445	128,309,780	444,463,595	1,245,568,479	35.68	8.80
26,554,299	106,217,196	399,317,329	1,126,784,293	35.44	8.80

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

	2006	2005	2004	2003	2002
Unvoted Millage					
Operating	\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100
Police Pension	0.3000	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>	<u>3.8100</u>
Charter Millage					
1982 Charter/Fire	3.4000	3.4000	3.4000	3.4000	3.4000
1987 Charter/Road Improvement	1.0000	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>	<u>4.4000</u>
Voted Millage					
Library	0.3900	0.4900	0.4900	0.4900	0.4900
Total Millage	<u><u>\$8.6000</u></u>	<u><u>\$8.7000</u></u>	<u><u>\$8.7000</u></u>	<u><u>\$8.7000</u></u>	<u><u>\$8.7000</u></u>

Overlapping Rates by Taxing District

Brecksville-Broadview Heights City School District					
Residential/Agricultural Real	\$39.9809	\$39.9810	\$40.2141	\$34.0346	\$36.0269
Commerical/Industrial and Public Utility Real	46.3679	46.3680	46.4754	40.5435	41.7308
General Business and Public Utility Personal	77.4000	77.4000	77.6000	71.4000	71.5000
Cuyahoga Valley Career Center					
Residential/Agricultural Real	\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.0000
Commerical/Industrial and Public Utility Real	2.0000	2.0000	2.0000	2.0000	2.0000
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000	2.0000
Cuyahoga County Commissioner					
Residential/Agricultural Real	11.7227	11.7227	10.9754	10.9899	12.4609
Commerical/Industrial and Public Utility Real	12.5880	12.5762	11.9846	12.0433	12.8764
General Business and Public Utility Personal	13.5200	13.5200	13.5200	13.5200	14.6500
Special Taxing Districts (1)					
Residential/Agricultural Real	6.2900	6.2900	6.2880	4.7783	2.5323
Commerical/Industrial and Public Utility Real	6.5596	6.5552	6.5067	5.1811	2.5497
General Business and Public Utility Personal	6.7800	6.7800	6.7800	5.8800	2.9500

Source: Cuyahoga County Auditor

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

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

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

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

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

2001	2000	1999	1998	1997
\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100
0.3000	0.3000	0.3000	0.3000	0.3000
3.8100	3.8100	3.8100	3.8100	3.8100
3.4000	3.4000	3.4000	3.4000	3.4000
1.0000	1.0000	1.0000	1.0000	1.0000
4.4000	4.4000	4.4000	4.4000	4.4000
0.4900	0.4900	0.4900	0.5900	0.5900
\$8.7000	\$8.7000	\$8.7000	\$8.8000	\$8.8000

\$36.0663	\$29.5048	\$32.3342	\$32.4160	\$32.5717
41.8723	35.5571	40.3497	40.6739	40.9081
71.5000	64.8000	65.3000	65.4000	65.5000

\$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

11.3815	11.3967	11.4114	11.4230	9.6597
12.0023	11.9298	12.3736	12.4065	11.7001
14.6500	14.6500	13.7500	13.7500	15.0500

2.5354	2.5422	2.8242	2.5610	2.5659
2.5320	2.5253	2.8923	2.7580	2.7781
2.9500	2.9500	2.9500	2.9500	2.9500

City of Brecksville, Ohio
Principal Real Property Taxpayers
 2006 and 1997

<i>2006</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$13,510,740	2.26 %
Ohio Bell Telephone Company	8,906,460	1.49
South Cont. Cuyahoga Co.	8,543,990	1.43
PDM Group, Inc	7,334,740	1.23
Grand Bay of Brecksville	6,824,860	1.14
Cleveland Cuyahoga	6,413,230	1.07
Gateway Association	4,838,770	0.81
Creekview Commons, LLC.	3,961,620	0.66
Treeline Inc.	3,860,000	0.64
C E I	3,144,050	0.53
Total	\$67,338,460	11.26 %
Total Assessed Valuation	\$598,084,122	

<i>1997</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Ohio Bell Telephone Company	\$8,655,500	2.17 %
B.F. Goodrich Company	6,972,000	1.75
Grand Bay of Brecksville	2,980,840	0.75
Chippewa Place Development Company	1,925,010	0.48
Brecksville Shopping Center	1,409,350	0.35
312 Company	1,266,470	0.32
Millside Center II Ltd Partnership	1,225,000	0.31
Brecksville Corporate Center Limited Partners	1,135,750	0.28
South Point Association	1,132,260	0.28
Gateway Association III & IV	1,009,060	0.25
Total	\$27,711,240	6.94 %
Total Assessed Valuation	\$399,317,329	

Source: Cuyahoga County Auditor

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

Year	Total Tax Levy	Current Tax Collections	Percent of		Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total		Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
			Current Tax Collections To Tax Levy	Delinquent Tax Collections To Tax Levy			Tax Collections To Tax Levy	Tax Collections To Tax Levy		
2006	\$5,080,922	\$4,893,297	96.31%	\$101,802	\$4,995,099	98.31%	\$182,408	3.59%		
2005	5,186,465	4,835,607	93.24	112,123	4,947,730	95.40	162,105	3.13		
2004	5,038,544	4,681,595	92.92	129,800	4,811,394	95.49	198,671	3.94		
2003	4,845,764	4,480,297	92.46	132,706	4,613,003	95.20	204,120	4.21		
2002	4,614,317	4,307,338	93.35	103,464	4,410,802	95.59	192,446	4.17		
2001	4,643,484	4,258,919	91.72	102,292	4,361,211	93.92	178,606	3.85		
2000	4,106,344	3,803,743	92.63	74,744	3,878,487	94.45	179,982	4.38		
1999	4,120,238	3,865,265	93.81	109,014	3,974,279	96.46	144,088	3.50		
1998	4,070,820	3,798,879	93.32	56,963	3,855,842	94.72	201,966	4.96		
1997	3,752,039	3,486,876	92.93	41,758	3,528,634	94.05	186,321	4.97		

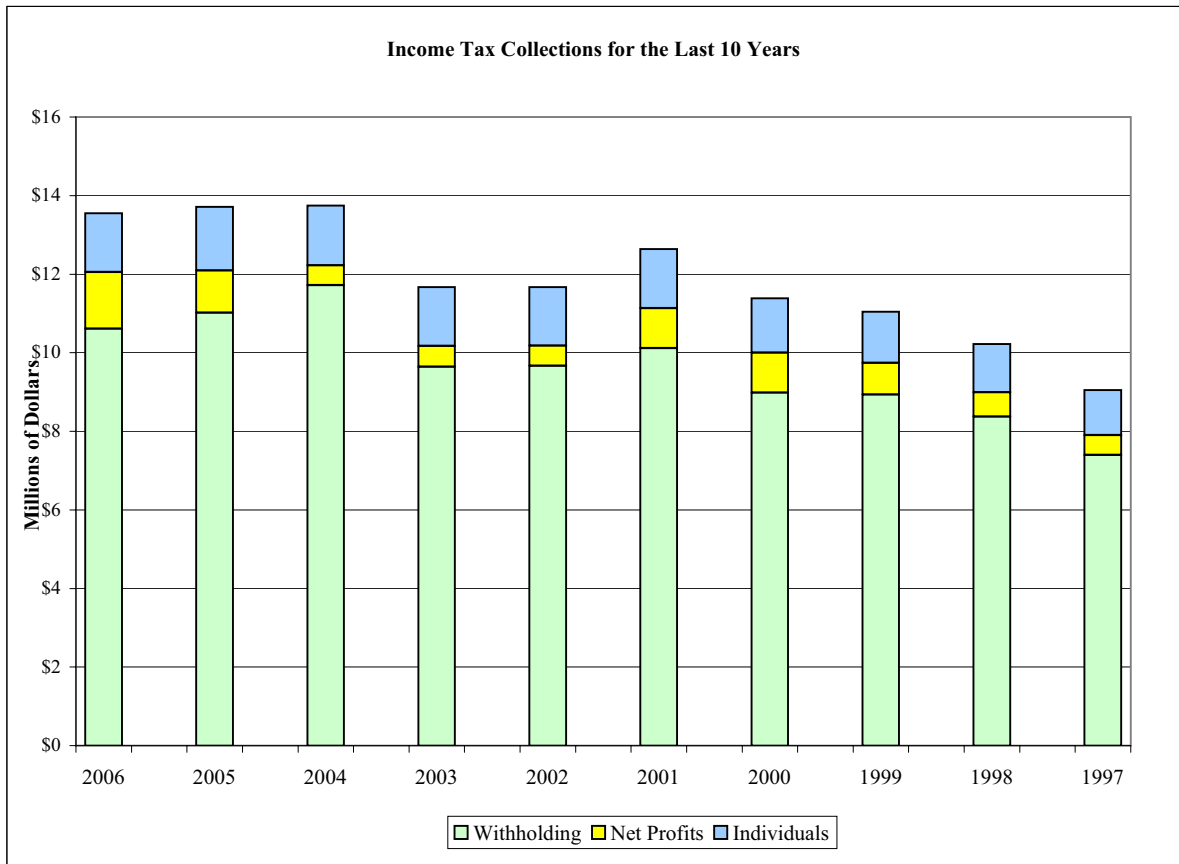
Source: Cuyahoga County, Ohio; County Auditor

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

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

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2006	2.00%	\$13,551,132	\$10,615,957	78.34%	\$1,435,065	10.59%	\$1,500,110	11.07%
2005	2.00	13,713,689	11,017,578	80.34	1,072,410	7.82	1,623,701	11.84
2004	2.00	13,747,033	11,715,222	85.22	505,891	3.68	1,525,921	11.10
2003	2.00	11,665,183	9,647,106	82.70	523,767	4.49	1,495,476	12.82
2002	2.00	11,672,006	9,670,257	82.85	507,732	4.35	1,494,017	12.80
2001	2.00	12,641,479	10,111,919	79.99	1,018,903	8.06	1,510,657	11.95
2000	2.00	11,386,360	8,981,561	78.88	1,019,079	8.95	1,384,581	12.16
1999	2.00	11,046,200	8,935,271	80.89	807,477	7.31	1,303,452	11.80
1998	2.00	10,223,702	8,371,167	81.88	620,579	6.07	1,231,956	12.05
1997	2.00	9,049,804	7,400,025	81.77	500,454	5.53	1,148,420	12.69



City of Brecksville, Ohio
Income Tax Filers by Income Level
Tax Years 2005 and 1997

Tax Year 2005				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,599	30.52 %	\$341,815,543	71.70 %
75,001-100,000	563	10.74	48,963,160	10.27
50,001-75,000	689	13.15	43,043,679	9.03
25,000-50,000	780	14.89	29,114,631	6.11
Under 25,000	1,609	30.71	13,796,807	2.89
Total	<u>5,240</u>	<u>100.00 %</u>	<u>\$476,733,820</u>	<u>100.00 %</u>

Tax Year 1997				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,083	22.69 %	\$195,329,902	58.09 %
75,001-100,000	573	12.01	49,560,683	14.74
50,001-75,000	732	15.34	45,418,823	13.51
25,000-50,000	902	18.90	33,362,063	9.92
Under 25,000	1,482	31.06	12,589,505	3.74
Total	<u>4,772</u>	<u>100.00 %</u>	<u>\$336,260,976</u>	<u>100.00 %</u>

Source: Regional Income Tax Agency Data

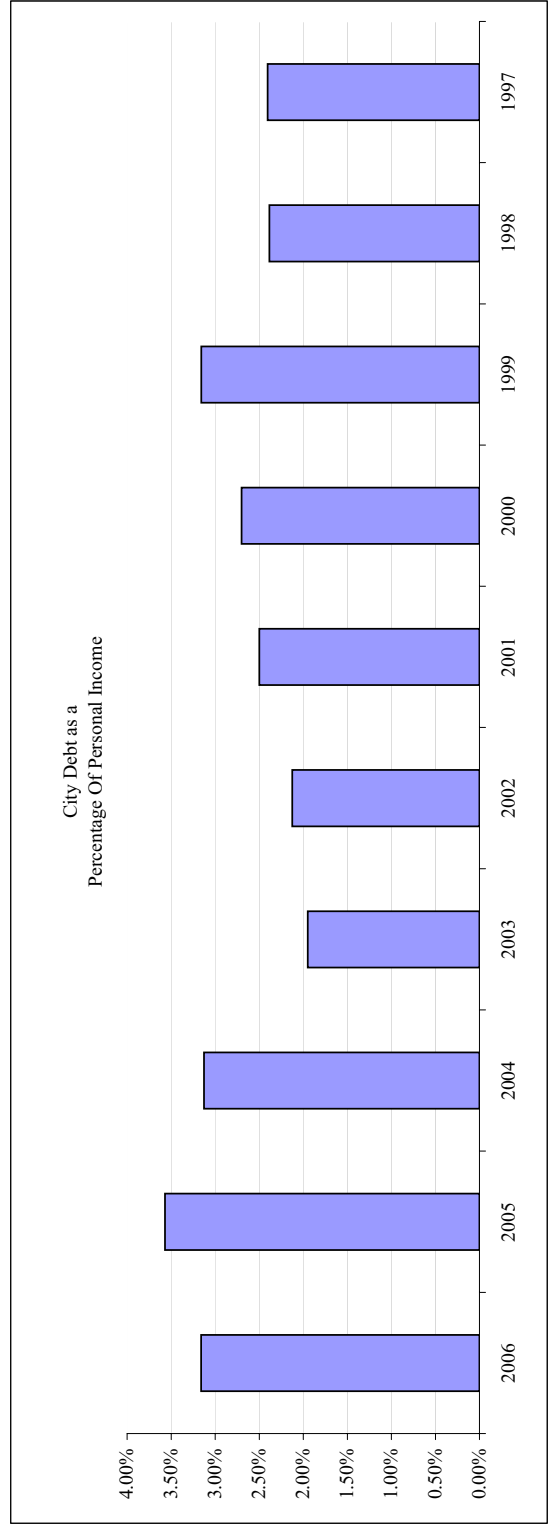
City of Brecksville, Ohio

Ratios of Outstanding Debt to

Total Personal Income and Debt Per Capita

Last Ten Years

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Notes Payable	Total Primary Government	Total Personal Income (1)	Percentage Of Personal Income	Population (2)	Total Debt Per Capita
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	800,000	19,996,399	559,584,836	3.57	13,661	1,464
2004	10,027,432	4,057,000	471,284	2,550,000	17,105,716	546,998,189	3.13	13,567	1,261
2003	4,491,102	4,417,000	516,454	1,000,000	10,424,556	534,694,651	1.95	13,474	774
2002	4,874,400	4,772,000	561,624	1,000,000	11,208,024	527,524,135	2.12	13,506	830
2001	5,228,502	5,097,000	606,794	2,000,000	12,932,296	517,409,828	2.50	13,459	961
2000	5,579,208	3,162,000	651,964	4,285,000	13,678,172	506,348,116	2.70	13,382	1,022
1999	5,910,979	3,422,000	697,135	5,585,000	15,615,114	494,367,879	3.16	13,205	1,183
1998	6,218,859	3,677,000	630,321	985,000	11,511,180	482,671,095	2.38	13,031	883
1997	6,315,310	3,922,000	507,082	585,000	11,329,392	471,251,059	2.40	12,859	881



(1) Brecksville Finance Department estimates 1997-1999, 2001-2006;

U.S. Census Bureau 2000

(2) Estimates 1997-1999, 2001-2006; U.S. Census Bureau 2000

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
2006	\$12,761,477	\$1,749,541,073	0.73%	\$928
2005	13,615,307	1,641,815,963	0.83	997
2004	10,027,432	1,608,358,646	0.62	739
2003	4,491,102	1,509,001,419	0.30	333
2002	4,874,400	1,461,684,266	0.33	360
2001	5,228,502	1,424,752,827	0.37	388
2000	5,579,208	1,270,394,438	0.44	416
1999	5,910,979	1,255,876,252	0.47	447
1998	6,218,859	1,245,568,479	0.50	477
1997	6,315,310	1,126,784,293	0.56	491

City of Brecksville
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2006*

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brecksville			
General Obligation Bonds	\$12,761,477	100.00%	\$12,761,477
Special Assessment Bonds	4,569,483	100.00	4,569,483
OPWC Loans	763,179	100.00	763,179
	<u>18,094,139</u>		<u>18,094,139</u>
Total Direct Debt			
Overlapping Debt:			
Payable from Property Taxes			
Cuyahoga County Bonds	224,406,000	1.93	4,331,036
Regional Transit Authority Bonds	140,345,037	1.93	2,708,659
Brecksville-Broadview Heights City School District Bonds	28,535,000	58.71	16,752,899
Payable from Other Sources:			
Cuyahoga County Capital Leases	8,035,000	1.93	155,076
Cuyahoga County Loans	2,776,000	1.93	53,577
Regional Transit Authority Loan	5,051,815	1.93	97,500
Brecksville-Broadview Heights City School District Capital Leases	1,570,770	58.71	922,199
	<u>410,719,622</u>		<u>25,020,945</u>
Total Overlapping Debt			25,020,945
Total Direct and Overlapping Debt	<u><u>\$410,719,622</u></u>		<u><u>\$25,020,945</u></u>

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2006 collection year.

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

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Overall Debt Limitation (10.5% of Assessed Valuation)	\$62,799	\$60,398	\$59,252	\$55,543	\$53,827	\$53,331	\$47,692	\$47,221	\$46,669	\$41,928
Net Debt Within 10.5% Limitations	12,202	14,150	12,100	4,701	4,998	6,952	9,624	11,270	6,995	6,739
Overall Legal Debt Margin Within 10.5% Limitations	\$50,597	\$46,248	\$47,152	\$50,842	\$48,829	\$46,379	\$38,068	\$35,951	\$39,674	\$35,189
Total net debt applicable to the limit as a percentage of debt limit	19.43%	23.43%	20.42%	8.46%	9.29%	13.04%	20.18%	23.87%	14.99%	16.07%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$32,895	\$31,637	\$31,037	\$29,094	\$28,195	\$27,935	\$24,981	\$24,735	\$24,445	\$21,962
Net Debt Within 5.5% Limitations	12,202	14,150	12,100	4,701	4,998	6,952	9,624	11,270	6,910	6,574
Unvoted Legal Debt Margin Within 5.5% Limitations	\$20,693	\$17,487	\$18,937	\$24,393	\$23,197	\$20,983	\$15,357	\$13,465	\$17,535	\$15,388
Total net debt applicable to the limit as a percentage of debt limit	37.09%	44.73%	38.99%	16.16%	17.73%	24.89%	38.53%	45.56%	28.27%	29.93%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed property value		Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
	\$598,084	\$598,084	\$598,084
Overall Debt Limitation (percentage of assessed valuation)	\$62,799	\$62,799	\$32,895
Gross Indebtedness	17,828	17,828	17,828
Less: Special Assessment Bonds	(4,569)	(4,569)	(4,569)
OPWC Loans	(763)	(763)	(763)
General Obligation Bond Retirement Fund Balance	(294)	(294)	(294)
Net Debt Within Limitations	\$12,202	\$12,202	\$12,202
Legal Debt Margin Within Limitations	\$50,597	\$50,597	\$20,693

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

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

Year	Population (1)	Total Personal Income (2)	Median Family Income (1)	Per Capita Income (2)	Unemployment Rate (3)		City Square Miles (4)
					Cuyahoga County	State of Ohio	
2006	13,755	\$572,461,107	\$95,526	\$41,619	6.1%	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	6.6	5.9	19.54
2003	13,474	534,694,651	91,084	39,683	6.2	6.1	19.54
2002	13,506	527,524,135	89,649	39,059	6.6	5.7	19.54
2001	13,459	517,409,828	88,238	38,443	4.6	4.2	19.54
2000	13,382	506,348,116	86,848	37,838	4.5	4.1	19.54
1999	13,205	494,367,879	85,927	37,437	4.5	4.3	19.54
1998	13,031	482,671,095	85,017	37,040	4.5	4.3	19.54
1997	12,859	471,251,059	84,115	36,647	4.5	4.6	19.54

(1) Estimates 1997-1999, 2001-2006; U.S. Census Bureau 2000

(2) Brecksville Finance Department estimates 1997-1999, 2001-2006;
U.S. Census Bureau 2000.

(3) Ohio Bureau of Employment Services; U.S. Department of Labor, Bureau of
Labor Statistics

(4) City Records

City of Brecksville, Ohio
Principal Employers
Current Year and Nine Years Ago

2006			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Department of Veteran Affairs	Medical Center	1,366	9.88 %
AT&T/ Ohio Bell	Telephone Services	932	6.74
National City Corporation	Banking Services	792	5.73
B.F. Goodrich/Noveon/Lubrizol Inc	Chemical Research	718	5.19
Brecksville-Broadview Heights School	Public Education	507	3.67
AT&T/ SBC	Communication Services	499	3.61
House of LaRose	Beverage Distributor	285	2.06
Curtis Wright Flow Control	Manufacturing	208	1.50
First Energy/CEI	Electric Utility	187	1.35
City of Brecksville	Municipal Government	144	1.04
Cuyahoga Valley Joint Vocational School	Vocational Education	134	0.98
Total		5,772	41.75 %
Total Employment within the City		13,825	

1997			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Department of Veteran Affairs	Medical Center	1,126	10.30 %
B.F. Goodrich Company	R&D Polymers and Chemicals	840	7.68
Ohio Bell Telephone	Communication Services	818	7.48
Ameritech	Communication Services	526	4.81
Brecksville-Broadview Heights School	Public Education	333	3.05
Teledyne Industrial, Inc	Manufacturing	248	2.27
Norstan Company	Communication Services	245	2.24
City of Brecksville	Municipal Government	195	1.78
LDA Systems	Computer Software Development	190	1.74
Cuyahoga Valley Joint Vocational School	Vocational Education	105	0.96
Total		4,626	42.31 %
Total Employment within the City		10,933	

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

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

Function/Program	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
General Government										
Council	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Mayor	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00
Finance	4.00	4.00	4.00	4.00	3.00	3.00	4.00	4.00	4.00	4.00
Income Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Purchasing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Mayor's Court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Technology	3.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Support	1.00	1.00	1.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Public Safety										
Police	43.00	45.00	45.00	43.50	46.50	43.50	46.00	44.00	45.00	44.00
Fire	26.00	26.00	25.00	25.50	25.00	25.50	25.00	22.00	23.00	23.00
Recreational Activities										
Community Center	49.00	55.50	59.50	54.50	60.00	45.50	48.00	49.00	48.50	43.50
Senior/Community Services	8.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00
Street Construction, Maintenance and Repair										
Service	59.50	60.50	61.00	62.00	63.00	62.00	60.00	60.00	62.00	61.00
Housing and Community Development										
Building Inspection	8.00	7.50	7.00	7.00	7.00	7.00	7.00	6.00	7.00	7.00
Basic Utility Services										
Housekeeping	11.00	10.00	9.50	8.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals:	<u>230.00</u>	<u>233.00</u>	<u>233.50</u>	<u>228.00</u>	<u>227.00</u>	<u>208.00</u>	<u>211.50</u>	<u>206.50</u>	<u>211.00</u>	<u>204.00</u>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee as of December 31, 2006.

City of Brecksville, Ohio
Capital Assets Statistics by Function/Program
Last Seven Years (1)

Function/Program	2006	2005	2004	2003	2002	2001	2000
General Government							
Building Department Vehicles	6	6	6	5	5	5	5
Other Department Vehicles	5	5	4	4	4	4	4
Police							
Stations	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
Vehicles	22	22	22	22	20	18	20
Fire							
Stations	1	1	1	1	1	1	1
Square Footage of Building	17,674	17,674	17,674	17,674	10,544	10,544	10,544
Vehicles	12	13	12	12	12	12	11
Street Construction, Maintenance and Repair							
Streets (lane miles)	189	185	185	181	178	N/A	175
Urban Forestry Vehicles	3	3	3	4	2	2	N/A
Other Public Services Vehicles	54	54	51	49	49	48	52
Recreational Activities							
Recreation Center	1	1	1	1	1	1	1
Recreation Center Square Footage	65,000	49,000	49,000	49,000	49,000	49,000	49,000
Number of Parks	3	3	3	3	3	3	3
Number of Baseball Diamonds	10	10	10	10	10	8	8
Number of Playgrounds	8	8	8	8	8	6	2
Number of Tennis Courts	3	3	3	3	3	3	3
Number of Full Sized Soccer Fields	2	2	2	2	2	2	2
Vehicles	3	3	3	3	2	2	1
Housing and Community Development							
Human Services Center Square Footage	46,000	0	0	0	0	0	0
Vehicles	6	6	6	6	4	5	5

(1) Information is not available prior to 2000.

City of Brecksville, Ohio
Operating Indicators by Function/Program
Last Six Years (1)

Function/Program	2006	2005	2004	2003	2002	2001
Police:						
Police Expenditures (in thousands)	\$3,321	\$2,970	\$3,021	\$2,919	\$2,609	\$2,548
Total Arrests	4,499	4,171	4,275	4,567	4,443	4,428
Part One Offenses	71	72	79	105	93	123
OVI Arrests	44	55	71	86	69	68
Prisoners	1,033	923	888	932	840	901
Motor Vehicle Accidents	326	344	325	272	217	250
Calls for Service	15,433	16,668	17,271	18,225	17,557	17,094
Incidents per Citizen	1.1220	1.2202	1.2730	1.3526	1.2999	1.2701
Cost per Citizen	\$241.41	\$217.41	\$222.67	\$216.64	\$193.17	\$189.32
Fire:						
Fire Expenditures (in thousands)	\$2,220	\$2,053	\$1,997	\$1,880	\$1,730	\$1,770
Emergency Responses	1,387	1,386	1,345	1,263	1,381	1,281
Fire Safety Inspections	268	164	235	257	243	165
Fire Protection Systems Inspected	34	46	38	30	68	11
Building Fire Protection Plans Reviewed	14	7	39	39	67	14
Percentage of Business Inspected	28%	28%	25%	26%	25%	22%
Number of Community Programs	15	11	10	10	7	14
Emergency Responses per Citizen	0.1008	0.1015	0.0991	0.0937	0.1023	0.0952
Cost per Citizen	\$161.40	\$150.29	\$147.20	\$139.53	\$128.09	\$131.51
Street Lights Expenditures (in thousands)	\$85	\$85	\$84	\$85	\$80	\$81
Cost per Acre of Streetlights	\$6.80	\$6.80	\$6.72	\$6.80	\$6.40	\$6.48
Public Health Services:						
Health Department (in thousands)	\$45	\$45	\$41	\$41	\$39	\$35
Health Cost per Citizen	\$3.27	\$3.29	\$3.02	\$3.04	\$2.89	\$2.60
Recreational Activities:						
Blossom Hill (in thousands)	\$254	\$260	\$271	\$215	\$215	\$181
Community Center (in thousands)	1,527	1,666	1,546	1,642	1,487	1,228
Total Leisure Service Cost (in thousands)	\$1,781	\$1,926	\$1,817	\$1,857	\$1,702	\$1,409
Cost per Citizen	\$129.48	\$140.99	\$133.93	\$137.82	\$126.02	\$104.69
Community Center Square Feet	65,000	49,000	49,000	49,000	49,000	49,000
Square Feet per Citizen	4.73	3.59	3.61	3.64	3.63	3.64
Total Recreational Revenue (in thousands)	\$791	\$796	\$747	\$694	\$669	\$643
Community Center Members	6,637	6,453	6,564	6,405	5,389	0
Total Participations	165,066	155,135	171,000	167,000	94,000	0
Participations of Members Over Age 60	0	30,144	34,437	28,817	19,876	0
Fitness Class Participations	15,531	14,345	16,382	14,546	6,889	0
Participations per Citizen	12.00	11.36	12.61	12.42	6.97	0.00
Cost per Participation	\$9.25	\$10.74	\$9.03	\$9.82	\$15.79	\$0.00
Revenue per Participation	\$4.79	\$5.13	\$4.37	\$4.15	\$7.10	\$0.00
Housing and Community Development:						
Human Services (in thousands)	\$504	N/A	N/A	N/A	N/A	N/A
Cost per Citizen	\$37.00	N/A	N/A	N/A	N/A	N/A
Human Services Square Feet	29,000	N/A	N/A	N/A	N/A	N/A
Square Feet per Citizen	44.89	N/A	N/A	N/A	N/A	N/A
Total Human Services Revenue (in thousands)	\$51	N/A	N/A	N/A	N/A	N/A
Human Services Members	646	N/A	N/A	N/A	N/A	N/A
Total Participations	33,299	N/A	N/A	N/A	N/A	N/A
Participations per Citizen	2.42	N/A	N/A	N/A	N/A	N/A
Cost per Participation	\$780.19	N/A	N/A	N/A	N/A	N/A

(continued)

City of Brecksville, Ohio
Operating Indicators by Function/Program (continued)
Last Six Years (1)

Function/Program	2006	2005	2004	2003	2002	2001
Housing and Community Development:						
Planning and Zoning (in thousands)	\$9	\$15	\$16	\$7	\$11	\$8
Housing and Building Inspection (in thousands)	\$473	\$487	\$496	\$463	\$480	\$478
Cost per Citizen	\$35.00	\$37.00	\$38.00	\$35.00	\$36.00	\$36.00
Building Permits - Residential	981	1,095	926	843	957	800
Dollar Value of Permits (in thousands)	\$12,371	\$19,823	\$17,508	\$19,503	\$17,094	\$23,535
Building Permits - Commercial	124	104	157	232	160	134
Dollar Value of Permits (in thousands)	\$4,212	\$7,461	\$19,572	\$25,600	\$4,054	\$10,364
Engineering (in thousands)	\$129	\$114	N/A	N/A	N/A	N/A
Engineering Reviews						
New Topo Reviews	29	39	N/A	N/A	N/A	N/A
Revised Topo Reviews	46	40	N/A	N/A	N/A	N/A
Retaining Wall Reviews	12	0	N/A	N/A	N/A	N/A
Plat Reviews	0	11	N/A	N/A	N/A	N/A
Other Reviews	41	0	N/A	N/A	N/A	N/A
Builder Grades	31	0	N/A	N/A	N/A	N/A
Landscaping Grades	11	0	N/A	N/A	N/A	N/A
Total All Reviews	170	90	N/A	N/A	N/A	N/A
Number of Trees Planted	278	73	231	294	593	279
Number of Trees Removed	102	157	166	106	42	156
Cemetery Internments	68	58	38	50	41	49
Grave Purchases/Interment Payments (in thousands)	\$37	\$38	\$30	\$90	\$19	\$28
Street Construction, Maintenance and Repair:						
Street Maintenance (in thousands)	\$1,115	\$1,070	\$1,086	\$1,053	\$967	\$1,170
Snow and Ice Removal (in thousands)	\$70	\$229	\$181	\$172	\$76	\$88
Road Maintenance (man hours)	63,460	74,505	71,160	72,481	68,706	68,321
Streets (lane miles)	189	185	185	181	178	178
Cost per mile of street	\$6.27	\$7.02	\$6.85	\$6.77	\$5.86	\$7.07
Feet of street per capita	72.55	71.51	72.00	70.93	69.59	69.83
Asphalt Usage (in tons)	4,526	4,000	3,188	3,949	2,050	6,093
Asphalt Cost per ton	\$26.01	\$26.01	\$25.50	\$25.75	\$25.00	\$26.50
Salt Usage (in tons)	4,255	9,770	5,809	9,168	11,263	4,918
Concrete Used (in cubic yards)	1,600	1,205	1,246	2,400	1,939	1,655
Brush/Grass/Yard Waste Collected (in cubic yard)	2,717	3,269	3,240	3,497	2,213	1,932
Leaves Collected (in cubic yards)	6,145	5,721	5,934	4,920	5,306	4,362
General Government:						
Law (in thousands)	\$208	\$205	\$203	\$188	\$177	\$191
Cost per budget dollar	\$0.0060	\$0.0058	\$0.0049	\$0.0045	\$0.0036	\$0.0045
Finance (in thousands)	\$285	\$282	\$280	\$281	\$202	\$215
Cost per budget dollar	\$0.0083	\$0.0080	\$0.0067	\$0.0067	\$0.0042	\$0.0050
Purchasing (in thousands)	\$191	\$179	\$183	\$178	\$197	\$182
Cost per employee	\$817.99	\$766.60	\$879.81	\$784.14	\$864.04	\$779.44
Lands and Buildings (in thousands)	\$777	\$732	\$808	\$862	\$1,002	\$917
Cost per citizen	\$56.49	\$53.58	\$59.56	\$63.98	\$74.19	\$68.13
Mayor's Office (in thousands)	\$210	\$227	\$186	\$220	\$216	\$207
Council (in thousands)	\$212	\$204	\$200	\$185	\$172	\$137

(1) Information prior to 2001 is not available

This Page Intentionally Left Blank



Mary Taylor, CPA
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
JUNE 21, 2007**