

CITY OF EUCLID, OHIO

SINGLE AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2010

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



Dave Yost • Auditor of State

City Council
City of Euclid
585 E. 222 Street
Euclid, Ohio 44123

We have reviewed the *Independent Auditor's Report* of the City of Euclid, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

August 29, 2011

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**CITY OF EUCLID, OHIO
SINGLE AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

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Ohio Society of Certified Public Accountants

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

To the Members of City Council and
Members of the Audit Committee
City of Euclid, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Cuyahoga County, Ohio, as of and for the year ended December 31, 2010, which collectively comprise the City of Euclid, Ohio's basic financial statements and have issued our report thereon dated June 3, 2011, wherein we noted that the City restated its net assets due to a correction in reporting of accounts payable of the Water Line Improvement Fund reported as an enterprise fund. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Euclid, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Euclid, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Euclid, Ohio's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency in internal control over financial reporting and is listed as **Item No. 2010-001**. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Euclid, Ohio, in a separate letter dated June 3, 2011.

The City of Euclid, Ohio's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City of Euclid, Ohio's response and, accordingly, we express no opinion on it.

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



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

June 3, 2011

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

Certified Public Accountants

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Members of City Council and
Members of the Audit Committee
City of Euclid, Ohio

Compliance

We have audited the City of Euclid, Cuyahoga County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Euclid, Ohio's major federal programs for the year ended December 31, 2010. The City of Euclid, Ohio's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Euclid, Ohio's management. Our responsibility is to express an opinion on the City of Euclid, Ohio's compliance based on our audit.

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

In our opinion, the City of Euclid, Ohio, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

The management of the City of Euclid, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Euclid, Ohio's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Euclid, Ohio's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Ohio, as of and for the year ended December 31, 2010, and have issued our report thereon dated June 3, 2011, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

James G. Zupka, CPA, Inc.

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

June 3, 2011

CITY OF EUCLID, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<i>Direct Award</i>			
Community Development Block Grant			
Entitlement Grant	14.218	B-09MC-39-0008	\$ 405,593
Entitlement Grant	14.218	B-10MC-39-0006	720,410
Entitlement Grant	14.218	B-08-MN-39-0008	<u>1,382,962</u>
Total U.S. Department of Housing and Urban Development			<u>2,508,965</u>
<u>U.S. Department of Energy</u>			
<i>Direct Award</i>			
ARRA - Energy Efficiency and Conservation Grant	81.128	DE-EE0001561	<u>41,905</u>
Total U.S. Department of Energy			<u>41,905</u>
<u>U.S. Department of Justice</u>			
<i>Direct Award</i>			
Bulletproof Vest Program	16.607		<u>1,045</u>
ARRA - COPS Hiring Recovery Program (CHRP)	16.710	2009RKWX0671	<u>317,798</u>
Justice Assistance Grant	16.738		43,713
Justice Assistance Grant - Victim Assistance	16.738		29,484
Justice Assistance Grant - Law Enforcement	16.738	2008-JG-LLE-5269	<u>10,178</u>
<i>Subtotal CFDA #16.738</i>			<u>83,375</u>
Total U.S. Department of Justice			<u>402,218</u>
<u>Federal Emergency Management Agency</u>			
<i>Direct Award</i>			
Assistance to Firefighters Grant - Fire Prevention and Safety Program	97.044	EMW-2009-FV-03230	<u>600,000</u>
Total Federal Emergency Management Agency			<u>600,000</u>
<u>U.S. Department of Health and Human Services</u>			
<i>Pass-Through Programs from State Department of Aging and the Western Reserve Area Agency on Aging</i>			
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045		<u>65,345</u>
Total U.S. Department of Health and Human Services			<u>65,345</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,618,433</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CITY OF EUCLID, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards of the City of Euclid, Ohio summarizes the activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**CITY OF EUCLID, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 DECEMBER 31, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

2010(i)	Type of Financial Statement Opinion	Unqualified
2010(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2010(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
2010(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2010(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2010(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2010(v)	Type of Major Programs' Compliance Opinions	Unqualified
2010(vi)	Are there any reportable findings under .510?	No
2010(vii)	Major Programs (list): Assistance to Firefighters Grant - Fire Prevention and Safety Program - CFDA #97.044 ARRA - Cops Hiring Recovery Program - CFDA #16.710	
2010(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2010(ix)	Low Risk Auditee?	Yes

CITY OF EUCLID, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2010
(CONTINUED)

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

Item No. 2010-001 - Significant Deficiency - Evidence Rooms

Statement of Condition/Criteria

While performing audit fieldwork at the City, it was brought to our attention by the City that there was a possibility of missing funds and items from the Police Department's Evidence Room. During our review of the controls for the Police Department's Evidence Room, the following was noted:

Narcotics Evidence Room

1. The room does not have a camera or form of control to monitor who accesses the room and when.
2. Evidence is logged into a handwritten book with no digital copy.
3. Cash is kept along with the rest of the evidence.
4. Multiple individuals have access to the Narcotics Evidence Room.

Regular Evidence Room

1. Lockers are used to store evidence by shift and are not emptied until the employee assigned to the Evidence Room is available. This allows all evidence from that shift to be accessed by anyone working during that shift.
2. A handwritten logbook is used when placing evidence into lockers.
3. Multiple individuals have access to the Regular Evidence Room.

Cause/Effect

Controls are inadequate and allow for the possibility of missing items and funds from the Evidence Room.

CITY OF EUCLID, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2010
(CONTINUED)

2. FINDING RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Item No. 2010-001 - Significant Deficiency - Evidence Rooms (Continued)

Recommendation

We recommend that the City's Police Department put in place a monitoring system that tracks who goes into and out of the Narcotics Evidence Room. This could include a camera system with search data history storage capabilities (video, digital, or hard-drive storage) that would allow the City to view activity history as necessary. We also recommend the City institute procedures to monitor cash held in the Narcotics Evidence Room and the Regular Evidence Room. For the Regular Evidence Room, we recommend that evidence from each officer be secured immediately, which will limit the numbers of individuals that have access to the evidence, as well as limit the contact other officers have with the evidence. We also recommend that evidence be logged electronically to avoid records tampering.

We did note that the following controls were implemented in 2011:

1. A FOB system was added to the Narcotics Evidence Room to log who goes into the room and when.
2. The Regular Evidence Room is in the process of creating storage units that, once evidence is put into the storage unit, the unit cannot be reopened until the evidence is removed, limiting access to the evidence.

City's Response/Corrective Action Plan

In addition to the FOB system and other procedures mentioned above, the Department is adopting a strict policy for the operations of both the evidence and property, similar to that of other local communities. The City has also engaged the services of the Ohio Association of Police Chiefs to conduct a comprehensive Organizational Evaluation of the entire Euclid Police Department, including the operations of the Property and Evidence rooms.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CITY OF EUCLID, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010**

The prior audit report, as of December 31, 2009, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2010



Euclid, Ohio

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CITY OF EUCLID, OHIO

EUCLID, OHIO

Comprehensive Annual Financial Report

For the Year Ended December 31, 2010

**Issued by: Finance Department
Philip M. Brett, CPA
Director of Finance**

CITY OF EUCLID, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010

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**CITY OF EUCLID, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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CITY OF EUCLID, OHIO
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CITY OF EUCLID, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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585 East 222nd Street, Euclid, OH 44123-2099

www.cityofeuclid.com

June 23, 2011

Members of Euclid City Council and
Residents of the City of Euclid:

We are pleased to submit to you the City of Euclid's Comprehensive Annual Financial Report (CAFR). This CAFR represents the official report of the City of Euclid's operations and financial position for the fiscal year ended December 31, 2010, and has been developed to accurately detail the status of the City's finances to Euclid residents and elected officials, investment institutions and underwriters, rating agencies and other interested parties. This report is done in compliance with GASB Statement No. 34, *Basic Financial Statements-and Management Discussion and Analysis-for State and Local Governments*.

This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management's discussion and analysis (MD&A) immediately follows the independent accountants' report and provides a narrative introduction, overview, and analysis of the basic financial statements. As the MD&A complements this letter of transmittal, they both should be read together.

PROFILE OF THE GOVERNMENT

The City

The City of Euclid (The City) is a municipal corporation and political subdivision of the State of Ohio. It is located on the southern shore of Lake Erie and in Cuyahoga County.

The City, which covers 10.3 square miles, is situated in the industrial Midwest and is bounded on the west by the City of Cleveland, on the north by Lake Erie, and on the south and east by other smaller cities.

City Government

The City was incorporated as a village in 1903, became incorporated as a city in 1931, and then became a Charter City in 1951. The form of government established by the Charter is the Mayor/Council form. The executive power of the City is vested in the Mayor, who is elected for a term of four (4) years. The legislative power of the City is vested in a Council of nine (9) members elected for a term of two (2) years. The judicial power of the City is vested in the Municipal Court Judge, elected to a six (6) year term. In November, four (4) council members will be elected to four-year terms while the remaining 5 council members will stand for election to two-year terms. Upon expiration of their two year terms, those five council members will stand for four-year terms. The Mayor appoints the directors of Administration, Finance, Police, Fire, Community Service and Economic Development, Law, Parks & Recreation, and Public Service.

City Services

The City of Euclid offers its citizens a full range of municipal services that include a municipal court, police and fire protection, sanitation, street maintenance and improvements, health and welfare, community and economic development, a civic cultural center, and a community center that is home to many senior citizen organizations and community activities. In addition, the City's recreational facilities include an 18-hole municipal golf course, an indoor ice skating rink, several swimming pools, and a variety of sports fields which provide opportunities for competitive sports. Fine health care is available in Euclid for people living and working in the City, due to the presence of Euclid Hospital, which is affiliated with the Cleveland Clinic and University Mednet's Clinic. In 2009, the City entered into a management agreement with Coral Company for the operation of Shore Civic Cultural Centre.

The City operates three enterprises: the Waste Water Treatment Plant, the Water Line Improvement, and the Briardale Greens Golf Course. All are accounted for in the City's enterprise funds. In February 2010, the City entered into a management agreement with Billy Casper Golf, Inc. for the operation of the golf course. The City of Euclid provides waste water treatment for the cities of Wickliffe, Willowick, Willoughby Hills, and parts of Richmond Heights and South Euclid. Each of these communities depends in whole or in part on the City of Euclid's sanitary sewer system for transportation of their waste water to the City's waste water treatment plant.

The maintenance of the sanitary sewer system within each community is the responsibility of each individual community. The firm of DMG-Maximus, Inc. determines, annually and independently, the amount of required revenues to provide waste water services and recommends a rate structure that would equitably generate these revenues from the system users.

The City provides an aggregation program for City residents using Vectron as the provider for natural gas and electricity. Residents can also obtain electricity from First Energy Solutions and natural gas from Dominion East Ohio Gas Company, both independent, publicly-owned utilities. Cleveland Public Power, a City of Cleveland owned electric utility, serves a small portion of the community, and the Regional Transit Authority provides a county wide transit system bus service within the City.

Reporting Entity

The City has reviewed its reporting entity definition in order to ensure compliance and conformance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity. For financial reporting definition purposes, City management has considered all agencies, departments, and organizations comprising the City of Euclid, the primary government, and its potential component units.

The Euclid City School District has not been included in the accompanying financial statements. The Board is not appointed by the City, nor is it fiscally dependent on the City.

The Euclid Development Corporation (EDCOR) is presented as a component unit. This matter is discussed in more detail later in the notes to the basic financial statements.

FACTORS AFFECTING FINANCIAL CONDITION

Economic Condition and Outlook

City Council and City Administration are committed to protecting the level of services afforded all of the commercial and residential citizenry of the City and to implement projects and programs designed to improve the economic and operational efficiency of the City Government. Through effective financial management, the City is striving to maintain tax rates at current levels; however, 2009 had a devastating effect on fund balance reserves. In 2010, the City instituted charges to residents for trash collection and street lighting costs. Extensions of those charges for 2012 have been authorized by City Council.

The City recently received an “Aa 2” long-term bond rating with Moody’s Investor Service. While the report does give credit for maintaining structural balance, all government clients are being adjusted to the global scale which is resulting in a slightly higher rating than previously held. This rating demonstrates the City’s high level of performance as it relates to the management and administration of government resources, effective debt management with moderately low levels, vibrant and diverse local economy, and strong finances.

During 2009, the City was not immune to the worldwide recession. Many of the City’s businesses trimmed employees or hours worked but all remained open and used 2009 to prepare for the future. In the final quarter of 2010, national, state and local employment data stabilized. Profits for some of the City’s largest employers improved and municipal income tax revenues finished within 1% of 2009 levels and are expected to increase by 2% in 2011. To date, municipal income tax receipts are outpacing the City’s projections.

Major industrial companies, such as Lincoln Electric Company and Babcock & Wilcox, developed new products or began research and development of new products. Lincoln Electric acquired several companies overseas and returned to a full forty-hour workweek for its employees. In addition, the company hired 145 new employees; 100 of whom were management level employees. It is hoped that this is the precursor to the hiring of additional manufacturing positions.

The City’s commercial/retail sector continues to renew itself with the introduction of new construction or the planning of major rehabilitation of current properties.

During 2009, the City unveiled its “Going Green Initiative”. A major step forward took place when Lincoln Electric Company received a \$1 million State Energy Program grant funded through the American Recovery and Reinvestment Act.

With the impetus of the grant, Lincoln Electric Company has constructed a 2.5 megawatt Kenersys wind turbine on its Euclid Campus. The turbine is one of the largest constructed in the State to date. The project will serve as a demonstration of wind turbine technology and will complement Lincoln’s business strategy to pursue manufacturing opportunities in the wind industry.

With the City’s long history of a strong manufacturing base and workforce expertise, a number of other City based companies are also actively exploring wind and solar installations and opportunities to grow their own business by manufacturing related components.

The over 80-acre Bluestone Business Park just to the east of Lincoln Electric Company completed cleanup and installation of roadway and utility infrastructure. This new industrial park is committed to going green and provides a prime opportunity to attract renewable energy manufacturers to the City.

Babcock & Wilcox introduced its intention to commercially produce its innovative mPower modular nuclear reactor. The mPower reactor does not require huge cooling towers, thus enabling it to have a small footprint but still be capable of producing between 125MW to 750MW of clean near-zero emissions electric power.

Babcock & Wilcox will perform a significant portion of the research and development of the mPower reactor at its Euclid facility. This will translate to over \$20 million in new investment and 200 new jobs over a five year period.

On the commercial/retail side, the Lake Shore Plaza strip \$1 million renovation will be completed in 2011, along with the \$1.2 million Shore Center Shopping Center renovation. The renovation plans for these east and west anchors of downtown Euclid will significantly complement the new CVS, First Merit Bank and Wendy's stores.

As part of the Shore Center Shopping Center project, Aldi, a value grocer, has located in the center having invested \$1.2 million in its store.

Over all, between 2009 and 2010, over \$15 million in new investment will have occurred in Downtown Euclid.

Harbor Town/Euclid Waterfront Improvements Plan

In the summer of 2009, the City and JJR, a firm that specializes in waterfront development projects, set in motion a process to refine the Harbor Town Marina Project concept to be more public access oriented and to better meet regulatory and granting agencies concepts.

The Lakefront Improvements Plan is the result of an extensive series of technical studies and a community participation process that has been coordinated by the City and JJR.

The JJR team held a series of meetings with area property owners, nearby residents, and the agencies that have to provide permits for the lakeside improvements. Based on input received from these meetings, JJR revised the proposed plan to incorporate the feedback, ideas, and suggestions they received. This exciting plan recommends restoration of the shoreline and reintroduces the historic beaches that once lined the City's lakefront. It offers many amenities, all of which would be publicly accessible, opening up one of the largest stretches of the Lake Erie shoreline. Natural habitats will be enhanced and places created where one can get close to the water's edge with walking trails and overlooks to take in the view of the lake setting. An expanded Sims Park pier and a new marina are also part of the plan.

The plan as developed will be anchored by Sims Park on the east. Not only will public areas be increased but the opportunity for private investment in new housing and commercial developments will also benefit with the inclusion of Downtown Euclid in the plan.

City Council adopted the Euclid Waterfront Plan as an official addendum to the City's Master Plan, which is a requirement of many of the grants and funding sources. In 2010, the City received three grants totaling \$600,000 from three different state sources: \$100,000 from the Nature Works Program, \$150,000 from the Recreational Trails Program and \$350,000 from the Clean Ohio Fund. Together with financing made possible through its Tax Incremental Financing Projects, the City plans to make more than \$1 million in improvements to the Lakefront in 2011. Projects include property acquisition for public improvements such as new access roads and public parking, public trails, boardwalk trails and the extension of the fishing pier.

Long-Term Financial Planning

The City utilizes long-term planning for the funding of capital projects through a Five-Year Capital Plan. The plan is a document through which the major capital projects of the City are identified and subsequently matched to funding sources. The plan is updated annually to include new projects, revise projects listed and remove those completed.

Although the City has not adopted a formal minimum fund balance policy, the City has always tried to maintain a general fund balance that would finance a minimum of three months operations. The Finance Department reviews all monetary transactions on an on-going basis and works diligently to monitor revenues and reprioritize expenditures so that all fund balances, especially the General Fund, maintain optimal balances.

FINANCIAL INFORMATION

Summary of Accounting Policies and Budgetary Control

The City of Euclid's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are determined by General Accepted Accounting Principles (GAAP) and the number of individual funds established is determined by sound financial administration. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets, liabilities, and fund balance. The City's governmental funds include the General Fund, Special Revenue funds, Debt Service funds, and Capital Projects funds. The City's Proprietary funds are its Enterprise funds that provide services to the general public, including utilities and recreation, and Internal Service funds that provide services to City departments, divisions, and other governments. The City also maintains Fiduciary funds to account for assets held by the City as an agent, or in a trust capacity for individuals, private organizations, and other governments.

Except for budgetary purposes, the basis of accounting used by the City conforms to GAAP as applicable to governmental units. All governmental funds are accounted for using current financial resources, current assets, and current liabilities measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized in the accounting period when they become both measurable and available. Expenditures are recognized when the liability is incurred, if measurable, except for interest on general obligation debt, which is recognized when due.

The measurement focus of the City's proprietary funds is on the flow of total economic resources. The accrual basis of accounting is utilized for the proprietary funds. Revenues are recognized when earned and expenses are recognized when incurred.

The City's basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than included in fund balances.

For the year ended December 31, 2003, the City changed its financial reporting to comply with GASB Statement No. 34, Basic Financial Statements and Management' Discussion and Analysis for State and Local Governments. Accordingly, government-wide financial statements, which include all governmental and proprietary funds, are presented on the full accrual basis of accounting. As part of the implementation of GASB Statement No. 34, the City has opted to fully implement retroactive infrastructure reporting. In doing so, the historical cost of infrastructure assets (retroactive to 1980) is included as part of the governmental capital assets. Thus, the depreciated value of construction costs for the roadway network, including streets, sidewalks, curbs and gutters, guardrails, traffic lights, signals, parking meters, and the bridge network is reported in the government-wide statement of net assets. In conjunction with the implementation of GASB Statement No. 34, the City has also adopted GASB Statement No. 38, Certain Financial Statement Note Disclosures, which rescinds some and modifies other financial statement disclosure requirements.

The City's budgeting process is governed by Ohio law and is divided between the City's Mayor, Finance Director (who prepares the tax budget), Council, the Cuyahoga County Budget Commission (consisting of the County Auditor, County Treasurer and County Prosecutor), and the County Auditor. Major documents associated with budget preparation include: the Cuyahoga County Tax Budget, the Certificate of Estimated Resources (filed with the Cuyahoga County Auditor), and the Appropriation Ordinance. All budget documents are prepared in compliance with the budgetary basis of accounting. Both the Certificate of Estimated Resources and the Appropriation Ordinance are subject to revision and amendment throughout the year; both are subject to the restriction that current appropriations cannot exceed estimated resources as disclosed on the Certificate of Estimated Resources. In accordance with State law, all funds, with the exception of agency funds, are legally required to be budgeted and appropriated. Council controls appropriations at the personal services and other expenditures object level within each department for all funds. Modifications or amendments to control levels in the Appropriation Ordinance require Council approval; internal City financial policies permit fund transfers within control levels with approval by the Mayor and Finance Director. The Cuyahoga County Auditor must certify that the City's appropriation measure does not exceed the amounts set forth in the County Budget Commission's Certificate of Estimated Resources.

The City employs an encumbrance system documenting purchase commitment amounts prior to generation and release of official City purchase orders. Purchasing practices within the City require departmental review and authorization of all purchase requisitions. Where applicable, proposed purchases in excess of administrative approval limits are subject to competitive bid requirements of Council and are awarded subsequent to approved legislation authorizing the procurement of goods or services. The Finance Director certifies all purchase orders for availability of funds and the estimated expenditure is encumbered against the appropriate departmental or fund appropriation. On the government fund financial statements, these encumbrances are reported as a reservation of fund balance at December 31, 2010. Unencumbered appropriations lapse at year-end and become available for future appropriations.

Internal Accounting and Reporting Control

The Mayor and administrators are responsible for implementing an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure ensures that accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal controls are designed within the above framework. Accordingly, we believe the City's system of internal accounting controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

OTHER INFORMATION

Independent Audit

In accordance with Ohio law, an annual independent audit is required to be performed on all financial operations of the City. The Auditor of the State of Ohio has authorized the audit for 2010 to be performed by the independent public accounting firm of James G. Zupka, CPA, Inc. The independent accountants' unqualified opinion has been included in this report. The administration plans to continue this audit procedure as required by law as part of the preparation of a Comprehensive Annual Financial Report. The annual audit and management letter submitted by James G. Zupka, CPA, Inc. provides information to the City to enable it to maintain and strengthen the City's accounting and budgeting controls.

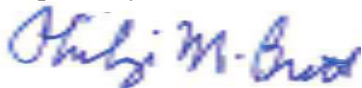
The City of Euclid receives federal financial assistance through various federal grant programs. An audit in accordance with the Single Audit Act of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments and Non-Profit Organizations and Government Auditing Standards, issued by the Comptroller General of the United States, has been performed for the fiscal year ended December 31, 2010. The required reports on supplementary information, compliance, and internal controls, along with various supplementary schedules, are included in a separate report.

Certificate of Achievement for Excellence in Financial Reporting

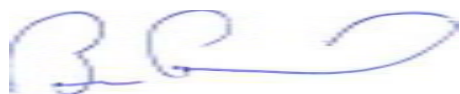
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Euclid for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year only. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In closing, we would especially like to recognize the staff of the City of Euclid, all of whom exhibited dedication and professionalism throughout the many hours required in preparing this report.

Respectfully submitted,



Philip M. Brett, CPA
Director of Finance

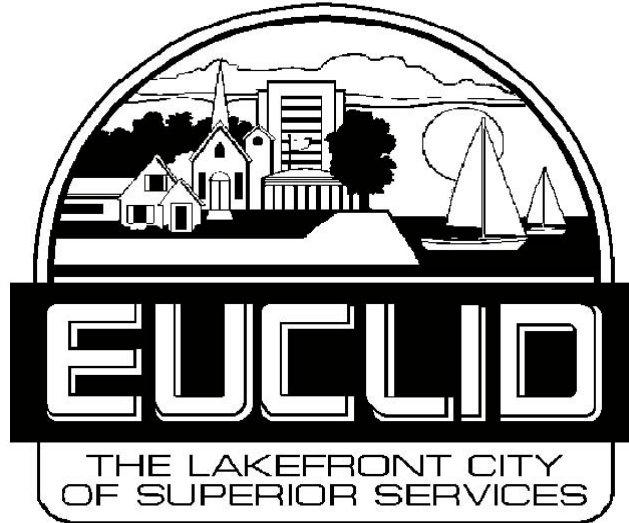


Bill Cervenik, CPA
Mayor

CITY OF EUCLID, OHIO

“A City of Superior Services”

BILL CERVENIK -*Mayor*



Directors & Chiefs

CHRIS FREY-*Law*

RANDY SMITH-*Public Service*

PHILIP BRETT-*Finance*

KATHY WILL-*Recreation*

FRANK PIETRAVOIA –*Economic Development*

CHIEF JAMES REPICKY –*Police*

CHIEF THOMAS COSGRIFF-*Fire*

Municipal Court

DEBORAH LEBARRON –*Judge*

Euclid City Council

KIRSTEN HOLZHEIMER GAIL- *President of Council*

DAVID GILLIHAM – *Ward I*

MICHAEL F. O'NEILL- *Ward V*

MADLINE SCARNIENCH – *Ward II*

JOHN M. WOJTLA – *Ward VI*

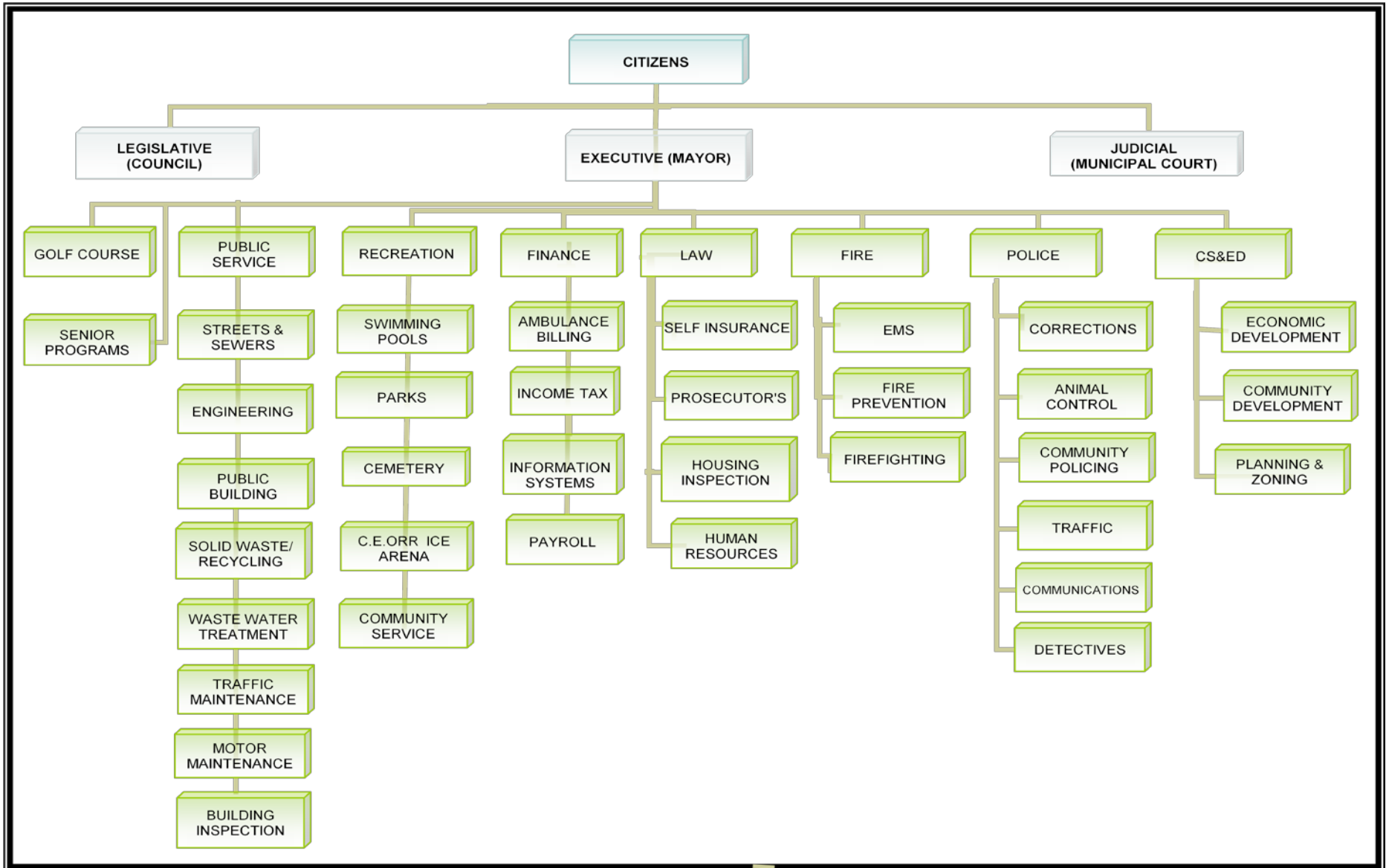
KANDACE JONES – *Ward III*

DARYL LANGMAN – *Ward VII*

MARY JO MINARIK – *Ward IV*

GREG VAN HO – *Ward VIII*

CITY OF EUCLID ORGANIZATION CHART 2010



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Euclid
Ohio

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

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



President

Executive Director

FINANCIAL SECTION

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council and
Members of the Audit Committee
City of Euclid, Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Ohio, as of December 31, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 4, the City restated its net assets due to a correction in reporting of accounts payable of the Water Line Improvement Fund as an enterprise fund.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2011, on our consideration of the City of Euclid, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Euclid, Ohio's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



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

June 3, 2011

CITY OF EUCLID, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
Unaudited

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

Financial Highlights

Key financial highlights for 2010 are as follows:

- Total assets of the City exceeded liabilities at the close of 2010 by \$103,241,247 compared to \$95,232,469 at the end of 2009, an increase of \$8,008,778 or 8.41 percent. Of these amounts, \$13,327,382 (2010) and \$14,713,008 (2009) may be used to meet the City's ongoing obligations to its citizens and creditors, provided it is expended or transferred according to the Charter of the City and/or the general laws of the State of Ohio.
- Total assets increased by \$3,049,782 with governmental activities increasing by \$3,427,667 and business-type activities decreasing by \$377,885. The governmental activities increase is reflected primarily in special assessment receivables.
- Municipal income tax revenue for 2010 was \$22,994,810 versus \$22,527,179 in 2009, an increase of \$467,631 or 2.08 percent.
- Property taxes for governmental activities increased by \$93,754, or 1.85 percent, to \$5,162,960.
- Together, municipal income taxes and property taxes accounted for \$28,157,770 in revenue, or 52.16 percent, of all revenues in governmental activities.
- Grants and entitlements not restricted to specific programs increased by \$989,339, or 16.81 percent, to \$6,874,711.
- Charges for services in business-type activities decreased by \$2,772,261, or 20.43 percent, from \$13,570,441 in 2009 to \$10,798,180 in 2010.
- The City's debt, including compensated absences, decreased by \$1,296,036, or 3.09 percent, to \$40,699,156 in the governmental activities.

CITY OF EUCLID, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
Unaudited

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements, which begin on page 19, are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *Statement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in the City's net assets are one indicator of whether the City's financial health is improving or deteriorating. In 2010, Governmental Activities unrestricted net assets rose by \$1,692,564 or 50.37 percent. Special Assessment Receivables rose by \$2,862,284 or 178.49 percent. The primary reason was the addition of two new special assessments for street lighting and sanitation. In Business-Type Activities unrestricted net assets were reduced by \$3,078,190 or 27.11 percent. There were a number of sewer system improvement construction projects that were partially funded by the Wastewater Treatment Fund. The City has also begun negotiations with the EPA to define the necessary steps in the implementation of a Long Term Storm Water Runoff Control Plan.

The *Statement of Activities* presents information showing how the City's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City principally include: general government, public service, public safety, community development, public health, parks and recreation, and economic development. The business-type activities of the City principally include: waste water treatment, water line improvements, and the golf course operations.

For 2010, Business-Type Activities expenses decreased by \$1,800,972 or 14.02 percent. This decrease was due to the number of studies completed in the previous year for improvements to the water and sewers, as well as a reduction in the operating expenses of the golf course due to the contracting with a management company to oversee the golf course.

**CITY OF EUCLID, OHIO
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
Unaudited**

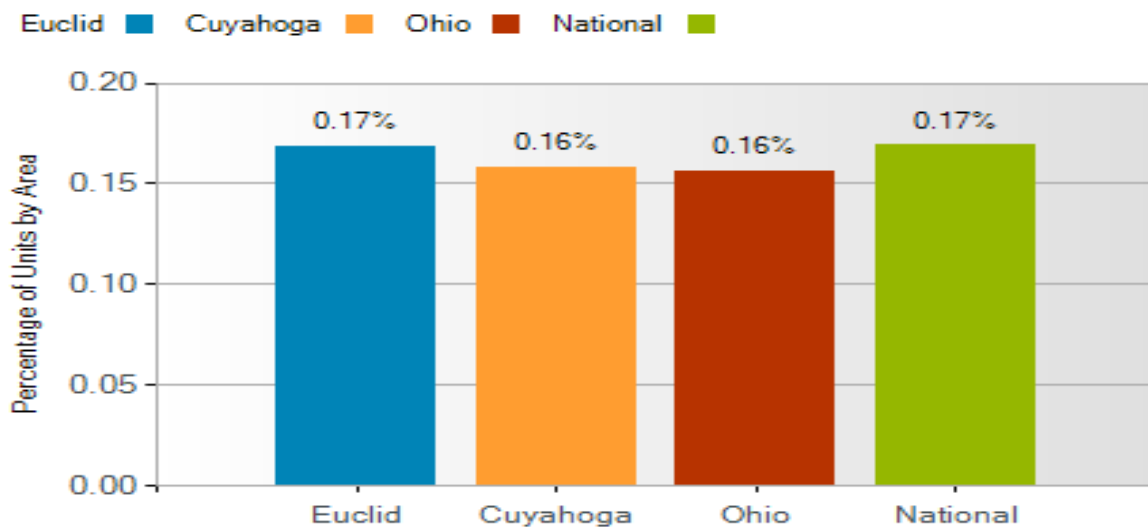
Revenues in Business-Type Activities decreased by \$2,047,605 or 13.02 percent. This reflects a decrease in Charges for Services revenue collected by the Golf Course. During 2010, the City contracted with a management company to oversee the golf course, which reduced the amount received from charges for services.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

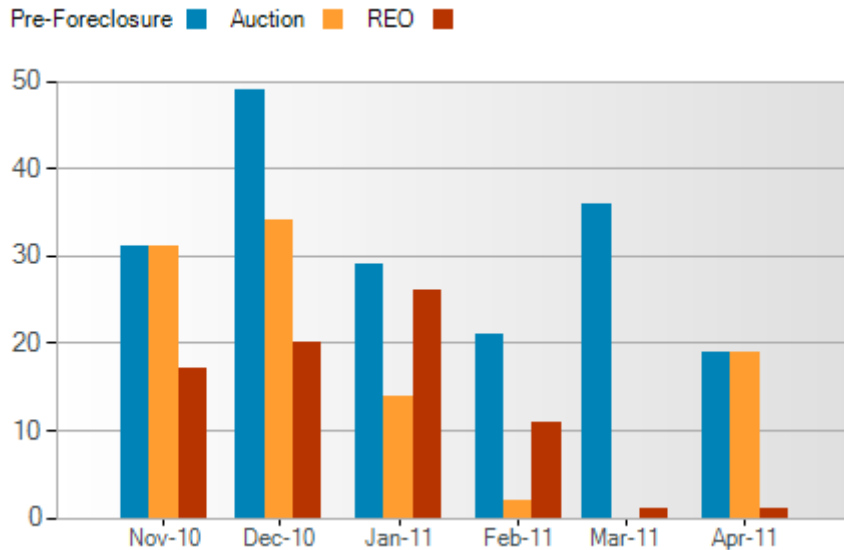
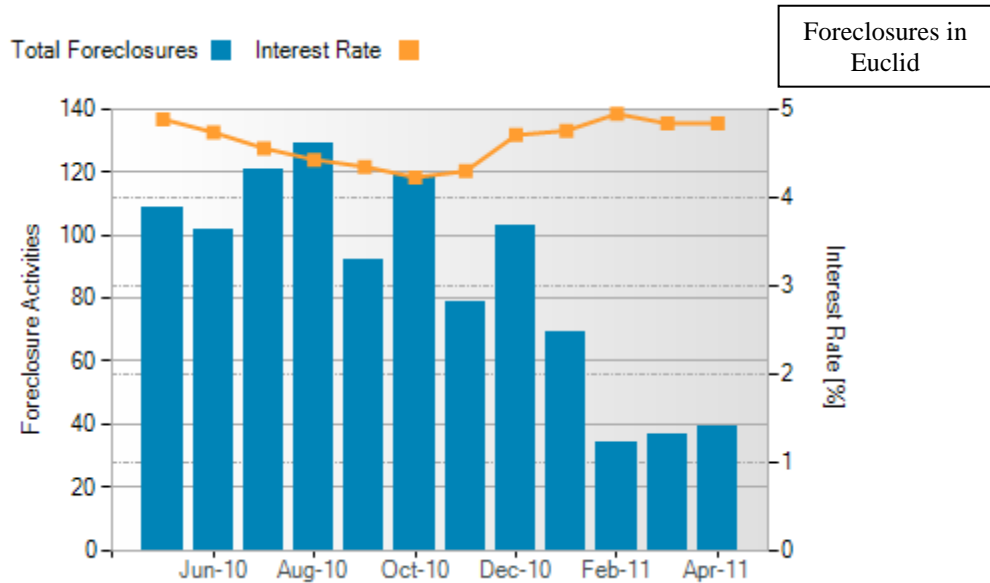
Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

2010 General Fund revenues increased over 2009 revenues but were still almost \$1.3 million less than 2008 revenues. 2010 revenues exceeded 2009 revenues by more than \$1 million and 2010 expenditures were more than \$1 million less than 2009 expenditures. Rather than using cash reserves to meet expenditures, the City was able to increase cash reserves in the General Fund by more than \$1.1 million.

During 2010, Euclid experienced home foreclosures at a rate virtually identical to the national average and slightly above the state and county average. During 2010 and early 2011, Ohio had the twelfth highest rate of foreclosure whereas before it was one of the top three states for foreclosures.



**CITY OF EUCLID, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
Unaudited**



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 this comparison between governmental funds and governmental activities.

CITY OF EUCLID, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
Unaudited

The City maintains 27 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and the General Obligation Bond Retirement Fund, which are considered to be major funds. Data from the other 25 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, Special Revenue funds, Debt Service Fund, Capital Projects funds, Enterprise funds, and Internal Service Fund. The General Fund budgetary comparison has been provided as a separate financial statement to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 21 through 25 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its waste water treatment facility and sewer maintenance, water line improvement, and golf course operations. An internal service fund is an accounting device used to accumulate and allocate costs internally throughout the City's various functions. The City uses an internal service fund to account for its self-insurance for general liability function. Because this service predominantly benefits governmental rather than business-type functions, the fund has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waste Water Treatment Fund, the Water Line Improvement Fund, and the Briardale Greens Golf Course Fund, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 26 through 28 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 29 of this report.

CITY OF EUCLID, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
Unaudited

Notes to the Financial Statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 through 68 of this report.

Government-Wide Financial Analysis

This is the eighth year for the City in implementing Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. This statement requires a comparative analysis of government-wide data in the Management Discussion and Analysis section. As this is the eighth year of implementing the new standard, comparative data is available. Information regarding the government-wide net assets of the City is presented in the following table.

Table 1 - Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009 Restated	2010	2009 Restated
Assets						
Current and Other Assets	\$ 37,201,588	\$ 31,607,830	\$ 10,792,820	\$ 15,720,717	\$ 47,994,408	\$ 47,328,547
Capital Assets	66,889,885	69,055,976	65,802,975	61,252,963	132,692,860	130,308,939
Total Assets	\$ 104,091,473	\$ 100,663,806	\$ 76,595,795	\$ 76,973,680	\$ 180,687,268	\$ 177,637,486
Liabilities						
Current and Other Liabilities	\$ 8,706,251	\$ 9,356,455	\$ 1,680,159	\$ 3,514,906	\$ 10,386,410	\$ 12,871,361
Long Term Liabilities:						
Due within One Year	7,822,082	7,108,736	9,847,730	10,246,340	17,669,812	17,355,076
Due in More than One Year	32,877,074	34,886,456	16,512,725	17,292,124	49,389,799	52,178,580
Total Liabilities	49,405,407	51,351,647	28,040,614	31,053,370	77,446,021	82,405,017
Net Assets						
Invested in Capital Assets Net of Debt	36,290,780	37,644,890	40,280,422	34,567,361	76,571,202	72,212,251
Restricted	13,342,663	8,307,210	0	0	13,342,663	8,307,210
Unrestricted	5,052,623	3,360,059	8,274,759	11,352,949	13,327,382	14,713,008
Total Net Assets	\$ 54,686,066	\$ 49,312,159	\$ 48,555,181	\$ 45,920,310	\$ 103,241,247	\$ 95,232,469

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$103,241,247 at the close of the most recent fiscal year.

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By far the largest portion of the City's net assets, 74.16 percent, reflects its investment in capital assets (e.g. land, land improvements, buildings and improvements, infrastructure, and furniture, fixtures and equipment), net of accumulated depreciation, less any related, still outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, those assets are not available for future spending. Although the City's investment in 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 resources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the City's ongoing obligations to citizens and creditors.

Changes in net assets for the current fiscal year are reflected in the table below and correspond to the Statement of Activities.

Table 2 - Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009 Restated	2010	2009 Restated
Revenues						
Program Revenues:						
Charges for Services	\$ 11,414,708	\$ 7,343,412	\$ 10,798,180	\$ 13,570,441	\$ 22,212,888	\$ 20,913,853
Operating Grants and Contributions	6,234,538	3,554,378	184,648	227,712	6,419,186	3,782,090
Capital Grants and Contributions	350,000	0	884,306	1,137,213	1,234,306	1,137,213
General Revenues:						
Property Taxes	5,162,960	5,069,206	365,166	465,667	5,528,126	5,534,873
Income Taxes	22,994,810	22,527,179	0	0	22,994,810	22,527,179
Grants and Entitlements	6,874,711	5,885,372	0	0	6,874,711	5,885,372
Investment Earnings	173,483	451,410	9,856	4,339	183,339	455,749
Payment in Lieu of Taxes	174,801	172,310	0	0	174,801	172,310
Miscellaneous	478,952	1,196,228	1,434,192	318,581	1,913,144	1,514,809
Gain on Sale of Capital Assets	128,453	45,431	0	0	128,453	45,431
Total Revenues	53,987,416	46,244,926	13,676,348	15,723,953	67,663,764	61,968,879
Expenses						
General Government	13,105,802	13,389,365	0	0	13,105,802	13,389,365
Security of Persons & Property	20,607,153	21,052,721	0	0	20,607,153	21,052,721
Sanitation	1,916,687	2,251,317	0	0	1,916,687	2,251,317
Public Health	273,641	280,112	0	0	273,641	280,112
Lesiure Time Services	1,766,298	2,095,133	0	0	1,766,298	2,095,133
Community and Economic Development	2,873,059	2,846,921	0	0	2,873,059	2,846,921
Transportation	6,647,276	7,382,963	0	0	6,647,276	7,382,963
Interest and Fiscal Charges	1,418,378	1,406,102	0	0	1,418,378	1,406,102
Briardale Greens Golf Course	0	0	142,248	894,060	142,248	894,060
Waste Water Treatment	0	0	9,938,574	10,920,206	9,938,574	10,920,206
Water Line Improvement	0	0	965,870	1,033,398	965,870	1,033,398
Total Expenses	48,608,294	50,704,634	11,046,692	12,847,664	59,654,986	63,552,298
Increase (Decrease) in Net Assets Before Transfers	5,379,122	(4,459,708)	2,629,656	2,876,289	8,008,778	(1,583,419)
Transfers	(5,215)	0	5,215	0	0	0
Change in Net Assets	5,373,907	(4,459,708)	2,634,871	2,876,289	8,008,778	(1,583,419)
Net Assets at Beginning of Year, as Restated	49,312,159	53,771,867	45,920,310	43,044,021	95,232,469	96,815,888
Net Assets End of Year	\$ 54,686,066	\$ 49,312,159	\$ 48,555,181	\$ 45,920,310	\$ 103,241,247	\$ 95,232,469

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Governmental Activities

Several revenue sources fund the City's governmental activities with income tax revenue being the largest source. The City levies a municipal income tax of 2.85 percent on all income earned within the City, as well as on income of residents earned outside the City, of which .238 percent is used to finance the City's operations, while the remaining portion is shared with the Euclid City School District. The City allows a credit of 100 percent on the income earned outside of the City and paid to another municipality.

A summary of governmental activity expenses and the net cost of providing these services (excluding general revenues) are presented below.

Table 3 - Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
General Government	\$ 13,105,802	\$ 13,389,365	\$ 7,850,818	\$ 10,950,639
Security of Persons & Property	20,607,153	21,052,721	15,789,815	17,715,394
Sanitation	1,916,687	2,251,317	579,233	2,251,317
Public Health	273,641	280,112	191,573	201,714
Lesiure Time Services	1,766,298	2,095,133	1,328,884	1,494,497
Community and Economic Development	2,873,059	2,846,921	(1,377,419)	217,909
Transportation	6,647,276	7,382,963	4,827,766	5,569,272
Interest and Fiscal Charges	1,418,378	1,406,102	1,418,378	1,406,102
Total Cost of Services	\$ 48,608,294	\$ 50,704,634	\$ 30,609,048	\$ 39,806,844

Security of Persons and Property expenses totaled \$20,607,153, or 42.39 percent, of the total 2010 expenses. A significant portion of these expenses can be attributed to salaries, wages, and employee benefits for police officers and firefighters. As of December 31, 2010, the City employed 98 full time police officers and 76 full time firefighters. General Government expenses totaled \$13,105,802 or 26.96 percent, of total 2010 expenses. General Government is comprised of the following departments: Legislative, Municipal Court, Mayor, Finance, Law, and Administrative. A significant portion of these expenses are related to salaries, wages, and employee benefits.

Business-type Activities

Business-type activities are principally accounted for in the City's enterprise funds. The City operates three principal enterprise funds, which include a Waste Water Treatment Fund, a Water Line Improvement Fund, and the Briardale Greens Golf Course Fund. The operating results of these three enterprise funds are discussed below.

Waste Water Treatment Fund: The Waste Water Treatment Fund accounts for the operation of the City's sanitary sewer and waste water treatment system which services the City and several other surrounding communities. The City continues to retain the services of DMG-Maximus, Inc., on an annual basis, to determine the adequacy of user rates to fund continuing operations. The Environmental Protection Agency's court mandated projects has resulted in rate increases of \$2.00 per MCF per year being scheduled for 2010 through 2013.

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Water Line Improvement Fund: The Water Line Improvement Fund accounts for distribution of treated water to individual and commercial users in various parts of the City. During 2010, operating expenses in the fund decreased by \$859,529 or 59.47 percent while operating revenues decreased by \$223,936 or 9.81 percent. The operating revenue decrease is primarily due to the decrease in the charges for services due to continued conservation effort. The expenses decrease reflects a decrease in the number of outstanding studies relating to the upgrading of the water lines.

Briardale Greens Golf Course Fund: The Briardale Greens Golf Course is a public golf course built upon land that was the site of a World War II housing project and is situated on the north side of the City. For 2010, the firm of Billy Casper Golf Management Company has been contracted to manage and operate the golf course.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current year, the City's total governmental funds reported ending fund balances of \$15,305,006, an increase of \$2,128,304 from the prior year. Of the total, \$7,426,772 is the General Fund's ending fund balance, an \$893,615 increase over 2009. The General Obligation Bond Retirement Fund decreased by \$380,126 to \$3,275,849. All other governmental funds showed an increase in fund balances of \$1,614,815 to \$4,602,385 over 2009.

The income tax is the largest single source of revenue for the General Fund. In 2010, the City experienced a modest decrease of \$130,000 (less than .6 percent) in income tax revenue. The special assessments assessed for refuse collection and street lighting described above, enabled the City to maintain its superior level of service, expand services through the reinstatement of the recycling program and increase the General Fund cash balance by more than \$1 million, due to the issuance of internally held debt in anticipation of special assessments.

The General Fund is the primary operating fund of the City and traditionally accounts for most of the general governmental revenue and expenditures. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance of \$6,114,271 and total fund balance of \$7,426,772 to total fund expenditures of \$36,029,306. Unreserved General Fund balance represents 16.97 percent of total General Fund expenditures, while total fund balance represents 20.61 percent of that same amount.

On a cash basis, projected budgetary fund balance in the General Fund, for year ending 2010 was about \$1.08 million. Budgetary fund balance increased by \$1,048,877 taking budgetary fund balance from \$1,679,971 to \$2,777,636.

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Analysis of General Fund Revenues

Municipal Income Taxes

Ohio law authorizes the levy of a municipal income tax at a rate not to exceed 1 percent by an act of Council, solely, without a vote of the electors. Municipal income taxes in excess of 1 percent must first be approved by a vote of the electors and be for a specified purpose. In 1968, by act of Council, a 1 percent income tax rate was established. In 1979, based upon a vote of the electors, the tax rate was increased to 1.5 percent. In 1982, based upon a vote of the electors, the tax rate was increased to 2 percent.

In 1994 the electors voted to increase the income tax rate to 2.85 percent. The 2.85 percent rate is split between the City and the Euclid Board of Education, with the City receiving income tax at the rate of 2.38 percent and the Euclid Board of Education receiving income tax at the rate of .47 percent. The responsibility for collecting the entire 2.85 percent income tax is the sole responsibility of the City of Euclid's Income Tax Department.

The 2.85 percent income tax is levied upon the net income of corporations and other business entities and on the wages, salaries, and compensation of both individuals working in the City and residents of the City. Residents do receive a tax credit equal up to 2.85 percent of the income tax they pay other municipalities.

2010 income tax revenues were down, by .6 percent or \$130,000 from 2009. For 2011, we are budgeting an increase of 2 percent, which we believe to be a conservative estimate. For the first quarter of 2011, receipts are in line with these projections. We expect that Euclid City Schools' construction of 4 new buildings estimated to put \$40 million dollars into the local construction economy along with major workforce expansions within 2 of our newer employers, University Hospital and Babcock & Wilcox, there is a chance that the City could exceed our collection projections.

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Property Taxes

Taxes collected from real property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Taxes collected from tangible personal property in one calendar year are levied in the same calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of the current calendar year, and at the rates determined in the preceding year. Beginning in tax year 2006, tangible personal property tax assessment rates, and therefore revenue, started to be phased out due to legislation passed by the state of Ohio. This phase out results in the reduction in the tax of approximately 25 percent per year. As personal property taxes were being phased out, the City received reimbursements from the state of Ohio to offset the loss of revenue. The original plan was for the City to be made whole the first five years followed by a gradual phase out of the reimbursements from 2011 through 2018. However, faced with a budget crisis of its own, the State begun discussions to phase out the reimbursements immediately or over a much shorter time frame. Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year.

The “assessed valuation” of real property is fixed at 35 percent of true value and is determined pursuant to rules of the State Tax Commissioner. An exception is that real property devoted exclusively to agricultural used to be assessed at not more than 35 percent of its current agricultural use value. Real property devoted exclusively to forestry or timber growing is taxed at 50 percent of the local tax rate multiplied by the assessed value

The details of property tax valuations and tax rates relating to collections for the last three years can be found in the following table:

Table 4 - Tax Rates (Per \$1,000 of Assessed Valuation)

Purpose	2010	2009	2008
General Fund	6.72	6.72	6.72
Recreation Operating	1.30	1.30	1.30
Bond Retirement	3.88	3.88	3.88
Capital Improvements	1.70	1.70	1.70
Sewers	2.00	2.00	2.00
Total	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>
Assessed Valuation	<u>\$ 746,769,750</u>	<u>\$ 749,989,650</u>	<u>\$ 837,916,020</u>

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Property tax collections have dropped significantly due to a decline in our assessed valuation. This in spite of a charter provision that applies HB 920 reduction factors to charter millage as if they were voted levies. The charter amendment takes its name and acts the same as HB 920 which was enacted by the state in the mid 1970's to freeze the amount of money a voted levy generates over the life of the levy. As property values increase/decrease, property taxes do not change as a result. HB 920 was designed to hold homeowners harmless from the increasing value of their homes and protect them from inflation. At the core of HB 920 is the assumption that home prices will remain stable or, even more likely, increase in value as time passes. In a perverse twist, when the housing bubble burst and there was a universal decrease in the market value of homes—and consequently the assessed valuation of homes—HB 920 served to increase many homeowners' property tax bills even as the value of their homes decreased.

State Local Government Funds and Other Shared Revenues

The State of Ohio shares various tax revenues with the City and other political subdivisions primarily through the State's Local Government Fund (LGF). As part of a new funding mechanism, starting in 2010, the State removed the freeze on LGF payments and replaced it with a percentage of certain state revenues; in addition, the Local Government Revenue Assistance Fund (LGRAAF) was discontinued. The combination of these programs is the City's largest source of non-tax General Fund revenue. In 2010, using the new funding mechanism, the City received \$2,909,087 from the State's LGF for an increase of \$44,981 or 1.57 percent.

Pursuant to statutory law in Ohio, State LGF revenues are divided into county and municipal portions. The County portion, the larger of the two, is distributed to each of the State's 88 counties and is allocated based upon a statutory formula utilizing county population and county municipal property values. Once received by a county, the funds can either be distributed to all subdivisions using the statutory formula or the county and its subdivisions may agree upon an alternate method for allocating the funds. Cuyahoga County and its recipient communities have chosen the latter method which is comprised of a base allocation and an excess allocation. The excess allocation takes into account such factors as assessed value per capita, per capita income, population density, and the number of individuals receiving public assistance. The municipal portion of the LGF is distributed directly by the State to those municipalities that collect an income tax. A municipality receives its share of the funds based upon its percentage of total municipal income taxes collected throughout the State in a given year.

In order to meet its own budget needs, the state has elected to dramatically cut LGF revenues to all cities. In essence, the cuts will result in a reduction of 26 percent in 2011 and a further reduction of this amount by approximately 26 percent the following year.

Proprietary Funds. The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

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Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2010, amounts to \$132,692,860. This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, infrastructure, and furniture, fixtures, and equipment. A summary of the City's capital assets at December 31, 2010, is reflected in the table which follows.

Table 5 - Capital Assets at December 31, (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 10,560,309	\$ 9,058,667	\$ 7,428,126	\$ 7,428,126	\$ 17,988,435	\$ 16,486,793
Construction in Progress	1,159,432	3,635,147	9,538,199	5,383,265	10,697,631	9,018,412
Land Improvements	1,737,424	1,947,486	519,833	565,268	2,257,257	2,512,754
Buildings and Improvements	8,776,360	9,146,317	8,243,473	8,552,418	17,019,833	17,698,735
Furniture, Fixtures and Equipment	3,635,764	3,676,581	1,038,810	853,499	4,674,574	4,530,080
Infrastructure:						
Streets	41,020,596	41,591,778	0	0	41,020,596	41,591,778
Sanitary Sewer	0	0	12,530,334	12,867,619	12,530,334	12,867,619
Storm Sewers	0	0	6,669,849	6,881,923	6,669,849	6,881,923
Water Lines	0	0	19,834,351	18,720,845	19,834,351	18,720,845
Totals	\$ 66,889,885	\$ 69,055,976	\$ 65,802,975	\$ 61,252,963	\$ 132,692,860	\$ 130,308,939

Major events during the current fiscal year affecting the City's capital assets included the following:

- **Construction in Progress** - additions in both the governmental activities and business-type activities consist of the following:

Governmental Activities

East 222 nd Rebuild (Includes Issue 2 payments)	\$ 161,474
Street Resurfacing Program	226,950
Downtown Streetscape	14,214
Purchase of 24555 & 24601 Lake Shore Blvd	2,800
Babbitt Road RTA Bus Stop	182,362
Fire Truck Purchase	<u>755,755</u>
Total Governmental Activities	<u>\$ 1,343,555</u>

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Business-Type Activities

Dille Rd. & E. 204 th Street Project	\$ 1,476,095
E. 214 th Street & Lakeshore Blvd. Improvements	980,383
St. Clair & Rockwell Fire Hydrant & Street Resurfacing	132,686
Waterline Improvement	183,102
E. 248 th Street Sewer Improvements	1,903,299
East 222 nd & Tungsten Waterline	21,984
Euclid Avenue Improvement	174,855
East 264 th Waterlines & Sanitary Sewer	817,475
Roadway & Utility Improvement	<u>78,330</u>
<i>Total Business-Type Activities</i>	<u>\$ 5,768,209</u>

Additional information on the City's capital assets can be found in Note 9.

Debt The City's outstanding General Obligation Debt is currently rated "Aa 2 " by Moody's Investors Service. This investment grade rating is attributed to the City's improved financial practices and policies that have resulted in improved liquidity, moderately growing tax base with a slowly recovering economy, and a manageable debt profile. Maintaining its credit rating enables the City to obtain short term and long term financing at the lowest possible interest rates. As of December 31, 2010, the City's General Obligation Bonded Debt totaled \$29,272,939.

A summary of outstanding long-term debt at December 31, 2010 follows.

Table 6 - Outstanding Debt at December 31

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
General Obligation Bonds	\$ 23,232,081	\$ 25,667,580	\$ 6,040,858	\$ 6,537,151	\$ 29,272,939	\$ 32,204,731
Special Assessment Bonds	995,000	1,080,000	0	0	995,000	1,080,000
Notes Payable	4,311,278	2,340,000	7,072,153	7,040,000	11,383,431	9,380,000
Industrial Revenue Bond	995,000	1,120,000	0	0	995,000	1,120,000
OWDA Loans	0	0	4,790,889	6,779,135	4,790,889	6,779,135
OPWC Loans	1,586,856	1,670,375	7,372,374	5,971,616	8,959,230	7,641,991
	<u>\$ 31,120,215</u>	<u>\$ 31,877,955</u>	<u>\$ 25,276,274</u>	<u>\$ 26,327,902</u>	<u>\$ 56,396,489</u>	<u>\$ 58,205,857</u>

The special assessment bonds will be paid from the proceeds of special assessments levied against benefitted property owners. The various improvement notes will be paid out of the Bond Retirement Fund. See Note 10 to the financial statements for more information regarding the City's outstanding debt.

Debt Capacity: The City is well within statutory limitations for both voted and unvoted debt. The computation of the legal debt margins at December 31, 2010 is included in the Statistical Section of this report under the heading "Legal Debt Margin", along with other related computations and ratios relevant to the City's note and bonded debt. The City's overall legal debt margin was \$58,603,360 and the unvoted debt margin was \$21,264,872 at December 31, 2010.

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The ratio of net general bonded debt to assessed valuation and the amount of net bonded debt per capita provide useful information concerning the level of the City's debt to management and investors. The information as of December 31, 2010 for the City is as follows:

	<u>Amount</u>	<u>Ratio of Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
Net General Obligation Debt (Bonded)	\$29,272,939	3.92 %	\$ 555.00

In April 2010, the City requested review of short term note issue and received an Aa 2 MIG-1 rating for the debt issue from Moody's Investor Services. The rating was not considered an upgrade rather it was an adjustment of all governments to the Global Scale. It however did confirm that we are maintaining current rating.

Factors Expected to Affect the City's Future Financial Position or Results of Operations

The City, like all municipalities both local and national, continues to face the challenge of economic recession. Basic operating costs continue to rise due to negotiated salary increases, higher benefit costs, and federal and state mandates being placed upon municipalities at the same time federal and state funding is being reduced.

The City has seen significant reductions in funding from the Federal and State governments. The City is combating these reductions by stimulating economic and community development throughout our business districts and neighborhoods.

The City continues to project budgets over a three year period. This practice was initiated in 2004 and helps in the long-term planning for general operations as well as capital projects.

The budget process for 2011 is complete and, although a challenge, the City is committed to taking the steps necessary to restore structural balance to the City's budget. Projected cash balance in the General Fund will be drawn down by \$324,000. Taking into consideration the fact that \$2,375,468 of cash outflows are in the form of transfers and debt service as opposed to \$990,000 of cash inflows from transfers and the sale of debt, the operating revenues actually exceed operating expenditures by more than \$1,000,000. The City has an informal fund balance policy of 5 percent of budgeted revenues. In the General Fund, using the unencumbered cash balance mentioned above of \$2,777,636 and dividing by the 2010 original budget for General Fund revenues of \$39,714,338 results in a percentage 6.99 percent. In 2010, City council adopted legislation authorizing the City to bill residents for rubbish collection and to assess all properties for the cost of street lighting. For 2011, the City is budgeting \$1,731,000 for the sanitation charges. The budgeted amount represents 85 percent of the total amount the City intends to bill. The City also instituted a Special Assessment for street lighting. The assessment is expected to generate about \$885,000 annually. Because The City could not collect the assessment in 2010, Council authorized an internal cash flow borrowing from our Bond Retirement Fund and the City issued a Special Assessment Anticipation Note that will be held by the Bond Retirement Fund.

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In addition to revenue enhancements, the City made significant reductions in operating expenses in 2010. The City eliminated over 25 positions in various departments through lay-offs, attrition, and combining of responsibilities between departments. Private management firms have been engaged to operate the Shore Cultural Centre facility, as well as the municipal-owned golf course, Briardale Greens. The operating performance, as well as the cost savings, has been very satisfactory at both facilities

The two-mill sewer levy was not renewed by the voters and will result in a loss of revenue of approximately \$600,000 in 2011 in property taxes that would have been used for maintenance of storm sewers and other preventative maintenance of the City's sewer system. A portion of this revenue will need to be supplemented by increased user fees from the waste water treatment operations.

Labor contracts for all ten collective bargaining units are in effect through December 31, 2011, with salary increases ranging from 2 percent to 3 percent for the year. Preparations are currently being made to begin the negotiation process for the next three-year period.

The City has received over \$3.5 million dollars in federal funding to fight the ill effects that the foreclosure situation has had on the City's neighborhoods. Through a combination of rehabilitation, demolition, and public education, as well as strict nuisance abatement policies, much progress is being made on this front. In 2008, there were 600 homes reported in active foreclosure; presently, that number has decreased to fewer than 500.

Lincoln Electric, the City's largest employer, has over 100 new employees, with plans for additional hiring. As of this report, Lincoln Electric was near completion of constructing a 2.5 mega-watt wind turbine to not only generate electric power, but to assist in their new segment of business, the welding, construction, and assembly of wind turbines. At least one other local company has plans to build two wind turbines on their property as well. It is hoped that these endeavors will entice new alternative energy companies to consider locating in the City of Euclid.

The City of Euclid Lakefront Development Project is moving forward, with property acquisition having taken place and engineering plans being completed, for the extension of the existing fishing pier at Sims Park. The funding for this initial phase of the development plan has been secured. The Lakefront Development Project, although long-term in nature, is expected to not only open up a large segment of public access to the lakefront for the entire region, but it will also provide an economic stimulus to the City's downtown shopping and retail district.

Contacting the City's Financial Department

This financial report is designed to provide a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Euclid Finance Department at 585 East 222nd Street, Euclid, Ohio 44123, 216-289-2850.

CITY OF EUCLID, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2010

	Governmental Activities	Business-Type Activities	Total	Euclid Development Corporation
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 8,414,590	\$ 5,270,009	\$ 13,684,599	\$ 432,355
Cash and Cash Equivalents in Segregated Accounts	5,106	0	5,106	0
Cash and Cash Equivalents with Fiscal Agents	50,132	0	50,132	0
Materials and Supplies Inventory	180,425	59,605	240,030	0
Accrued Interest Receivable	52,258	0	52,258	0
Accounts Receivable	682,900	5,107,497	5,790,397	15
Intergovernmental Receivable	2,982,216	49,036	3,031,252	0
Prepaid Items	67,642	13,428	81,070	200
Income Taxes Receivable	11,301,088	0	11,301,088	0
Property Taxes Receivable	5,826,951	0	5,826,951	0
Revenue in Lieu of Taxes Receivable	225,937	0	225,937	0
Notes Receivable	1,240,789	0	1,240,789	0
Loans Receivable	0	0	0	1,969,427
Special Assessments Receivable	4,465,888	0	4,465,888	0
Capital Leases Receivable	0	64,826	64,826	0
Deferred Charges	602,374	228,419	830,793	0
Non-Depreciable Capital Assets	11,719,741	16,966,325	28,686,066	0
Depreciable Capital Assets, net	55,170,144	48,836,650	104,006,794	0
Assets Held for Resale	1,103,292	0	1,103,292	0
<i>Total Assets</i>	<u>104,091,473</u>	<u>76,595,795</u>	<u>180,687,268</u>	<u>2,401,997</u>
LIABILITIES:				
Accounts Payable	337,884	257,710	595,594	40
Accrued Wages and Benefits	472,084	129,484	601,568	1,458
Intergovernmental Payable	2,263,327	501,602	2,764,929	0
Accrued Interest Payable	130,002	188,817	318,819	0
Retainage Payable	19,173	602,546	621,719	0
Claims Payable	756,577	0	756,577	0
Deferred Revenue	4,727,204	0	4,727,204	0
Long-Term Liabilities:				
Due Within One Year	7,822,082	9,847,730	17,669,812	0
Due in More Than One Year	32,877,074	16,512,725	49,389,799	0
<i>Total Liabilities</i>	<u>49,405,407</u>	<u>28,040,614</u>	<u>77,446,021</u>	<u>1,498</u>
NET ASSETS:				
Invested in Capital Assets, Net of Related Debt	36,290,780	40,280,422	76,571,202	0
Restricted for Debt Service	8,259,703	0	8,259,703	0
Restricted for Capital Outlay	2,341,761	0	2,341,761	0
Restricted for Other Purposes	882,486	0	882,486	0
Restricted for Transportation	636,461	0	636,461	0
Restricted for Community Development	1,222,252	0	1,222,252	0
Unrestricted	5,052,623	8,274,759	13,327,382	2,400,499
<i>Total Net Assets</i>	<u>\$ 54,686,066</u>	<u>\$ 48,555,181</u>	<u>\$ 103,241,247</u>	<u>\$ 2,400,499</u>

See accompanying notes to the basic financial statements.

CITY OF EUCLID, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

	Program Revenues				Net(Expense)Revenue and Changes in Net Assets			Component Unit Euclid Development Corporation
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 13,105,802	\$ 4,317,024	\$ 587,960	\$ 350,000	\$ (7,850,818)	\$ 0	\$ (7,850,818)	\$ 0
Security of Persons and Property	20,607,153	3,732,402	1,084,936	0	(15,789,815)	0	(15,789,815)	0
Sanitation	1,916,687	1,337,454	0	0	(579,233)	0	(579,233)	0
Public Health	273,641	82,068	0	0	(191,573)	0	(191,573)	0
Leisure Time Services	1,766,298	433,648	3,766	0	(1,328,884)	0	(1,328,884)	0
Community and Economic Development	2,873,059	1,512,112	2,738,366	0	1,377,419	0	1,377,419	0
Transportation	6,647,276	0	1,819,510	0	(4,827,766)	0	(4,827,766)	0
Interest and Fiscal Charges	1,418,378	0	0	0	(1,418,378)	0	(1,418,378)	0
<i>Total Governmental Activities</i>	<u>48,608,294</u>	<u>11,414,708</u>	<u>6,234,538</u>	<u>350,000</u>	<u>(30,609,048)</u>	<u>0</u>	<u>(30,609,048)</u>	<u>0</u>
Business-Type Activities:								
Briardale Greens Golf Course	142,248	8,746	0	98,794	0	(34,708)	(34,708)	0
Waste Water Treatment	9,938,574	9,238,260	184,648	321,351	0	(194,315)	(194,315)	0
Water Line Improvement	965,870	1,551,174	0	464,161	0	1,049,465	1,049,465	0
<i>Total Business-Type Activities</i>	<u>11,046,692</u>	<u>10,798,180</u>	<u>184,648</u>	<u>884,306</u>	<u>0</u>	<u>820,442</u>	<u>820,442</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$ 59,654,986</u>	<u>\$ 22,212,888</u>	<u>\$ 6,419,186</u>	<u>\$ 1,234,306</u>	<u>(30,609,048)</u>	<u>820,442</u>	<u>(29,788,606)</u>	<u>0</u>
Component Units:								
Euclid Development Corporation	157,708	101,956	0	0	0	0	0	(55,752)
<i>Total Component Units</i>	<u>\$ 157,708</u>	<u>\$ 101,956</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(55,752)</u>
General Revenues:								
Property Taxes					5,162,960	365,166	5,528,126	0
Income Taxes					22,994,810	0	22,994,810	0
Payments in Lieu of Taxes					174,801	0	174,801	0
Grants and Entitlements not Restricted to Specific Programs					6,874,711	0	6,874,711	0
Investment Earnings					173,483	9,856	183,339	0
Gain on Sale of Capital Assets					128,453	0	128,453	0
Miscellaneous					478,952	1,434,192	1,913,144	154,708
Transfers					(5,215)	5,215	0	0
<i>Total General Revenues and Transfers</i>					<u>35,982,955</u>	<u>1,814,429</u>	<u>37,797,384</u>	<u>154,708</u>
<i>Change in Net Assets</i>					<u>5,373,907</u>	<u>2,634,871</u>	<u>8,008,778</u>	<u>98,956</u>
<i>Net Assets Beginning of Year, as Restated</i>					<u>49,312,159</u>	<u>45,920,310</u>	<u>95,232,469</u>	<u>2,301,543</u>
<i>Net Assets End of Year</i>					<u>\$ 54,686,066</u>	<u>\$ 48,555,181</u>	<u>\$ 103,241,247</u>	<u>\$ 2,400,499</u>

See accompanying notes to the basic financial statements.

CITY OF EUCLID, OHIO
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2010

	General	General Obligation Bond Retirement	All Other Governmental Funds	Total Governmental Funds
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 2,778,579	\$ 1,506,111	\$ 4,070,113	\$ 8,354,803
Cash and Cash Equivalents in Segregated Accounts	5,106	0	0	5,106
Cash and Cash Equivalents with Fiscal Agents	50,132	0	0	50,132
Materials and Supplies Inventory	112,084	0	68,341	180,425
Accrued Interest Receivable	49,239	3,019	0	52,258
Accounts Receivable	312,203	8,346	362,351	682,900
Interfund Receivable	0	1,803,313	0	1,803,313
Intergovernmental Receivable	1,829,571	172,832	979,813	2,982,216
Prepaid Items	64,096	0	3,546	67,642
Income Taxes Receivable	11,301,088	0	0	11,301,088
Property Taxes Receivable	1,874,375	3,115,803	836,773	5,826,951
Revenue in Lieu of Taxes Receivable	0	0	225,937	225,937
Notes Receivable	1,240,789	0	0	1,240,789
Special Assessments Receivable	0	4,225,378	240,510	4,465,888
Assets Held for Resale	0	0	1,103,292	1,103,292
<i>Total Assets</i>	<u>\$19,617,262</u>	<u>\$ 10,834,802</u>	<u>\$ 7,890,676</u>	<u>\$ 38,342,740</u>
LIABILITIES:				
Accounts Payable	\$ 203,977	\$ 0	\$ 133,907	\$ 337,884
Accrued Wages and Benefits	385,346	875	85,863	472,084
Intergovernmental Payable	1,984,036	44,065	234,774	2,262,875
Retainage Payable	0	0	19,173	19,173
Interfund Payable	885,000	0	918,313	1,803,313
Claims Payable	503,002	0	0	503,002
Deferred Revenue	8,229,129	7,514,013	1,896,261	17,639,403
<i>Total Liabilities</i>	<u>12,190,490</u>	<u>7,558,953</u>	<u>3,288,291</u>	<u>23,037,734</u>
FUND BALANCES:				
Reserved:				
Reserved for Encumbrances	28,105	0	869,908	898,013
Reserved for Notes Receivable	1,240,789	0	0	1,240,789
Reserved for Assets Held for Resale	0	0	1,103,292	1,103,292
Reserved for Unclaimed Monies	43,607	0	0	43,607
Unreserved, Undesignated, Reported in:				
General Fund	6,114,271	0	0	6,114,271
Special Revenue Funds	0	0	1,128,722	1,128,722
Debt Service Funds	0	3,275,849	0	3,275,849
Capital Projects Funds	0	0	1,500,463	1,500,463
<i>Total Fund Balances</i>	<u>7,426,772</u>	<u>3,275,849</u>	<u>4,602,385</u>	<u>15,305,006</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$19,617,262</u>	<u>\$ 10,834,802</u>	<u>\$ 7,890,676</u>	<u>\$ 38,342,740</u>

See accompanying notes to the basic financial statements.

CITY OF EUCLID, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET
ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2010

Total Governmental Fund Balances \$ 15,305,006

Amounts reported for governmental activities in the statement of net assets are different because

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 66,889,885

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Property and Other Taxes	\$	1,325,684	
Municipal Income Tax		5,041,728	
Intergovernmental		2,057,799	
Special Assessments		4,465,888	
Charges for Services		21,100	
Total			12,912,199

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.

Net Assets		(195,149)	
Claims, reported as long term		909	
Total			(194,240)

Bond issuance costs will be amortized over the life of the bonds on the statement of net assets. 602,374

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (130,002)

Long-term liabilities, including bonds payable and compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds		(23,053,000)	
Special Assessment Bonds		(995,000)	
Notes		(4,290,000)	
Industrial Development Revenue Bonds		(995,000)	
Premium on Bonds and Gain on Refunding		(200,359)	
Compensated Absences		(8,229,171)	
Claims		(875,880)	
Capital Leases		(473,890)	
OPWC Loans		(1,586,856)	
Total			(40,699,156)

Net Assets of Governmental Activities \$ 54,686,066

See accompanying notes to the basic financial statements

CITY OF EUCLID, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>General</u>	<u>General Obligation Bond Retirement</u>	<u>All Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:				
Property Taxes	\$ 1,608,748	\$ 2,582,050	\$ 718,191	\$ 4,908,989
Income Taxes	22,165,312	0	0	22,165,312
Payments in Lieu of Taxes	0	0	174,801	174,801
Special Assessments	0	136,097	199,018	335,115
Charges for Services	5,662,863	0	457,263	6,120,126
Licenses and Permits	148,341	0	0	148,341
Fines and Forfeitures	1,593,077	0	185,371	1,778,448
Intergovernmental	5,514,651	786,015	6,761,114	13,061,780
Interest	192,502	64,135	188	256,825
Rent	80,845	45,500	79,215	205,560
Contributions and Donations	815	0	56,926	57,741
Other	147,691	739	330,522	478,952
<i>Total Revenues</i>	<u>37,114,845</u>	<u>3,614,536</u>	<u>8,962,609</u>	<u>49,691,990</u>
EXPENDITURES:				
Current:				
General Government	11,990,915	254,865	1,658,855	13,904,635
Security of Persons and Property	19,997,562	0	340,002	20,337,564
Sanitation	1,916,687	0	0	1,916,687
Public Health	272,263	0	0	272,263
Leisure Time Services	440,101	0	1,128,444	1,568,545
Community and Economic Development	1,073,460	0	1,789,919	2,863,379
Transportation	0	0	2,109,236	2,109,236
Capital Outlay	0	0	2,547,975	2,547,975
Debt Service:				
Principal Retirements	231,029	4,936,519	73,212	5,240,760
Interest and Fiscal Charges	107,289	1,165,027	38,913	1,311,229
<i>Total Expenditures</i>	<u>36,029,306</u>	<u>6,356,411</u>	<u>9,686,556</u>	<u>52,072,273</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>1,085,539</u>	<u>(2,741,875)</u>	<u>(723,947)</u>	<u>(2,380,283)</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	110,000	0	443,800	553,800
Notes Issued	0	2,340,000	1,950,000	4,290,000
Premium on Debt Issued	0	21,278	0	21,278
Proceeds from Sale of Capital Assets	3,876	471	192,962	197,309
Transfers Out	(305,800)	0	(248,000)	(553,800)
<i>Total Other Financing Sources and Uses</i>	<u>(191,924)</u>	<u>2,361,749</u>	<u>2,338,762</u>	<u>4,508,587</u>
<i>Net Change in Fund Balance</i>	893,615	(380,126)	1,614,815	2,128,304
<i>Fund Balance at Beginning of Year</i>	<u>6,533,157</u>	<u>3,655,975</u>	<u>2,987,570</u>	<u>13,176,702</u>
<i>Fund Balance at End of Year</i>	<u>\$ 7,426,772</u>	<u>\$ 3,275,849</u>	<u>\$ 4,602,385</u>	<u>\$ 15,305,006</u>

See accompanying notes to the basic financial statements

CITY OF EUCLID, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

Net Change in Fund Balances - Total Governmental Funds \$ 2,128,304

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

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

Capital Asset Additions	\$ 3,462,018	
Current Year Depreciation	<u>(5,559,253)</u>	
Total		(2,097,235)

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. (68,856)

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

Delinquent Property Taxes	253,971	
Municipal Income Taxes	829,498	
Intergovernmental	256,386	
Special Assessments	2,862,284	
Charges for Services	<u>(35,166)</u>	
Total		4,166,973

Other financing sources in the governmental funds increase long-term liabilities in the statement of net assets.

Proceeds of General Obligation Notes	(4,290,000)	
Premiums on General Obligation Notes	<u>(21,278)</u>	
Total		(4,311,278)

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

Repayment of Notes	2,340,000	
Repayment of Bonds	2,638,000	
Repayment of OPWC Loan	83,519	
Repayment of Capital Leases	<u>179,241</u>	
Total		5,240,760

In the statement of activities, interest accrued on outstanding bonds, bond premium and bond issuance costs are amortized over the terms of the bonds, whereas in the governmental funds the expenditure is reported when the bonds are issued.

Accrued Interest	(70,030)	
Amortization of Bond Premium	22,659	
Amortization of Bond Issuance Costs	(44,618)	
Amortization of Gain on Refunding	<u>(15,160)</u>	
Total		(107,149)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures.

Compensated Absences	247,707	
Claims	<u>111,348</u>	
Total		359,055

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Assets	73,822	
Compensated Absences	(10,374)	
Claims	<u>(115)</u>	
Total		63,333

Change in Net Assets of Governmental Activities **\$ 5,373,907**

See accompanying notes to the basic financial statements

CITY OF EUCLID, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property Taxes	\$ 1,589,300	\$ 1,476,736	\$ 1,608,748	\$ 132,012
Income Taxes	22,594,362	20,994,090	21,515,137	521,047
Special Assessments	949,230	0	0	0
Charges for Services	6,089,186	5,757,912	5,737,997	(19,915)
Licenses and Permits	161,380	149,950	148,341	(1,609)
Fines and Forfeitures	1,871,447	1,738,900	1,607,666	(131,234)
Intergovernmental	5,812,083	5,400,435	5,746,227	345,792
Interest	430,490	400,000	178,364	(221,636)
Rent	86,636	80,500	83,628	3,128
Contributions and Donations	1,076	1,000	815	(185)
Other	129,148	120,000	150,668	30,668
Total Revenues	<u>39,714,338</u>	<u>36,119,523</u>	<u>36,777,591</u>	<u>658,068</u>
EXPENDITURES:				
Current:				
General Government	12,707,141	13,078,295	12,440,471	637,824
Security of Persons and Property	20,122,914	20,137,833	19,830,946	306,887
Sanitation	2,126,075	2,126,075	2,105,300	20,775
Public Health	273,595	283,632	278,055	5,577
Leisure Time Services	445,080	457,485	439,633	17,852
Community and Economic Development	1,076,128	1,153,363	1,106,574	46,789
Debt Service:				
Principal Retirements	125,000	125,000	125,000	0
Interest and Fiscal Charges	92,400	92,400	92,400	0
Total Expenditures	<u>36,968,333</u>	<u>37,454,083</u>	<u>36,418,379</u>	<u>1,035,704</u>
Excess of Revenues Over(Under) Expenditures	<u>2,746,005</u>	<u>(1,334,560)</u>	<u>359,212</u>	<u>1,693,772</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	110,000	110,000	110,000	0
Proceeds from Sale of Capital Assets	1,076	1,000	465	(535)
Advances In	0	882,000	885,000	3,000
Transfers Out	(249,000)	(305,800)	(305,800)	0
Total Other Financing Sources and Uses	<u>(137,924)</u>	<u>687,200</u>	<u>689,665</u>	<u>2,465</u>
Net Change in Fund Balance	2,608,081	(647,360)	1,048,877	1,696,237
Fund Balance at Beginning of Year	1,679,971	1,679,971	1,679,971	0
Prior Year Encumbrances Appropriated	48,788	48,788	48,788	0
Fund Balance at End of Year	<u>\$ 4,336,840</u>	<u>\$ 1,081,399</u>	<u>\$ 2,777,636</u>	<u>\$ 1,696,237</u>

See accompanying notes to the basic financial statements.

CITY OF EUCLID, OHIO
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS
DECEMBER 31, 2010

	Enterprise Funds				Governmental Activities
	Waste Water Treatment	Water Line Improvement	Briardale Greens Golf Course	Totals	Internal Service Fund
ASSETS:					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 2,522,578	\$ 2,728,713	\$ 18,718	\$ 5,270,009	\$ 59,787
Materials and Supplies Inventory	59,605	0	0	59,605	0
Accounts Receivable	4,112,192	995,305	0	5,107,497	0
Intergovernmental Receivable	0	49,036	0	49,036	0
Prepaid Items	13,428	0	0	13,428	0
Capital Leases Receivable	0	0	64,826	64,826	0
<i>Total Current Assets</i>	<u>6,707,803</u>	<u>3,773,054</u>	<u>83,544</u>	<u>10,564,401</u>	<u>59,787</u>
Noncurrent Assets:					
Deferred Charges	106,915	121,504	0	228,419	0
Non-Depreciable Capital Assets	2,241,621	7,453,178	7,271,526	16,966,325	0
Depreciable Capital Assets, net	27,504,528	19,834,351	1,497,771	48,836,650	0
<i>Total Noncurrent Assets</i>	<u>29,853,064</u>	<u>27,409,033</u>	<u>8,769,297</u>	<u>66,031,394</u>	<u>0</u>
<i>Total Assets</i>	<u>36,560,867</u>	<u>31,182,087</u>	<u>8,852,841</u>	<u>76,595,795</u>	<u>59,787</u>
LIABILITIES:					
Current Liabilities:					
Accounts Payable	208,674	49,036	0	257,710	0
Accrued Wages and Benefits	129,484	0	0	129,484	0
Intergovernmental Payable	421,760	70,690	9,152	501,602	452
Accrued Interest Payable	152,169	36,648	0	188,817	0
Retainage Payable	94,869	507,677	0	602,546	0
Claims Payable	36,540	0	5,281	41,821	253,851
Notes Payable	743,379	6,328,774	0	7,072,153	0
Compensated Absences Payable	50,042	0	0	50,042	0
General Obligation Bonds Payable	179,000	330,000	0	509,000	0
Capital Leases Payable	104,267	0	33,617	137,884	0
OPWC Loans Payable	289,412	141,379	0	430,791	0
OWDA Loans Payable	1,606,039	0	0	1,606,039	0
<i>Total Current Liabilities</i>	<u>4,015,635</u>	<u>7,464,204</u>	<u>48,050</u>	<u>11,527,889</u>	<u>254,303</u>
Noncurrent Liabilities:					
Claims Payable - net of current portion	83,855	0	12,119	95,974	633
Compensated Absences Payable - net of current portion	650,065	0	0	650,065	0
General Obligation Bonds Payable - net of current portion	2,135,152	3,396,706	0	5,531,858	0
Capital Leases Payable - net of current portion	77,186	0	31,209	108,395	0
OPWC Loans Payable - net of current portion	4,489,583	2,452,000	0	6,941,583	0
OWDA Loans Payable - net of current portion	3,184,850	0	0	3,184,850	0
<i>Total Noncurrent Liabilities</i>	<u>10,620,691</u>	<u>5,848,706</u>	<u>43,328</u>	<u>16,512,725</u>	<u>633</u>
<i>Total Liabilities</i>	<u>14,636,326</u>	<u>13,312,910</u>	<u>91,378</u>	<u>28,040,614</u>	<u>254,936</u>
NET ASSETS:					
Invested in Capital Assets, Net of Related Debt	16,937,281	14,638,670	8,704,471	40,280,422	0
Unrestricted	4,987,260	3,230,507	56,992	8,274,759	(195,149)
<i>Total Net Assets</i>	<u>\$ 21,924,541</u>	<u>\$ 17,869,177</u>	<u>\$ 8,761,463</u>	<u>\$48,555,181</u>	<u>\$ (195,149)</u>

See accompanying notes to the basic financial statements.

CITY OF EUCLID, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Enterprise Funds				Governmental Activities
	Waste Water Treatment	Water Line Improvement	Briardale Greens Golf Course	Totals	Internal Service Fund
OPERATING REVENUES:					
Charges for Services	\$ 9,223,232	\$ 1,551,174	\$ 8,746	\$ 10,783,152	\$ 260,000
Tap-In Fees	15,028	0	0	15,028	0
Other	926,211	507,981	0	1,434,192	0
<i>Total Operating Revenues</i>	<u>10,164,471</u>	<u>2,059,155</u>	<u>8,746</u>	<u>12,232,372</u>	<u>260,000</u>
OPERATING EXPENSES:					
Personal Services	4,190,060	0	18,669	4,208,729	25,462
Contractual Services	1,533,516	80,586	6,023	1,620,125	56,380
Materials and Supplies	2,419,501	0	15,781	2,435,282	194
Claims	0	0	229	229	104,142
Depreciation	958,489	499,768	89,846	1,548,103	0
Other	105,958	5,514	11,700	123,172	0
<i>Total Operating Expenses</i>	<u>9,207,524</u>	<u>585,868</u>	<u>142,248</u>	<u>9,935,640</u>	<u>186,178</u>
<i>Operating Income (Loss)</i>	<u>956,947</u>	<u>1,473,287</u>	<u>(133,502)</u>	<u>2,296,732</u>	<u>73,822</u>
NON-OPERATING REVENUES (EXPENSES):					
Interest	5,130	4,726	0	9,856	0
Intergovernmental	184,648	0	0	184,648	0
Property Taxes	365,166	0	0	365,166	0
Interest and Fiscal Charges	(401,593)	(380,002)	0	(781,595)	0
Loss on Sale of Capital Assets	(338,499)	0	0	(338,499)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(185,148)</u>	<u>(375,276)</u>	<u>0</u>	<u>(560,424)</u>	<u>0</u>
<i>Income (Loss) Before Contributions and Transfers</i>	771,799	1,098,011	(133,502)	1,736,308	73,822
Capital Grants and Contributions	321,351	464,161	113,051	898,563	0
Transfers In	310,152	0	0	310,152	0
Transfers Out	0	(310,152)	0	(310,152)	0
<i>Change in Net Assets</i>	<u>1,403,302</u>	<u>1,252,020</u>	<u>(20,451)</u>	<u>2,634,871</u>	<u>73,822</u>
<i>Net Assets (Deficit) at Beginning of Year, As Restated</i>	<u>20,521,239</u>	<u>16,617,157</u>	<u>8,781,914</u>	<u>45,920,310</u>	<u>(268,971)</u>
<i>Net Assets (Deficit) at End of Year</i>	<u>\$ 21,924,541</u>	<u>\$ 17,869,177</u>	<u>\$ 8,761,463</u>	<u>\$ 48,555,181</u>	<u>\$ (195,149)</u>

See accompanying notes to the basic financial statements.

CITY OF EUCLID, OHIO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Enterprise Funds				Governmental
	Waste Water Treatment	Water Line Improvement	Briardale Greens Golf Course	Totals	Internal Service Fund
Increase (Decrease) in Cash and Cash Equivalents					
<u>Cash Flows from Operating Activities</u>					
Cash Received from Customers	\$ 9,869,265	\$ 1,977,035	\$ 8,760	\$ 11,855,060	\$ 260,000
Cash Payments to Suppliers for Goods and Services	(4,266,180)	(1,880,331)	(13,312)	(6,159,823)	(56,574)
Cash Paid to Employees	(4,155,184)	0	(52,059)	(4,207,243)	(37,052)
Cash Paid for Claims	0	0	(229)	(229)	(155,927)
Other Operating Cash Payments	(59,009)	(5,514)	(11,700)	(76,223)	0
Net Cash Provided by (Used for) Operating Activities	1,388,892	91,190	(68,540)	1,411,542	10,447
<u>Cash Flows from Noncapital Financing Activities</u>					
Receipts for Operating Grants	214,085	0	0	214,085	0
Receipts for Property Taxes	467,652	0	0	467,652	0
Transfers	310,152	(310,152)	0	0	0
Net Cash Provided by (Used for) Noncapital Financing Activities	991,889	(310,152)	0	681,737	0
<u>Cash Flows from Capital and Related Financing Activities</u>					
Payments for Capital Acquisition and Retainage	(2,057,755)	(3,250,763)	0	(5,308,518)	0
Proceeds from OPWC	931,816	899,733	0	1,831,549	0
Proceeds from Notes	1,483,379	12,628,774	0	14,112,153	0
Proceeds from Capital Grants	391,165	398,612	28,464	818,241	0
Principal Paid on Notes	(1,480,000)	(12,600,000)	0	(14,080,000)	0
Principal Paid on General Obligation Bonds	(177,000)	(310,000)	0	(487,000)	0
Interest Paid on General Obligation Bonds	(222,575)	(380,002)	0	(602,577)	0
Principal Paid on OWDA Loans	(1,988,246)	0	0	(1,988,246)	0
Interest Paid on OWDA Loans	(259,278)	0	0	(259,278)	0
Principal Paid on OPWC Loans	(289,412)	(141,379)	0	(430,791)	0
Principal Paid on Capital Leases	(99,532)	0	(33,968)	(133,500)	0
Interest Paid on Capital Leases	(12,061)	0	(4,184)	(16,245)	0
Net Cash (Used for) Capital and Related Financing Activities	(3,779,499)	(2,755,025)	(9,688)	(6,544,212)	0
<u>Cash Flows from Investing Activities</u>					
Investment Earnings	5,130	4,726	0	9,856	0
Total Cash Flow from Investing Activities	5,130	4,726	0	9,856	0
Net Increase (Decrease) in Cash and Cash Equivalents	(1,393,588)	(2,969,261)	(78,228)	(4,441,077)	10,447
Cash and Cash Equivalents Beginning of Year	3,916,166	5,697,974	96,946	9,711,086	49,340
Cash and Cash Equivalents End of Year	\$ 2,522,578	\$ 2,728,713	\$ 18,718	\$ 5,270,009	\$ 59,787
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities</u>					
Operating Income (Loss)	\$ 956,947	\$ 1,473,287	\$ (133,502)	\$ 2,296,732	\$ 73,822
<i>Adjustments:</i>					
Depreciation	958,489	499,768	89,846	1,548,103	0
(Increase) Decrease in Assets:					
Accounts Receivable	(295,206)	(82,120)	14	(377,312)	0
Prepaid Items	(1,503)	0	3,942	2,439	0
Materials and Supplies Inventory	1,489	0	9,501	10,990	0
Increase (Decrease) in Liabilities:					
Accounts Payable	(359,166)	(1,990,107)	(3,737)	(2,353,010)	0
Retainage Payable	39,814	119,672	0	159,486	0
Compensated Absences Payable	20,935	0	(6,261)	14,674	(10,374)
Accrued Wages	13,941	0	(2,658)	11,283	(338)
Intergovernmental Payable	68,457	70,690	(11,355)	127,792	(763)
Claims Payable	(15,305)	0	(14,330)	(29,635)	(51,900)
Total Adjustments	431,945	(1,382,097)	64,962	(885,190)	(63,375)
Net Cash Provided by (Used for) Operating Activities	\$ 1,388,892	\$ 91,190	\$ (68,540)	\$ 1,411,542	\$ 10,447

Schedule of NonCash Investing, Capital, and Financing Activities

The Briardale Greens Golf Course Fund had capital assets purchased through a capital lease in the amount of \$22,080. In addition, the Briardale Golf Course Fund received capital contributions from governmental activities in the amount of \$14,257. Waste Water Treatment transferred capital assets, net in the amount of 9,042 to governmental activities. Water Line Improvement received noncash capital contributions in the amount of \$464,161

See accompanying notes to the basic financial statements

CITY OF EUCLID, OHIO
STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUND
DECEMBER 31, 2010

	Agency Funds
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 756,797</u>
<i>Total Assets</i>	<u>\$ 756,797</u>
LIABILITIES:	
Current Liabilities:	
Deposits Held and Due to Others	<u>\$ 756,797</u>
<i>Total Liabilities</i>	<u>\$ 756,797</u>

See accompanying notes to the basic financial statements.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1: DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Euclid, Ohio (the City) was incorporated in 1931 and includes an area of approximately 10.3 square miles. The City operates under an elected Mayor/Council (nine members) administrative/legislative form of government and provides services to its more than 52,000 residents. The City established a formal charter in 1951 which governs its operations.

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 of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City of Euclid, this includes police and fire protection, parks and recreation, planning, zoning, public safety, public service, street maintenance, sanitation system, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation of each of these activities and entities is directly controlled by the City 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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City has one component unit, Euclid Development Corporation.

Euclid Development Corporation (EDCOR) The Euclid Development Corporation (EDCOR) is a legally separate, non-profit organization served by a self-appointed board of trustees. Potential board members must work or live within the City. EDCOR was formed under Chapter 1702 of the Ohio Revised Code for the purpose of providing administrative program assistance to the Community Development Department while combating deterioration and lessening the burdens of government by advancing, encouraging, and promoting residential and commercial redevelopment and revitalization in the City. The City subsidizes EDCOR's entire operation from its Community Development Block Grant. Based on the significant services and resources provided by the City to EDCOR and EDCOR's administrative program assistance to the Community Development Program of the City, EDCOR is reflected as a component unit of the City. EDCOR operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from the Euclid Development Corporation, 585 East 222nd Street, Euclid, Ohio 44123.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

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 reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City's accounting policies are described below.

A. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The Statement of Net Assets and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. As a general rule, the activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation.

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **Basis of Presentation** (Continued)

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 and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. **Fund Accounting**

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

Governmental Funds Governmental funds are those through which most governmental functions typically 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 balances. The following are the City's major governmental funds:

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

General Obligation Bond Retirement Fund This fund is used to account for the tax levies and transfers in that are utilized for the repayment of general obligation bonded debt.

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

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. **Fund Accounting** (Continued)

Waste Water Treatment Fund This fund is used to account for revenues and expenses related to the operation and maintenance of Euclid's sewage treatment plant and the construction and maintenance of the City's sanitary and storm sewers.

Water Line Improvement Fund This fund accounts for the provision of water distribution to its residential and commercial users located within the City.

Briardale Greens Golf Course Fund This fund is used to account for the operations of the City owned golf course.

Internal Service Fund The Internal Service Fund accounts 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 Internal Service Fund reports on a self-insurance program to insure the City, its properties, and its officers and employees against liability, expense, loss, and damage which arise, or is claimed to have arisen, from the performance or nonperformance of official duties.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for building deposits, retirees' insurance, municipal court, employee flex spending, street opening, and holding accounts for City income and property taxes.

C. **Measurement Focus**

Government-wide Financial Statements The government-wide financial statements are presented 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 (i.e., revenues) and decreases (i.e., expenses) in total net assets.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Measurement Focus** (Continued)

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 reconciliations 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 Net Assets. The Statement of Revenues, Expenses, and Changes in Fund Net Assets present increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. **Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. 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 Nonexchange 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 sixty days of year-end.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Basis of Accounting** (Continued)

Nonexchange 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 the modified accrual basis, revenue from nonexchange 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), fines and forfeitures, interest, grants, fees, and rentals.

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

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

E. **Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations 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 control has been established by Council at the personal services and other expenditures object levels within each department for all funds. Budgetary modifications at the personal service and other expenditures level may only be made by ordinance of City Council. The Finance Director has been given the authority to allocate appropriations to the specific object levels within each department and fund.

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

F. **Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through 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 bank accounts. These interest-bearing deposits accounts are presented on the combined balance sheet as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the City's treasury. The cash of the cellular towers, animal control donations, and D.A.R.E. program are included in this line item.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

F. **Cash and Cash Equivalents** (Continued)

The City has cash with fiscal agent. This amount represents the amount the City has on deposit to cover early uses of the employee flex spending account.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents. Investments with an original maturity of more than three months, not purchased from the pool, are reported as investments.

During 2010, the City invested in Federal Home Loan Bank Securities, Federal Farm Credit Bank Securities, Commercial Paper, and the State Treasury Asset Reserve of Ohio (STAROhio). Investments are reported at fair value, which is based on quoted market prices.

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, 2010.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the General Fund during 2010 amounted to \$192,502, which includes \$142,653 assigned from other City funds.

G. **Inventory**

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

H. **Prepaid Items**

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

I. **Capital Assets**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. 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. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. 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. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All capital assets are depreciated except for land. 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 Improvements	20-40 Years
Building and Improvements	20-40 Years
Furniture, Fixtures, and Equipment	3-10 Years
Infrastructure	25-50 Years

For 2010, the City's infrastructure consists of streets, storm sewers, sanitary sewers, and water lines.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

J. **Interfund Balances**

In fund financial statements, outstanding interfund loans are reported as “interfund receivables/payables.” Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the Statement of Net Assets, except for any residual amounts due between governmental and business-type activities, which are presented as internal balances.

K. **Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees who pass the probationary period.

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

In the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the amount “Matured Compensated Absences” in the fund or funds from which they employees who have accumulated the leave are paid.

L. **Accrued Liabilities and Long-Term Obligations**

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

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

M. **Fund Balance Reserves**

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances and unclaimed monies are recorded as a reservation of fund balance. Under Ohio law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years. In addition, fund balance reserves have been credited for assets held for resale and notes receivable.

N. **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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide Statement of Net Assets reports \$13,342,663 of restricted net assets, none of which is restricted by enabling legislation.

Net assets restricted for other purposes include resources restricted for court computerization, court special projects, law enforcement trust and other grant funds.

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

O. **Operating Revenue and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for sewer services, water services, golf, and self-insurance programs. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

P. **Interfund Activity**

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

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

Q. **Bond Issuance Costs**

On the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the applicable bonds using the effective interest method. Within the governmental fund statements, bond issuance costs are expended when incurred.

R. **Bond Premium**

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

S. **Gain/Loss on Refunding**

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

T. **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.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

U. **Estimates**

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

NOTE 3: **CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR'S NET ASSETS**

A. **Change in Accounting Principles**

For fiscal year 2010, the City implemented GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets, such as easements, water rights, patents, trademarks and computer software. GASB Statement No. 53 establishes reporting requirements for derivative investments. GASB Statement No. 58 provides reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code.

The implementation of GASB Statements No. 51, 53, and 58 did not affect the presentation of the financial statements of the City.

B. **Restatement of Prior Year's Net Assets**

During the year ending December 31, 2009, there was a duplication of a payable in the Water Line Improvement Fund. The adjustment had the following effect on the net assets:

	Business-Type Activities	Water Line Improvement
Net Assets at December 31, 2009, as reported	\$ 45,167,696	\$ 15,864,543
Accounts Payable Adjustment	752,614	752,614
Net Assets at December 31, 2009, as Restated	<u>\$ 45,920,310</u>	<u>\$ 16,617,157</u>

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 4: COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficit

The following nonmajor funds had deficit fund balances or deficit net assets as of December 31, 2010:

<i>Special Revenue</i>	
Community Development Block Grant	\$ 48,472
Recreation Operating	29,989
Animal Shelter	5,590
<i>Capital Projects</i>	
Public Building Construction	354,533
<i>Internal Service</i>	
Self-Insurance Fund	195,149

The deficits in the Special Revenue funds, Capital Projects Fund and the Internal Service Fund resulted from recognition of accrued liabilities. The General Fund is responsible to cover deficit fund balances by means of a transfer. However, this is done when cash is needed rather when accruals occur.

B. Appropriations Exceed Certificate of Estimated Resources

Ohio Revised Code Section 5705.39 prohibits appropriations from each fund exceeding the total of the estimated resources. The final appropriations did not exceed the estimated resources at year end for the following funds:

Fund	Estimated Resources	Appropriations	Variance
<i>Original Budget</i>			
Indigent Driver Interlock and Alcohol Monitoring Fund	\$ 1,350	\$ 1,850	\$ (500)
Street Maintenance and Construction Fund	1,913,410	2,007,247	(93,837)
Community Development Block Grant Fund	1,947,291	1,961,593	(14,302)
Other Grant Fund	722,924	1,989,449	(1,266,525)
Law Enforcement Trust Fund	197,228	199,150	(1,922)
General Obligation Bond Retirement Fund	8,762,868	10,691,972	(1,929,104)

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 5: BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations, and changes in fund balances/fund equity on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for 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 Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

- Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

GAAP Basis	\$	893,615
Net Adjustment for Revenue Accruals		544,335
Net Adjustment for Expenditure Accruals		(351,564)
Encumbrances		(37,509)
Budget Basis	\$	1,048,877

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 City treasury. Active monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 6: **DEPOSITS AND INVESTMENTS** (Continued)

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

Interim monies held by the City can be deposited or invested in the following securities:

- United States Treasury notes, bills, bonds, notes 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;
- 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;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Commercial paper notes issued by an entity that has assets exceeding five hundred million dollars;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two sections above;
- the obligations described in the second section above 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,
- The State Treasurer's investment pool (STAROhio).

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

- Bonds of the State of Ohio;

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 6: **DEPOSITS AND INVESTMENTS** (Continued)

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Cash on Hand

The City had \$6,160 in undeposited cash on hand, which is reported on the balance sheet as part of “Equity in Pooled Cash and Cash Equivalents”.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At year-end, the carrying amount of the City’s deposits was \$7,916,929 and the bank balance was \$8,783,724. Of the bank balance, \$2,005,635 was covered by Federal depository insurance and \$6,778,089 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although the securities were held by the pledging institution’s trust department and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of the State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 6: **DEPOSITS AND INVESTMENTS** (Continued)

Investments

Investments are reported at fair value. As of December 31, 2010, the City had the following investments:

	Fair Value
Federal Home Loan Bank	\$ 2,013,060
Federal Farm Credit Bank	2,861,777
Commercial Paper	998,708
STAROhio	700,000
Total	\$ 6,573,545

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that the securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. To date, no investments have been purchased with a life greater than two years.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Bank Bonds, Federal Farm Credit Bank, and Commercial Paper are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

Credit Risk All investments carry a rating of AAA by Standard & Poor's with the exception of STAROhio, which carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that would further limit its investment choices.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 6: **DEPOSITS AND INVESTMENTS** (Continued)

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2010:

	Percentage of Total Investments
Federal Home Loan Bank	30.62%
Federal Farm Credit Bank	43.53%
Commercial Paper	15.19%
STAROhio	10.66%

Component Unit - Euclid Development Corporation (EDCOR)

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of bank failure, EDCOR will not be able to recover deposits or collateral securities that are in possession of an outside party. At year-end, the carrying amount of EDCOR's deposits was \$432,355 and the bank balance was \$428,781. Of the bank balance, \$428,781 was covered by Federal depository insurance.

EDCOR has no deposit policy for custodial risk beyond the requirements of the State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with EDCOR or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

NOTE 7: **RECEIVABLES**

Receivables at December 31, 2010, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for utility services), special assessments, accrued interest on investments, and intergovernmental receivables arising from entitlements and shared revenues. All receivables are deemed collectible in full. Special assessments outstanding at December 31, 2010 are \$4,465,888, with delinquent special assessments outstanding being \$388,979.

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 7: **RECEIVABLES** (Continued)

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

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

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

Tangible personal property tax revenue received during calendar 2010 (other than public utility property) represents the collection of 2010 taxes. Tangible personal property taxes received in calendar year 2010 were levied in after April 1, 2009, on the value as of December 31, 2009. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out-the assessment percentage for all property including inventory for 2010 is zero. 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. Tangible personal property taxes paid by April 30 are usually received by the City prior to June 30.

The full tax rate for all City operations for the year ended December 31, 2010, was \$15.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

Real Property	\$ 731,293,280
Public Utility Property	<u>15,476,470</u>
Total Valuation	<u>\$ 746,769,750</u>

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 7: **RECEIVABLES** (Continued)

A. **Property Taxes** (Continued)

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

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

B. **Income Tax**

The City levies a municipal income tax of 2.85 percent on substantially all income earned within the City. The .85 percent collected is to be split between the City and the school board at a ratio of .38 percent for the City and .47 percent for the schools. In addition, residents are required to pay City income tax on income earned outside the City; however, a 100 percent credit is allowed for income taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are received by the General Fund.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 7: **RECEIVABLES** (Continued)

C. **Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Local Government	\$1,454,544
Gasoline Tax	650,521
Homestead and Rollback	323,219
Other Taxes	151,950
Estate Tax	107,721
Motor Vehicle Tax	129,744
Various Grants Receivables	133,358
Other Intergovernmental	<u>31,159</u>
Total Governmental Activities	<u>\$2,982,216</u>
<u>Business-Type Activities</u>	
OPWC Receivables	<u>\$ 49,036</u>
Total Business-Type Activities	<u>\$ 49,036</u>

D. **Notes and Loans Receivable**

General Fund notes receivable represent amounts loaned to a major corporation in connection with an economic development and rehabilitation project. These notes will be paid back to the City over 30 years by the corporation at an interest rate of 2 percent. The City will incur interest charges at a rate of 8.25 percent on the bonds that had been issued by the City in conjunction with this program. The difference in the interest rates is a subsidy which will be funded by nontax revenue sources.

The Component unit's loans receivable represent low interest loans for home improvements granted to eligible City residents through Euclid Development Corporation (EDCOR) under the Federal Community Development Block Grant program. The loans bear interest at an annual rate of 3 percent. The loans are to be repaid over periods ranging from 5 to 15 years.

NOTE 8: **CONTINGENCIES**

A. **Grants**

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 8: **CONTINGENCIES** (Continued)

B. Litigation

The City is a party to legal proceedings seeking damages. The City management, including the Law Director, is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

NOTE 9: **CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2010, was as follows:

	Balance 12/31/2009	Additions	Deletions	Balance 12/31/2010
Governmental Activities				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 9,058,667	\$ 1,501,642	\$ 0	\$ 10,560,309
Construction in Progress	3,635,147	1,343,555	3,819,270	1,159,432
<i>Total Capital Assets, Not Being Depreciated</i>	<u>12,693,814</u>	<u>2,845,197</u>	<u>3,819,270</u>	<u>11,719,741</u>
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	6,201,782	35,735	0	6,237,517
Buildings and Improvements	15,866,125	15,760	84,609	15,797,276
Furniture, Fixtures, and Equipment	11,127,225	584,326	373,982	11,337,569
Infrastructure:				
Streets	122,229,366	3,800,270	0	126,029,636
<i>Total Capital Assets, Being Depreciated</i>	<u>155,424,498</u>	<u>4,436,091</u>	<u>458,591</u>	<u>159,401,998</u>
Less Accumulated Depreciation:				
Land Improvements	(4,254,296)	(245,797)	0	(4,500,093)
Buildings and Improvements	(6,719,808)	(332,413)	(31,305)	(7,020,916)
Furniture, Fixtures, and Equipment	(7,450,645)	(609,590)	(358,430)	(7,701,805)
Infrastructure:				
Streets	(80,637,587)	(4,371,453)	0	(85,009,040)
<i>Total Accumulated Depreciation*</i>	<u>(99,062,336)</u>	<u>(5,559,253)</u>	<u>(389,735)</u>	<u>(104,231,854)</u>
Total Capital Assets, Being Depreciated, Net	<u>56,362,162</u>	<u>(1,123,162)</u>	<u>68,856</u>	<u>55,170,144</u>
Governmental Activities Capital Assets, Net	<u>\$ 69,055,976</u>	<u>\$ 1,722,035</u>	<u>\$ 3,888,126</u>	<u>\$ 66,889,885</u>

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 9: CAPITAL ASSETS (Continued)

*Depreciation Expense was charged to governmental functions as follows:

General Government	\$ 325,233
Security of Persons and Property	332,593
Leisure Time Services	233,804
Community and Economic Development	92,991
Transportation	4,574,632
	<u>\$ 5,559,253</u>

	Balance 12/31/2009	Additions	Deletions	Balance 12/31/2010
Business-Type Activities				
<i>Capital Assets, Not Being Depreciated</i>				
Land	7,428,126	0	0	7,428,126
Construction in Progress	5,383,265	5,768,209	1,613,275	9,538,199
<i>Total Capital Assets, Not Being Depreciated</i>	<u>12,811,391</u>	<u>5,768,209</u>	<u>1,613,275</u>	<u>16,966,325</u>
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	1,374,836	9,689	0	1,384,525
Buildings and Improvements	14,527,598	0	0	14,527,598
Furniture, Fixtures, and Equipment	7,584,973	329,260	61,878	7,852,355
Infrastructure:				
Sanitary Sewers	17,530,658	0	0	17,530,658
Storm Sewers	10,721,584	0	0	10,721,584
Waterlines	23,375,159	1,613,275	0	24,988,434
<i>Total Capital Assets, Being Depreciated</i>	<u>75,114,808</u>	<u>1,952,224</u>	<u>61,878</u>	<u>77,005,154</u>
Less Accumulated Depreciation:				
Land Improvements	(809,568)	(55,124)	0	(864,692)
Buildings and Improvements	(5,975,180)	(308,945)	0	(6,284,125)
Furniture, Fixtures, and Equipment	(6,731,474)	(134,907)	(52,836)	(6,813,545)
Infrastructure:				
Sanitary Sewers	(4,663,039)	(337,285)	0	(5,000,324)
Storm Sewers	(3,839,661)	(212,074)	0	(4,051,735)
Waterlines	(4,654,314)	(499,769)	0	(5,154,083)
<i>Total Accumulated Depreciation</i>	<u>(26,673,236)</u>	<u>(1,548,104)</u>	<u>(52,836)</u>	<u>(28,168,504)</u>
Total Capital Assets, Being Depreciated, Net	<u>48,441,572</u>	<u>404,120</u>	<u>9,042</u>	<u>48,836,650</u>
Business-Type Activities Capital Assets, Net	<u>61,252,963</u>	<u>6,172,329</u>	<u>1,622,317</u>	<u>65,802,975</u>

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 10: LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount, and date of maturity of each of the City's bonds, notes and loans follows:

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Date</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<i>General Obligation Bonds:</i>				
Various Purpose Refunding - 1998	4.8-6.625%	1998	\$12,730,000	2018
Various Purpose - 2001	3.25-5.50	2001	7,235,000	2020
Various Purpose - 2004	2.50-5.00	2004	8,709,000	2025
Various Purpose Refunding - 2004	2.50-5.00	2004	4,388,000	2025
Various Purpose Refunding - 2008	4.70-5.125	2008	2,800,000	2018
Various Purpose - 2008	3.00-5.00	2008	7,825,000	2028
<i>Industrial Development Revenue Bonds</i>				
Lincoln Electric Industrial Development	8.25	1996	2,135,000	2016
<i>Ohio Public Works Commission</i>				
East 222nd Reconstruction -2006	0.00	2006	1,257,200	2029
<i>Special Assessment Bonds with Governmental Commitment</i>				
Heritage Drive Improvements - 1999	4.35-5.60	1999	1,715,000	2019
<i>Long-Term Notes Payable:</i>				
Various Purpose - 2010	4.00	2010	2,340,000	2011
Various Purpose - 2010	4.00	2010	1,950,000	2011
<i>Enterprise General Obligation Bonds:</i>				
Various Purpose Refunding - 2004	3.80-5.125	1998	1,025,000	2018
Waterline Improvement - 2001	2.50-5.00	2004	1,243,000	2025
Various Purpose Refunding - 2008	4.70-5.125	2008	2,660,000	2018
<i>Enterprise OWDA Loans:</i>				
Wastewater Treatment and Collection Systems -1993	5.20	1993	9,842,765	2014
Wastewater Treatment and Collection Systems -1994	4.56	1994	2,397,760	2014
Sewer Improvement - 1991	11.19	1991	6,093,465	2011
<i>Enterprise OPWC Loans:</i>				
Newton Avenue Improvements - 2000	0.00	2000	1,468,836	2019
East 226th Street/Edgecliff - 2003	0.00	2003	1,528,108	2023
East 197th Street - 2001	0.00	2001	759,025	2020
East 255th Street - 2002	0.00	2002	400,534	2022
East 216th Street - 2004	0.00	2004	581,131	2024
Brandywine Pump Station - 2005	0.00	2006	408,000	2028
Chatworth Dr. Sanitary -2006	0.00	2006	240,400	2028
Euclid Ave/Babbit Rd -2006	0.00	2006	540,900	2028
Miller Avenue - 2001	0.00	2001	1,689,900	2020
East 222nd Street -2003	0.00	2003	874,958	2023
East 214th Street - 2001	0.00	2001	262,735	2020
Euclid Avenue Improvement - 2008	0.00	2008	552,000	2028
East 222nd Street/Tungsten Road - 2009	0.00	2009	779,300	2039
Dille Road/East 204th Street - 2009	0.00	2009	950,000	2029
East 264th Street - 2010	0	2010	439,500	2030
East 248th Street/Shoreview - 2010	0	2010	887,600	2040
East 214th Street/Lakeshore - 2010	0	2010	958,500	2030
<i>Enterprise Long-Term Notes Payable:</i>				
Waterline Improvement	4.00	2010	6,300,000	2011
Sewer Improvement	4.00	2010	740,000	2011

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 10: LONG-TERM OBLIGATIONS (Continued)

	Principal Outstanding 12/31/2009	Additions	Deletions	Principal Outstanding 12/31/2010	Due Within One Year
Governmental Activities					
<i>General Obligation Bonds:</i>					
Various Purpose Refunding - 1998	\$ 465,000	\$ 0	\$ 225,000	\$ 240,000	\$ 240,000
Various Purpose - 2001	4,115,000	0	405,000	3,710,000	320,000
Various Purpose - 2004	8,255,000	0	491,000	7,764,000	428,000
Unamortized Premium	68,148	0	4,543	63,605	0
Various Purpose Refunding - 2004	2,911,000	0	447,000	2,464,000	458,000
Unamortized Premium	16,640	0	2,774	13,866	0
Unamortized Gain on Refunding	(90,960)	0	(15,160)	(75,800)	0
Various Purpose Refunding - 2008	2,405,000	0	340,000	2,065,000	345,000
Unamortized Premium	77,396	0	9,106	68,290	0
Various Purpose - 2008	7,330,000	0	520,000	6,810,000	535,000
Unamortized Premium	115,356	0	6,236	109,120	0
<i>Total General Obligation Bonds</i>	<u>25,667,580</u>	<u>0</u>	<u>2,435,499</u>	<u>23,232,081</u>	<u>2,326,000</u>
<i>Special Assessment Bonds with Governmental Commitment</i>					
Heritage Drive Improvements - 1999	1,080,000	0	85,000	995,000	90,000
<i>Notes Payable:</i>					
Various Purpose - 2009	2,340,000	0	2,340,000	0	0
Various Purpose - 2010	0	2,340,000	0	2,340,000	2,340,000
Various Purpose - 2010	0	1,950,000	0	1,950,000	1,950,000
Unamortized Premium	0	21,278	0	21,278	0
<i>Total Notes Payable</i>	<u>2,340,000</u>	<u>4,311,278</u>	<u>2,340,000</u>	<u>4,311,278</u>	<u>4,290,000</u>
<i>Industrial Development Revenue Bonds</i>					
Lincoln Electric Industrial Development	1,120,000	0	125,000	995,000	135,000
<i>Ohio Public Works Commission</i>					
East 222nd Reconstruction -2006	1,670,375	0	83,519	1,586,856	83,519
<i>Other Obligations:</i>					
Capital Leases	653,131	0	179,241	473,890	187,261
Claims	987,228	42,327	153,675	875,880	265,829
Compensated Absences	8,476,878	1,786,025	2,033,732	8,229,171	444,473
<i>Total Other Obligations</i>	<u>10,117,237</u>	<u>1,828,352</u>	<u>2,366,648</u>	<u>9,578,941</u>	<u>897,563</u>
Total Governmental Activities	<u>\$ 41,995,192</u>	<u>\$ 6,139,630</u>	<u>\$ 7,435,666</u>	<u>\$ 40,699,156</u>	<u>\$ 7,822,082</u>

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 10: LONG-TERM OBLIGATIONS (Continued)

	Principal Outstanding 12/31/2009	Additions	Deletions	Principal Outstanding 12/31/2010	Due Within One Year
Business-Type Activities					
<i>General Obligation Bonds:</i>					
Waste Water Fund:					
Various Purpose Refunding - 2008	\$ 1,210,000	\$ 0	\$ 120,000	\$ 1,090,000	\$ 120,000
Unamortized Premium	37,592	0	4,423	33,169	0
Various Purpose Refunding - 2004	1,239,000	0	57,000	1,182,000	59,000
Unamortized Premium	9,625	0	642	8,983	0
Water Line Fund:					
Waterline Improvement - 2001	2,845,000	0	200,000	2,645,000	210,000
Various Purpose Refunding - 2008	1,160,000	0	110,000	1,050,000	120,000
Unamortized Premium	35,934	0	4,228	31,706	0
Total General Obligation Bonds:	6,537,151	0	496,293	6,040,858	509,000
<i>Notes Payable</i>					
Waterline Improvements - 2010	0	6,300,000	6,300,000	0	0
Sewer Improvements - 2010	0	740,000	740,000	0	0
Waterline Improvements - 2010	0	6,300,000	0	6,300,000	6,300,000
Unamortized Premium	0	28,774	0	28,774	28,774
Sewer Improvements - 2010	0	740,000	0	740,000	740,000
Unamortized Premium	0	3,379	0	3,379	3,379
Sewer Improvements - 2009	740,000	0	740,000	0	0
Waterline Improvements - 2009	6,300,000	0	6,300,000	0	0
	<u>7,040,000</u>	<u>14,112,153</u>	<u>14,080,000</u>	<u>7,072,153</u>	<u>7,072,153</u>
<i>OWDA Loans:</i>					
Waste Water Fund:					
Wastewater Treatment and Collection Systems -1993	4,286,856	0	868,943	3,417,913	914,715
Wastewater Treatment and Collection Systems -1994	1,091,134	0	201,299	889,835	208,183
Sewer Improvement - 1991	1,401,145	0	918,004	483,141	483,141
Total OWDA Loans	6,779,135	0	1,988,246	4,790,889	1,606,039
<i>OPWC Loans:</i>					
Waste Water Fund:					
Newton Avenue Improvements - 2000	734,418	0	73,442	660,976	73,442
East 226th Street/Edgecliff - 2003	1,031,473	0	76,405	955,068	76,406
East 197th Street - 2001	417,465	0	37,952	379,513	37,952
East 255th Street - 2002	250,333	0	20,026	230,307	20,026
East 216th Street - 2004	435,848	0	29,057	406,791	29,056
Brandywine Pump Station - 2006	312,989	0	16,918	296,071	16,918
Chatworth Dr. Sanitary -2006	217,865	0	11,777	206,088	11,777
Euclid Ave/Babbit Rd -2006	464,784	0	23,835	440,949	23,835
Euclid Avenue Improvement -2008	271,416	116,718	0	388,134	0
Dille Road/ East 204 - 2009	0	727,496	0	727,496	0
E. 264th Street - 2010	0	87,602	0	87,602	0
Total Waste Water Fund	4,136,591	931,816	289,412	4,778,995	289,412
Water Line Fund:					
Miller Avenue - 2001	929,445	0	84,495	844,950	84,495
East 222nd Street -2003	612,470	0	43,748	568,722	43,748
East 214th Street - 2001	144,503	0	13,136	131,367	13,136
East 222nd/Tungsten Road - 2009	29,436	12,674	0	42,110	0
Dille Road/ East 204 - 2009	119,171	70,829	0	190,000	0
E. 264th Street - 2010	0	21,900	0	21,900	0
E. 248th Street/Shoreview - 2010	0	474,277	0	474,277	0
E. 214 Street/Lake Shore - 2010	0	320,053	0	320,053	0
Total Water Line Fund	1,835,025	899,733	141,379	2,593,379	141,379
Total OPWC Loan	5,971,616	1,831,549	430,791	7,372,374	430,791
<i>Other Obligations</i>					
Capital Leases	357,699	22,080	133,500	246,279	137,884
Claims Payable	155,312	6,659	24,176	137,795	41,819
Compensated Absences	697,551	393,842	391,285	700,108	50,044
Total Other Obligations	1,210,562	422,581	548,961	1,084,181	229,747
Total Business-Type Activities	\$ 27,538,464	\$ 16,366,283	\$ 17,544,291	\$ 26,360,455	\$ 9,847,730

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 10: **LONG-TERM OBLIGATIONS** (Continued)

General obligation bonds will be paid from the General Obligation Bond Retirement Debt Service Fund. Special assessment bonds will be paid from the proceeds of special assessments levied against benefitted property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City. The industrial development revenue bonds are paid from the General Fund.

In 2004, the City issued \$7,181,000 in general obligation bonds which were used to pay off outstanding notes payable in 2005. Of this amount, \$5,981,000 was sent to an escrow agent to pay the notes. These bonds will be paid from the General Permanent Improvement Capital Projects Fund and the Waste Water Enterprise Fund.

Governmental capital leases will be paid from the General Fund, the Streets Maintenance and Construction Fund, the Recreation Operating Fund and, Recreation Capital Fund. Business-type capital leases will be paid from the Wastewater Treatment Fund and Briardale Golf Course Fund.

The City participates in the State Worker's Compensation retrospective rating and payment system. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claim costs for injured employees. The maintenance of these benefits and claims will be paid from the funds from which the employees are paid.

Compensated absences will be paid from the General Fund, the Court Special Projects Fund, the Animal Shelter Fund, the Street Maintenance and Construction Fund, the Community Television Fund, the Recreation Operating Fund, the Community Development Block Grant Fund, the Neighborhood Stabilization Program Fund, the Other Grants Special Revenue Fund, the Recreation Capital Projects Fund, the Bond Retirement Fund, and the Wastewater Treatment Enterprise Fund.

The general obligation bonds for the water line improvement, OPWC water line loans, long-term notes payable, and capital leases for machinery and equipment will be paid from water usage charges. The general obligation bonds for sewer improvements, OWDA waste water treatment and collections loans, OPWC waste water improvement loans, and capital leases for equipment will be paid from the sewer user charges.

At the end of the year, the City had six outstanding projects from OPWC for the Dille Road/E 204 Street Waterline, East 222nd/Tungsten Waterline, East 264th Street Waterline/Sewer, East 248th/Shoreview Waterline, East 214th/Lake Shore and the Euclid Avenue Sanitary Sewer Improvement. All projects are reported in business-type activities. As of December 31, 2010, the loan amount received for the outstanding project are reported in the following amortization schedules

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 10: LONG-TERM OBLIGATIONS (Continued)

The City has pledged future general revenue to repay taxable Industrial Development Revenue Bonds. Debt is payable solely from net revenues and are payable through 2016. Annual principal and interest payments on the revenue bonds are expected to require .5 percent of net revenue. Total principal and interest remaining to be paid on the debt is \$1,301,075. Principal and interest paid for the current year were \$217,400, and the related revenue received was \$109,336. See Note 7(D) for more information on the Industrial Development Revenue Bonds.

Refunded Bonds

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government Securities that were placed in the trust fund. The investment and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's government-wide financial statements. As of December 31, 2010, the amount of defeased debt outstanding but removed from the government-wide financial statements amounted to \$7,575,000.

Legal Debt Margin

The City's overall legal debt margin was \$58,603,360 and the unvoted debt margin was \$21,264,872 at December 31, 2010.

Governmental Activities

	General Obligation Bonds		Special Assessment Bonds		Industrial Development Revenue Bonds		OPWC Loan	Total Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2011	\$ 2,326,000	\$ 1,092,388	\$ 90,000	\$ 55,720	\$ 135,000	\$ 82,088	\$ 83,519	\$ 2,634,519	\$ 1,230,196
2012	2,164,000	905,836	90,000	50,680	145,000	70,950	83,519	2,482,519	1,027,466
2013	2,231,000	816,986	100,000	45,640	160,000	58,988	83,519	2,574,519	921,614
2014	1,954,000	723,526	105,000	40,040	170,000	45,788	83,519	2,312,519	809,354
2015	2,047,000	633,716	110,000	34,160	185,000	31,763	83,519	2,425,519	699,639
2016-2020	7,116,000	2,064,853	500,000	71,960	200,000	16,500	417,594	8,233,594	2,153,313
2021-2025	4,350,000	760,025	0	0	0	0	417,594	4,767,594	760,025
2026-2030	865,000	76,781	0	0	0	0	334,073	1,199,073	76,781
Total	\$23,053,000	\$7,074,111	\$ 995,000	\$ 298,200	\$ 995,000	\$ 306,077	\$1,586,856	\$26,629,856	\$7,678,388

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 10: LONG-TERM OBLIGATIONS (Continued)

Business Type Activities

	<u>General Obligation Bonds</u>		<u>OWDA Loans</u>		<u>OPWC Loans</u>	<u>Total Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 509,000	\$ 267,961	\$ 1,606,039	\$ 258,581	\$ 430,791	\$ 2,545,830	\$ 526,542
2012	516,000	247,071	1,180,683	146,543	543,370	2,240,053	393,614
2013	554,000	227,136	1,241,448	85,777	543,370	2,338,818	312,913
2014	566,000	203,796	762,719	21,856	543,370	1,872,089	225,652
2015	598,000	179,021	0	0	543,369	1,141,369	179,021
2016-2020	2,744,000	470,948	0	0	2,643,407	5,387,407	470,948
2021-2025	480,000	65,200	0	0	1,294,066	1,774,066	65,200
2026-2030	0	0	0	0	718,052	718,052	0
2031	0	0	0	0	112,579	112,579	0
Total	<u>\$5,967,000</u>	<u>\$1,661,133</u>	<u>\$4,790,889</u>	<u>\$ 512,757</u>	<u>\$ 7,372,374</u>	<u>\$18,130,263</u>	<u>\$2,173,890</u>

NOTE 11: COMPENSATED ABSENCES

The criteria for determining the vacation and sick leave liabilities are derived from negotiated agreements and City ordinances. Full-time employees earn 10 to 30 vacation days per year, depending upon length of service. Unused vacation balances that can be carried over to the next year vary according to the employee's classification. All non-union employees may carry over vacation for a maximum of two years. Union employees may not carry over vacation from one year to the next. Police and fire department employees may convert any unused vacation to comp time. Accumulated, unused vacation, compensatory time, and holidays are paid upon termination of employment.

All employees of the City earn sick leave at the rate of 1.25 days per month of work completed except for school guards and certain part-time employees who accrue sick leave at a rate of 4.6 hours per 80 hours of work completed. Full-time fire employees earn 1.5 days of sick leave per month. Sick leave accumulation is unlimited.

Upon retirement of non-union employees, total payment is determined by multiplying the hourly rate by the maximum number of hours allowed, depending on the years of service as of January 1, 2005:

<u>Years of Service as of January 1, 2005</u>	<u>Upon Retirement Sick Hours Max Out at:</u>
Hired after January 1, 2005	240
5 or less years	320
6-10	480
11-15	640
16-20	800
Over 20 years	960

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 11: **COMPENSATED ABSENCES** (Continued)

Upon retirement of union employees, individuals with less than 1,200 hours of accumulated sick leave will have their sick leave paid out at the accrued number of hours multiplied by the hourly rate. Individuals with more than 1,200 hours will have the first 1,200 hours multiplied by the hourly rate and any hours over 1,200 multiplied by \$2.50.

The City developed this policy in order to limit the amount of sick time it will pay out in the future for retirees.

NOTE 12: **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. Since 1988, the City is self-funded with regard to general liability. An internal service fund is used to process claims against the City. The City's administrative code included provisions that the council shall annually appropriate funds to cover the costs of this fund.

During 2010, the City negotiated with Love Insurance Company for commercial insurance coverage relating to property, boiler, and machinery insurance. The cost of the current coverage was \$54,647 for 2010. The City carries a commercial package property insurance policy for blanket coverage in excess of \$120,000,000. The policy coverage includes loss of business income for specific locations, personal property, securities, and property in the open. Included in this blanket is coverage for equipment breakdown with its own \$5,000 deductible. Additionally, the City carries inland marine insurance, which includes fire rescue and heavy vehicle coverage, of \$8,641,481 with a \$1,000 deductible, and a crime shield coverage of \$25,000 per loss with a \$250 deductible.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

The claims liability of \$254,484 reported in the Self-Insurance Internal Service Fund at December 31, 2010 consists of \$253,575 of general liability insurance and \$909 of other claims and is based on an estimate of costs relating to incurred but not reported claims. Changes in the fund's general liability insurance claims liability amount for the last three years follow:

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 12: **RISK MANAGEMENT** (Continued)

A. **Property and Liability** (Continued)

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2008	\$ 359,430	\$ 87,847	\$ 90,132	\$ 357,145
2009	\$ 357,145	\$ 99,467	\$ 151,252	\$ 305,360
2010	\$ 305,360	\$ 104,142	\$ 155,927	\$ 253,575

B. **Health Insurance Benefits**

The City provides health insurance coverage for employees of the City through a self-funded program. A third party administrator, Medical Mutual is used to evaluate individual claims and costs. Coverage includes health, prescription drug benefits, and dental care.

The City structured its health care plan through a cost sharing program that includes yearly deductible amounts as well as co-pays. For covered individuals, premiums are to be paid by the employee in the amount of \$100 for single coverage and \$125 for family coverage per month. The yearly deductible amount is \$200 for single coverage, and \$300 for family coverage. In addition to this, covered employees or family members have a required co-pay of \$20 per office visit or \$50 per emergency care visit. If admitted to the hospital, the \$50 co-pay is waived. Upon meeting the required employee contributions as well as staying within a Medical Mutual provider, maximum coverage is provided by the plan parameters. However, if an individual seeks care at a non-Medical Mutual provider, then generally 80 percent of the cost is covered. Furthermore, the plan allows for catastrophic (stop-loss) coverage of \$150,000 per individual. Employee medical benefits are charged to the respective fund in which the individual's salary is paid.

The claims liability of \$503,002 reported in the General Fund at December 31, 2010, is based on an estimate of costs relating to incurred but not reported claims. Changes in the funds claims liability amount for the last three years follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2008	\$ 397,870	\$ 3,348,825	\$ 3,094,556	\$ 652,139
2009	\$ 652,139	\$ 3,636,722	\$ 3,838,203	\$ 450,658
2010	\$ 450,658	\$ 3,423,533	\$ 3,371,189	\$ 503,002

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 12: **RISK MANAGEMENT** (Continued)

C. **Workers' Compensation Program**

The City participates in the State Workers' Compensation retrospective rating and payment system. The plan involves the payment of a minimum premium for administrative services and stop loss coverage plus the actual claim costs for employees injured. The program for workers' compensation is administered by Associated Compensated Resources. Payments are made directly to the Ohio Bureau of Workers' Compensation for actual claims processed.

The claims liability of \$875,880 reported in governmental activities and \$137,795 reported in business-type activities is based on the requirements of Governmental 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. Changes in the fund's current claims liability amount for the last three years follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2008	\$ 2,201,106	\$ 48,986	\$ 1,129,498	\$ 1,120,594
2009	\$ 1,120,594	\$ 49,299	\$ 27,353	\$ 1,142,540
2010	\$ 1,142,540	\$ 48,987	\$ 177,852	\$ 1,013,675

NOTE 13: **PENSION PLANS**

A. **Ohio Public Employees Retirement System**

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of 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 Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 13: **PENSION PLANS** (Continued)

A. **Ohio Public Employees Retirement System** (Continued)

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of both the Traditional Pension and Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report 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. <http://www.opers.org>.

For the year ended December 31, 2010, the members of all three plans were required to contribute 10.00 percent of their annual covered salaries. The City's contribution rate of 14.00 percent was allocated to fund pension benefits was 8.50 percent from January 1 through February 28, 2010 and 9.00 percent from March 1 through December 31, 2010. The Ohio Revised Code provides statutory authority for member and employer contributions

The City's required contributions for pension obligations to all three plans for the years ended December 31, 2010, 2009, and 2008 were \$1,122,584, \$1,153,921, and \$1,024,197, respectively. 89.65 percent has been contributed for 2010 while 100 percent has been contributed for 2009 and 2008.

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 OP&F, 140 E. Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10.00 percent of their annual covered salary, while the City is required to contribute 19.50 percent and 24.0 percent for police officers and firefighters, respectively. The portion of the City's contributions to fund pension obligations was 12.75 percent for police officers and 17.25 percent for firefighters. . The City's contributions to the OP&F for police and firefighters were \$857,023 and \$914,674 for the year ended December 31, 2010, \$890,220 and \$912,383 for the year ended December 31, 2009, and \$843,281 and \$894,648 for the year ended December 31, 2008. The full amount has been contributed for 2009 and 2008. 61.61 percent for police and 62.71 percent for firefighters has been contributed for 2010, with the remainder being reported as a liability.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 14: POST-EMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) maintains a cost-sharing, multiple-employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. The 2010 local government employer contribution rate was 14.00 percent of covered payroll.

OPERS Post-employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care was 5.50 percent from January 1 through February 28, 2010 and 5.00 percent from March 1 through December 31, 2010. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The City's actual employer contributions for 2010, 2009 and 2008 which were used to fund post-employment benefits were \$639,978, \$827,708, and \$827,720, respectively. 89.65 percent has been contributed for 2010, and 100 percent has been contributed for 2009 and 2008.

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 14: **POST-EMPLOYMENT BENEFITS** (Continued)

A. **Ohio Public Employees Retirement System** (Continued)

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

B. **Ohio Police and Fire Pension Fund**

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

OP&F provides access to post-employment health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by OP&F meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45.

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

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

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 14: **POST-EMPLOYMENT BENEFITS** (Continued)

B. Ohio Police and Fire Pension Fund (Continued)

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24.00 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50 percent of covered payroll for police employer units and 24.00 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

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

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

The City's actual contributions for the years ending December 31, 2010, 2009, and 2008, were \$453,718 for police and \$357,916 for firefighters, \$471,293 for police and \$357,019 for firefighters, and \$556,206 for police and \$426,679 for firefighters, respectively was allocated to the health care plan. The full amount has been contributed for 2009 and 2008. 61.61 percent for police and 62.71 percent for firefighters has been contributed for 2010, with the remainder being reported as a liability

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 15: CAPITAL LEASES

In prior years, the City entered into leases for the acquisition of Honeywell retrofits, Zamboni, Cooling Tower and mowers. The City's lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards Board No. 13, *Accounting for Leases*. Capital Lease payments are reflected as program expenditures on the Budgetary Statements and part of debt service on the Statement of Revenue, Expenditures, and Changes in Fund Balances.

During 2010, the City entered into a capital lease for equipment relating to the operations of the Briardale Greens Golf Course.

Capital assets acquired by lease have been capitalized and depreciated as follows as of December 31, 2010:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
<i>Capital Assets being Depreciated:</i>		
Furniture, Fixtures, and Equipment	\$ 1,737,052	\$ 1,089,358
Less: Accumulated Depreciation	(455,398)	(452,285)
<i>Total Capital Assets being Depreciated</i>	<u>\$ 1,281,654</u>	<u>\$ 637,073</u>
Year Ending		
<u>December 31:</u>		
2011	207,640	149,746
2012	152,220	56,322
2013	152,526	56,016
2014	-	5,142
Total Minimum Lease Payments	<u>512,386</u>	<u>267,226</u>
Less: Amount Representing Interest	<u>(38,496)</u>	<u>(20,947)</u>
Present Value of Minimum Lease Payments	<u>473,890</u>	<u>246,279</u>

NOTE 16: INTERFUND TRANSFERS AND BALANCES

A. Transfers

Transfers are primarily made from the General Fund typically cover general operating and project costs. Transfers made from Other Governmental Funds (Nuisance Abatement Fund) were due to excess funds, after payment of all obligations of the fund. Transfer made to Waste Water Treatment Fund was for grant funds received to pay for a project that was paid out the fund but recorded into the Water Line Improvement Fund when received. All transfers were made in compliance with Ohio Revised Code. Transfers made during the year ended December 31, 2010, were as follows:

CITY OF EUCLID, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 16: **INTERFUND TRANSFERS AND BALANCES** (Continued)

A. **Transfers** (Continued)

<u>Transfer To</u>	<u>Transfer From</u>			<u>Totals</u>
	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Water Line Improvement</u>	
General Fund	\$ 0	\$ 110,000	\$ 0	\$ 110,000
Other Governmental Funds	305,800	138,000	0	443,800
Waste Water Treatment	0	0	310,152	310,152
Totals	<u>\$ 305,800</u>	<u>\$ 248,000</u>	<u>\$ 310,152</u>	<u>\$ 863,952</u>

Transfers on the government wide statements reflect non-cash transfer of capital assets in the amount, net of accumulated depreciation, of \$9,042 from business-type to governmental activities and \$14,257 from governmental to business-type activities.

NOTE 17: **SUBSEQUENT EVENT**

During 2011, the City has issued several bonds. They have refunded the Industrial Revenue Bonds, reducing the interest and length of time. Two separate Various Purpose General Obligation Bonds were issued for \$8,930,000 and \$9,465,000. These issuances included refunding of special assessment bond, 2001 General Obligation Bond as well as conversions of Bond Anticipation Notes.

**Combining Statements
and
Individual Fund Schedules**

CITY OF EUCLID, OHIO
COMBINING STATEMENTS – NONMAJOR FUNDS

Nonmajor Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditure for specified purposes.

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

Indigent Drivers Alcohol Treatment Fund - This fund accounts for fees collected by the municipal court from persons whose driver's license or permit was suspended for driving under the influence of alcohol. By order of the court, this fund will provide for the cost of rehabilitation for those deemed to be indigent.

Court Computerization Fund - This fund accounts for court fees collected by the municipal court to be used for equipment, computers and improvements for the court.

Court Special Projects Fund - This fund accounts for court fees collected by the municipal court designated for the hiring of security bailiffs for the Euclid Municipal Court.

Animal Shelter Fund - This fund accounts for revenues and expenditures related to the Euclid Animal Shelter.

Nuisance Abatement Fund - This fund accounts for services provided and assessments collected for the abatement of neighborhood nuisances.

Indigent Drivers Interlock and Alcohol Monitoring – This fund accounts for revenues from fines as established by the State to pay for alcohol monitoring programs for indigent people.

Street Maintenance and Construction Fund - This fund accounts for that portion of State gasoline tax and motor vehicle registration fees used for the maintenance and repair of dedicated streets within in the City.

Community Television Fund - This fund accounts for cable franchise tax used for the operating activities of community television.

Recreation Operating Fund - This fund accounts for operations and maintenance of all recreational facilities within the City as well as City sponsored recreation programs which are funded by participation fees and facility rentals.

Community Development Block Grant Fund - This fund accounts for revenues received from the federal government related to the United States Department of Housing and Urban Development.

CITY OF EUCLID, OHIO
COMBINING STATEMENTS – NONMAJOR FUNDS

Neighborhood Stabilization Fund – This fund accounts for the City’s share of a Federal Grant passed thru the Ohio Department of Development and Portage County to provide funding for activities that assist with the stabilization of residential property values. These funds can be used for several types of activities, including the demolition of blighted residential structures, the rehabilitation of abandoned and foreclosed residential units; or the development of new single-family residential units to replace blighted structures that have been demolished

Other Grants Fund - This fund accounts for grant monies received from the federal and state government.

Law Enforcement Trust Fund - This fund accounts for monies received from fines from convictions related to drug cases used for the education of the community.

Shore Corporation – This fund accounts for the operating costs of the Shore Cultural Center.

Nonmajor Capital Projects Funds

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

General Permanent Improvement Fund - This fund accounts for tax revenues and grants expended for various capital projects of the City.

Recreation Capital Fund - This fund accounts for tax revenues for the ongoing maintenance and construction of all recreational facilities.

Sidewalk Repair and Replacement Fund - This fund accounts for the collection of assessments for costs associated with the construction and improvement of City sidewalks.

Public Building Construction Fund - This fund accounts for tax revenues used for the construction of public buildings.

Euclid Endowment Fund - This fund accounts for proceeds of sales of City property used for the expenditures for economic development.

Sims Park Fund - This fund accounts for the erosion control project.

Bennington Hamlet Fund - This fund accounts for the collection of assessments for cost associated with economic development.

CMP Properties- This fund accounts for the collection of assessments for cost associated with economic development.

Harbor Town TIF – This fund is for the redevelopment of the various parcels of real property located north of Lakeshore Boulevard, generally between East 238th Street and East 252nd Street.

Downtown District A TIF– This fund is for the redevelopment of the various parcels of real property located in the Downtown Euclid business district.

**CITY OF EUCLID, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2010**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 1,242,506	\$ 2,827,607	\$ 4,070,113
Materials and Supplies Inventory	68,341	0	68,341
Accounts Receivable	12,351	350,000	362,351
Intergovernmental Receivable	953,511	26,302	979,813
Prepaid Items	3,546	0	3,546
Property Taxes Receivable	362,601	474,172	836,773
Revenue in Lieu of Taxes Receivable	0	225,937	225,937
Special Assessments Receivable	240,510	0	240,510
Assets Held for Resale	1,103,292	0	1,103,292
<i>Total Assets</i>	<u>\$ 3,986,658</u>	<u>\$ 3,904,018</u>	<u>\$ 7,890,676</u>
LIABILITIES:			
Accounts Payable	\$ 119,381	\$ 14,526	\$ 133,907
Accrued Wages and Benefits	83,723	2,140	85,863
Intergovernmental Payable	230,457	4,317	234,774
Retainage Payable	3,479	15,694	19,173
Interfund Payable	0	918,313	918,313
Deferred Revenue	1,169,850	726,411	1,896,261
<i>Total Liabilities</i>	<u>1,606,890</u>	<u>1,681,401</u>	<u>3,288,291</u>
FUND BALANCES:			
Reserved:			
Reserved for Encumbrances	147,754	722,154	869,908
Reserved for Assets Held for Resale	1,103,292	0	1,103,292
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	1,128,722	0	1,128,722
Capital Projects Funds	0	1,500,463	1,500,463
<i>Total Fund Balances</i>	<u>2,379,768</u>	<u>2,222,617</u>	<u>4,602,385</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 3,986,658</u>	<u>\$ 3,904,018</u>	<u>\$ 7,890,676</u>

CITY OF EUCLID, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Special</u> <u>Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
REVENUES:			
Property Taxes	\$ 311,216	\$ 406,975	\$ 718,191
Payments in Lieu of Taxes	0	174,801	174,801
Special Assessments	158,252	40,766	199,018
Charges for Services	457,263	0	457,263
Fines and Forfeitures	185,371	0	185,371
Intergovernmental	6,219,486	541,628	6,761,114
Interest	159	29	188
Rent	79,215	0	79,215
Contributions and Donations	56,926	0	56,926
Other	315,317	15,205	330,522
<i>Total Revenues</i>	<u>7,783,205</u>	<u>1,179,404</u>	<u>8,962,609</u>
EXPENDITURES:			
Current:			
General Government	1,658,855	0	1,658,855
Security of Persons and Property	340,002	0	340,002
Leisure Time Services	1,128,444	0	1,128,444
Community and Economic Development	1,789,919	0	1,789,919
Transportation	2,109,236	0	2,109,236
Capital Outlay	0	2,547,975	2,547,975
Debt Service:			
Principal Retirements	23,142	50,070	73,212
Interest and Fiscal Charges	3,250	35,663	38,913
<i>Total Expenditures</i>	<u>7,052,848</u>	<u>2,633,708</u>	<u>9,686,556</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>730,357</u>	<u>(1,454,304)</u>	<u>(723,947)</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	443,800	0	443,800
Notes Issued	0	1,950,000	1,950,000
Proceeds from Sale of Capital Assets	0	192,962	192,962
Transfers Out	(110,000)	(138,000)	(248,000)
<i>Total Other Financing Sources and Uses</i>	<u>333,800</u>	<u>2,004,962</u>	<u>2,338,762</u>
<i>Net Change in Fund Balance</i>	1,064,157	550,658	1,614,815
<i>Fund Balance at Beginning of Year</i>	<u>1,315,611</u>	<u>1,671,959</u>	<u>2,987,570</u>
<i>Fund Balance at End of Year</i>	<u>\$ 2,379,768</u>	<u>\$ 2,222,617</u>	<u>\$ 4,602,385</u>

**CITY OF EUCLID, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2010**

	<u>State Highway</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Court Computerization</u>	<u>Court Special Projects</u>	<u>Animal Shelter</u>	<u>Nuisance Abatement</u>	<u>Indigent Drivers Interlock and Alcohol Monitoring</u>	<u>Street Maintenance & Construction</u>
ASSETS:								
Equity in Pooled Cash and Cash Equivalents	\$ 9,467	\$ 94,658	\$ 98,971	\$ 173,632	\$ 7	\$ 93,191	\$ 6,447	\$ 158,824
Materials and Supplies Inventory	0	0	0	0	0	0	0	64,590
Accounts Receivable	0	874	4,619	6,555	0	0	303	0
Intergovernmental Receivable	58,520	0	0	0	0	0	0	741,520
Prepaid Items	0	0	0	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	240,510	0	0
Assets Held for Resale	0	0	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 67,987</u>	<u>\$ 95,532</u>	<u>\$ 103,590</u>	<u>\$ 180,187</u>	<u>\$ 7</u>	<u>\$ 333,701</u>	<u>\$ 6,750</u>	<u>\$ 964,934</u>
LIABILITIES:								
Accounts Payable	\$ 19,680	\$ 0	\$ 17	\$ 0	\$ 704	\$ 1,250	\$ 0	\$ 52,451
Accrued Wages and Benefits	0	0	0	3,178	1,557	0	0	35,232
Intergovernmental Payable	0	0	0	4,891	3,336	0	0	75,876
Retainage Payable	0	0	0	0	0	0	0	0
Deferred Revenue	40,997	0	0	0	0	240,510	0	505,629
<i>Total Liabilities</i>	<u>60,677</u>	<u>0</u>	<u>17</u>	<u>8,069</u>	<u>5,597</u>	<u>241,760</u>	<u>0</u>	<u>669,188</u>
FUND BALANCES:								
Reserved:								
Reserved for Encumbrances	0	0	0	0	0	0	0	24,611
Reserved for Assets Held for Resale	0	0	0	0	0	0	0	0
Unreserved, Undesignated, Reported in:								
Special Revenue Funds	7,310	95,532	103,573	172,118	(5,590)	91,941	6,750	271,135
<i>Total Fund Balances</i>	<u>7,310</u>	<u>95,532</u>	<u>103,573</u>	<u>172,118</u>	<u>(5,590)</u>	<u>91,941</u>	<u>6,750</u>	<u>295,746</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 67,987</u>	<u>\$ 95,532</u>	<u>\$ 103,590</u>	<u>\$ 180,187</u>	<u>\$ 7</u>	<u>\$ 333,701</u>	<u>\$ 6,750</u>	<u>\$ 964,934</u>

CITY OF EUCLID, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2010
(CONTINUED)

	<u>Community Television</u>	<u>Recreation Operating</u>	<u>Community Development Block Grant</u>	<u>Neighborhood Stabilization Program</u>	<u>Other Grants</u>	<u>Law Enforcement Trust</u>	<u>Shore Corp</u>	<u>Total Nonmajor Special Revenue</u>
ASSETS:								
Equity in Pooled Cash and Cash Equivalents	\$ 11,168	\$ 16,874	\$ 864	\$ 27,241	\$ 188,620	\$ 221,595	\$ 140,947	\$ 1,242,506
Materials and Supplies Inventory	0	3,751	0	0	0	0	0	68,341
Accounts Receivable	0	0	0	0	0	0	0	12,351
Intergovernmental Receivable	0	20,113	0	26,266	107,092	0	0	953,511
Prepaid Items	0	3,546	0	0	0	0	0	3,546
Property Taxes Receivable	0	362,601	0	0	0	0	0	362,601
Special Assessments Receivable	0	0	0	0	0	0	0	240,510
Assets Held for Resale	0	0	0	1,103,292	0	0	0	1,103,292
<i>Total Assets</i>	<u>\$ 11,168</u>	<u>\$ 406,885</u>	<u>\$ 864</u>	<u>\$ 1,156,799</u>	<u>\$ 295,712</u>	<u>\$ 221,595</u>	<u>\$ 140,947</u>	<u>\$ 3,986,658</u>
LIABILITIES:								
Accounts Payable	\$ 0	\$ 19,815	\$ 580	\$ 2,103	\$ 540	\$ 0	\$ 22,241	\$ 119,381
Accrued Wages and Benefits	1,495	9,300	14,529	1,420	17,012	0	0	83,723
Intergovernmental Payable	3,986	25,045	34,227	56,916	26,180	0	0	230,457
Retainage Payable	0	0	0	3,479	0	0	0	3,479
Deferred Revenue	0	382,714	0	0	0	0	0	1,169,850
<i>Total Liabilities</i>	<u>5,481</u>	<u>436,874</u>	<u>49,336</u>	<u>63,918</u>	<u>43,732</u>	<u>0</u>	<u>22,241</u>	<u>1,606,890</u>
FUND BALANCES:								
Reserved:								
Reserved for Encumbrances	0	0	0	0	56,775	0	66,368	147,754
Reserved for Assets Held for Resale	0	0	0	1,103,292	0	0	0	1,103,292
Unreserved, Undesignated, Reported in:								
Special Revenue Funds	5,687	(29,989)	(48,472)	(10,411)	195,205	221,595	52,338	1,128,722
<i>Total Fund Balances</i>	<u>5,687</u>	<u>(29,989)</u>	<u>(48,472)</u>	<u>1,092,881</u>	<u>251,980</u>	<u>221,595</u>	<u>118,706</u>	<u>2,379,768</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 11,168</u>	<u>\$ 406,885</u>	<u>\$ 864</u>	<u>\$ 1,156,799</u>	<u>\$ 295,712</u>	<u>\$ 221,595</u>	<u>\$ 140,947</u>	<u>\$ 3,986,658</u>

CITY OF EUCLID, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>State Highway</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Court Computerization</u>	<u>Court Special Projects</u>	<u>Animal Shelter</u>	<u>Nuisance Abatement</u>	<u>Indigent Drivers Interlock and Alcohol Monitoring</u>	<u>Street Maintenance & Construction</u>
REVENUES:								
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Assessments	0	0	0	0	0	158,252	0	0
Charges for Services	0	0	0	0	23,955	41,929	0	0
Fines and Forfeitures	0	15,491	68,069	96,911	0	0	4,900	0
Intergovernmental	117,190	0	0	0	0	0	0	1,702,364
Interest	0	0	0	0	0	0	0	0
Rent	0	0	0	0	36,996	0	0	0
Contributions and Donations	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	264,950
<i>Total Revenues</i>	<u>117,190</u>	<u>15,491</u>	<u>68,069</u>	<u>96,911</u>	<u>60,951</u>	<u>200,181</u>	<u>4,900</u>	<u>1,967,314</u>
EXPENDITURES:								
Current:								
General Government	0	0	0	0	0	0	0	0
Security of Persons and Property	0	6,133	73,247	118,656	92,786	0	0	0
Leisure Time Services	0	0	0	0	0	0	0	0
Community and Economic Development	0	0	0	0	0	51,468	0	0
Transportation	173,454	0	0	0	0	0	0	1,935,782
Debt Service:								
Principal Retirements	0	0	0	0	0	0	0	6,729
Interest and Fiscal Charges	0	0	0	0	0	0	0	945
<i>Total Expenditures</i>	<u>173,454</u>	<u>6,133</u>	<u>73,247</u>	<u>118,656</u>	<u>92,786</u>	<u>51,468</u>	<u>0</u>	<u>1,943,456</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>(56,264)</u>	<u>9,358</u>	<u>(5,178)</u>	<u>(21,745)</u>	<u>(31,835)</u>	<u>148,713</u>	<u>4,900</u>	<u>23,858</u>
OTHER FINANCING SOURCES AND USES:								
Transfers In	0	0	0	0	20,800	0	0	25,000
Transfers Out	0	0	0	0	0	(110,000)	0	0
<i>Total Other Financing Sources and Uses</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,800</u>	<u>(110,000)</u>	<u>0</u>	<u>25,000</u>
<i>Net Change in Fund Balance</i>	(56,264)	9,358	(5,178)	(21,745)	(11,035)	38,713	4,900	48,858
<i>Fund Balance (Deficit) at Beginning of Year</i>	63,574	86,174	108,751	193,863	5,445	53,228	1,850	246,888
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 7,310</u>	<u>\$ 95,532</u>	<u>\$ 103,573</u>	<u>\$ 172,118</u>	<u>\$ (5,590)</u>	<u>\$ 91,941</u>	<u>\$ 6,750</u>	<u>\$ 295,746</u>

CITY OF EUCLID, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

	<u>Community Television</u>	<u>Recreation Operating</u>	<u>Community Development Block Grant</u>	<u>Neighborhood Stabilization Program</u>	<u>Other Grants</u>	<u>Law Enforcement Trust</u>	<u>Shore Corp</u>	<u>Total Nonmajor Special Revenue</u>
REVENUES:								
Property Taxes	\$ 0	\$ 311,216	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 311,216
Special Assessments	0	0	0	0	0	0	0	158,252
Charges for Services	550	390,829	0	0	0	0	0	457,263
Fines and Forfeitures	0	0	0	0	0	0	0	185,371
Intergovernmental	0	129,501	1,319,997	1,407,350	1,463,688	79,396	0	6,219,486
Interest	0	0	3	0	0	156	0	159
Rent	0	42,219	0	0	0	0	0	79,215
Contributions and Donations	1,040	3,766	0	0	52,120	0	0	56,926
Other	0	1,051	0	37,198	1,940	10,178	0	315,317
<i>Total Revenues</i>	<u>1,590</u>	<u>878,582</u>	<u>1,320,000</u>	<u>1,444,548</u>	<u>1,517,748</u>	<u>89,730</u>	<u>0</u>	<u>7,783,205</u>
EXPENDITURES:								
Current:								
General Government	0	0	0	0	1,658,855	0	0	1,658,855
Security of Persons and Property	0	0	0	0	0	49,180	0	340,002
Leisure Time Services	3,796	1,065,130	0	0	0	0	59,518	1,128,444
Community and Economic Development	49,903	0	1,327,719	360,790	39	0	0	1,789,919
Transportation	0	0	0	0	0	0	0	2,109,236
Debt Service:								
Principal Retirements	0	16,413	0	0	0	0	0	23,142
Interest and Fiscal Charges	0	2,305	0	0	0	0	0	3,250
<i>Total Expenditures</i>	<u>53,699</u>	<u>1,083,848</u>	<u>1,327,719</u>	<u>360,790</u>	<u>1,658,894</u>	<u>49,180</u>	<u>59,518</u>	<u>7,052,848</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>(52,109)</u>	<u>(205,266)</u>	<u>(7,719)</u>	<u>1,083,758</u>	<u>(141,146)</u>	<u>40,550</u>	<u>(59,518)</u>	<u>730,357</u>
OTHER FINANCING SOURCES AND USES:								
Transfers In	48,000	212,000	0	0	0	0	138,000	443,800
Transfers Out	0	0	0	0	0	0	0	(110,000)
<i>Total Other Financing Sources and Uses</i>	<u>48,000</u>	<u>212,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>138,000</u>	<u>333,800</u>
<i>Net Change in Fund Balance</i>	(4,109)	6,734	(7,719)	1,083,758	(141,146)	40,550	78,482	1,064,157
<i>Fund Balance (Deficit) at Beginning of Year</i>	9,796	(36,723)	(40,753)	9,123	393,126	181,045	40,224	1,315,611
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 5,687</u>	<u>\$ (29,989)</u>	<u>\$ (48,472)</u>	<u>\$ 1,092,881</u>	<u>\$ 251,980</u>	<u>\$ 221,595</u>	<u>\$ 118,706</u>	<u>\$ 2,379,768</u>

**CITY OF EUCLID, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2010**

	<u>General</u> <u>Permanent</u> <u>Improvement</u>	<u>Recreation</u> <u>Capital</u>	<u>Sidewalk Repair</u> <u>& Replacement</u>	<u>Public Building</u> <u>Construction</u>	<u>Euclid</u> <u>Endowment</u>	<u>Sims Park</u>	<u>Bennington</u> <u>Hamlet</u>	<u>CMP</u> <u>Properties</u>	<u>Harbor Town</u> <u>TIF</u>	<u>Downtown</u> <u>District A TIF</u>	<u>Total Nonmajor</u> <u>Capital Projects</u>
ASSETS:											
Equity in Pooled Cash and Cash Equivalents	\$ 2,123,011	\$ 67,586	\$ 29,085	\$ 3,780	\$ 136,174	\$ 79,908	\$ 109,074	\$ 83,886	\$ 143,964	\$ 51,139	\$ 2,827,607
Accounts Receivable	0	0	0	0	350,000	0	0	0	0	0	350,000
Intergovernmental Receivable	15,472	10,830	0	0	0	0	0	0	0	0	26,302
Property Taxes Receivable	278,924	195,248	0	0	0	0	0	0	0	0	474,172
Revenue in Lieu of Taxes Receivable	0	0	0	0	0	0	33,896	57,132	83,948	50,961	225,937
<i>Total Assets</i>	<u>\$ 2,417,407</u>	<u>\$ 273,664</u>	<u>\$ 29,085</u>	<u>\$ 3,780</u>	<u>\$ 486,174</u>	<u>\$ 79,908</u>	<u>\$ 142,970</u>	<u>\$ 141,018</u>	<u>\$ 227,912</u>	<u>\$ 102,100</u>	<u>\$ 3,904,018</u>
LIABILITIES:											
Accounts Payable	8,673	2,305	0	0	0	0	1,774	1,774	0	0	14,526
Accrued Wages and Benefits	0	2,140	0	0	0	0	0	0	0	0	2,140
Intergovernmental Payable	0	4,317	0	0	0	0	0	0	0	0	4,317
Retainage Payable	15,694	0	0	0	0	0	0	0	0	0	15,694
Interfund Payable	560,000	0	0	358,313	0	0	0	0	0	0	918,313
Deferred Revenue	294,396	206,078	0	0	0	0	33,896	57,132	83,948	50,961	726,411
<i>Total Liabilities</i>	<u>878,763</u>	<u>214,840</u>	<u>0</u>	<u>358,313</u>	<u>0</u>	<u>0</u>	<u>35,670</u>	<u>58,906</u>	<u>83,948</u>	<u>50,961</u>	<u>1,681,401</u>
FUND BALANCES:											
Reserved:											
Reserved for Encumbrances	528,304	4,950	0	600	11,900	0	85,825	5,575	85,000	0	722,154
Unreserved, Undesignated, Reported in:											
Capital Projects Funds	1,010,340	53,874	29,085	(355,133)	474,274	79,908	21,475	76,537	58,964	51,139	1,500,463
<i>Total Fund Balances</i>	<u>1,538,644</u>	<u>58,824</u>	<u>29,085</u>	<u>(354,533)</u>	<u>486,174</u>	<u>79,908</u>	<u>107,300</u>	<u>82,112</u>	<u>143,964</u>	<u>51,139</u>	<u>2,222,617</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 2,417,407</u>	<u>\$ 273,664</u>	<u>\$ 29,085</u>	<u>\$ 3,780</u>	<u>\$ 486,174</u>	<u>\$ 79,908</u>	<u>\$ 142,970</u>	<u>\$ 141,018</u>	<u>\$ 227,912</u>	<u>\$ 102,100</u>	<u>\$ 3,904,018</u>

CITY OF EUCLID, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>General</u> <u>Permanent</u> <u>Improvement</u>	<u>Recreation</u> <u>Capital</u>	<u>Sidewalk</u> <u>Repair &</u> <u>Replacement</u>	<u>Public</u> <u>Building</u> <u>Construction</u>	<u>Euclid</u> <u>Endowment</u>	<u>Sims</u> <u>Park</u>	<u>Bennington</u> <u>Hamlet</u>	<u>CMP</u> <u>Properties</u>	<u>Harbor</u> <u>Town TIF</u>	<u>Downtown</u> <u>District A</u> <u>TIF</u>	<u>Total Nonmajor</u> <u>Capital Projects</u>
REVENUES:											
Property Taxes	\$ 239,397	\$ 167,578	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 406,975
Payments in Lieu of Taxes	0	0	0	0	0	0	25,248	57,287	41,127	51,139	174,801
Special Assessments	327	0	0	0	0	0	0	0	40,439	0	40,766
Intergovernmental	116,699	74,929	0	0	350,000	0	0	0	0	0	541,628
Interest	29	0	0	0	0	0	0	0	0	0	29
Other	28	15,177	0	0	0	0	0	0	0	0	15,205
<i>Total Revenues</i>	<u>356,480</u>	<u>257,684</u>	<u>0</u>	<u>0</u>	<u>350,000</u>	<u>0</u>	<u>25,248</u>	<u>57,287</u>	<u>81,566</u>	<u>51,139</u>	<u>1,179,404</u>
EXPENDITURES:											
Capital Outlay	1,686,224	205,137	0	85,150	379,677	0	40,660	143,730	7,397	0	2,547,975
Debt Service:											
Principal Retirements	0	50,070	0	0	0	0	0	0	0	0	50,070
Interest and Fiscal Charges	22,000	5,350	0	8,313	0	0	0	0	0	0	35,663
<i>Total Expenditures</i>	<u>1,708,224</u>	<u>260,557</u>	<u>0</u>	<u>93,463</u>	<u>379,677</u>	<u>0</u>	<u>40,660</u>	<u>143,730</u>	<u>7,397</u>	<u>0</u>	<u>2,633,708</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>(1,351,744)</u>	<u>(2,873)</u>	<u>0</u>	<u>(93,463)</u>	<u>(29,677)</u>	<u>0</u>	<u>(15,412)</u>	<u>(86,443)</u>	<u>74,169</u>	<u>51,139</u>	<u>(1,454,304)</u>
OTHER FINANCING SOURCES AND USES:											
Notes Issued	1,950,000	0	0	0	0	0	0	0	0	0	1,950,000
Proceeds from Sale of Capital Assets	74,069	0	0	0	118,893	0	0	0	0	0	192,962
Transfers Out	0	0	0	0	(138,000)	0	0	0	0	0	(138,000)
<i>Total Other Financing Sources and Uses</i>	<u>2,024,069</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(19,107)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,004,962</u>
<i>Net Change in Fund Balance</i>	672,325	(2,873)	0	(93,463)	(48,784)	0	(15,412)	(86,443)	74,169	51,139	550,658
<i>Fund Balance (Deficit) at Beginning of Year</i>	866,319	61,697	29,085	(261,070)	534,958	79,908	122,712	168,555	69,795	0	1,671,959
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,538,644</u>	<u>\$ 58,824</u>	<u>\$ 29,085</u>	<u>\$ (354,533)</u>	<u>\$ 486,174</u>	<u>\$ 79,908</u>	<u>\$ 107,300</u>	<u>\$ 82,112</u>	<u>\$ 143,964</u>	<u>\$ 51,139</u>	<u>\$ 2,222,617</u>

CITY OF EUCLID, OHIO
COMBINING STATEMENT – NONMAJOR FUNDS

Fiduciary Fund

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 has no trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Agency Funds

Municipal Court Fund - This fund accounts for funds that flow through the Municipal Court office.

Employee Flex Spending Fund - This fund accounts for an employee benefit program which sets aside money, by payroll deduction on a pre-tax basis, to pay eligible health care expenses which are not covered by the health insurance plan.

Retirees' Insurance Fund - This fund accounts for payments by retirees that retain a life insurance policy.

Building Deposits 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.

Street Opening Fund - This fund accounts for collection of monies and the distribution of these monies that go into opening a new street.

Revolving Fund - This fund accounts for the City's income tax holding account.

Temporary Suspense - This fund accounts for the City's property tax holding account.

CITY OF EUCLID, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Municipal Court				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 186,146	\$ 4,708,284	\$ 4,767,672	\$ 126,758
LIABILITIES:				
Deposits Held and Due to Others	186,146	4,708,284	4,767,672	126,758
Employee Flex Spending				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	25,729	269,445	269,445	25,729
LIABILITIES:				
Deposits Held and Due to Others	25,729	269,445	269,445	25,729
Retirees - Insurance Payments				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	7,214	23,026	25,049	5,191
LIABILITIES:				
Deposits Held and Due to Others	7,214	23,026	25,049	5,191
Building Deposits				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	89,045	18,000	34,150	72,895
LIABILITIES:				
Deposits Held and Due to Others	89,045	18,000	34,150	72,895
Street Opening				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	21,475	27,000	0	48,475
LIABILITIES:				
Deposits Held and Due to Others	21,475	27,000	0	48,475
Revolving				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	455,920	27,368,028	27,379,254	444,694
LIABILITIES:				
Deposits Held and Due to Others	455,920	27,368,028	27,379,254	444,694
Temporary Suspense				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	9,999	235,790	212,734	33,055
LIABILITIES:				
Deposits Held and Due to Others	9,999	235,790	212,734	33,055
Totals				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 795,528	\$ 32,649,573	\$ 32,688,304	\$ 756,797
LIABILITIES:				
Deposits Held and Due to Others	\$ 795,528	\$ 32,649,573	\$ 32,688,304	\$ 756,797

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

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property Taxes	\$ 1,589,300	\$ 1,476,736	\$ 1,608,748	\$ 132,012
Income Taxes	22,594,362	20,994,090	21,515,137	521,047
Special Assessments	949,230	0	0	0
Charges for Services	6,089,186	5,757,912	5,737,997	(19,915)
Licenses and Permits	161,380	149,950	148,341	(1,609)
Fines and Forfeitures	1,871,447	1,738,900	1,607,666	(131,234)
Intergovernmental	5,812,083	5,400,435	5,746,227	345,792
Interest	430,490	400,000	178,364	(221,636)
Rent	86,636	80,500	83,628	3,128
Contributions and Donations	1,076	1,000	815	(185)
Other	129,148	120,000	150,668	30,668
Total Revenues	<u>39,714,338</u>	<u>36,119,523</u>	<u>36,777,591</u>	<u>658,068</u>
EXPENDITURES:				
Current:				
General Government				
Legislative				
Personal Services	157,421	158,272	157,700	572
Materials and Supplies	1,841	1,841	1,696	145
Other	139	139	131	8
Total - Legislative	<u>159,401</u>	<u>160,252</u>	<u>159,527</u>	<u>725</u>
Judicial				
Personal Services	760,281	760,999	749,720	11,279
Contractual Services	38,149	38,149	33,222	4,927
Materials and Supplies	57,045	57,045	49,680	7,365
Other	3,945	3,945	3,432	513
Total - Judicial	<u>859,420</u>	<u>860,138</u>	<u>836,054</u>	<u>24,084</u>
Executive				
Personal Services	242,510	253,603	252,798	805
Materials and Supplies	3,977	3,977	2,514	1,463
Other	473	473	299	174
Total - Executive	<u>246,960</u>	<u>258,053</u>	<u>255,611</u>	<u>2,442</u>
Finance				
Personal Services	906,708	946,043	871,403	74,640
Contractual Services	82,161	82,161	65,108	17,053
Materials and Supplies	86,750	86,750	72,517	14,233
Capital Outlay	3,209	3,209	2,688	521
Other	28,996	28,996	24,218	4,778
Total - Finance	<u>1,107,824</u>	<u>1,147,159</u>	<u>1,035,934</u>	<u>111,225</u>
Law				
Personal Services	464,499	467,436	456,551	10,885
Contractual Services	53,904	53,904	49,477	4,427
Materials and Supplies	26,998	26,998	24,868	2,130
Other	2,488	2,488	2,290	198
Total - Law	<u>547,889</u>	<u>550,826</u>	<u>533,186</u>	<u>17,640</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Buildings				
Personal Services	1,407,424	1,425,068	1,402,879	22,189
Contractual Services	133,374	148,372	142,505	5,867
Materials and Supplies	416,875	463,431	442,397	21,034
Other	3,860	4,306	4,255	51
Total - Buildings	1,961,533	2,041,177	1,992,036	49,141
Administration				
Personal Services	285,058	298,337	291,094	7,243
Contractual Services	148,607	148,607	121,729	26,878
Materials and Supplies	19,442	19,442	15,561	3,881
Total - Administration	453,107	466,386	428,384	38,002
Other Department				
Personal Services	4,888,422	4,757,719	4,501,018	256,701
Contractual Services	322,744	368,764	350,956	17,808
Materials and Supplies	1,694,716	1,936,215	1,841,020	95,195
Other	465,125	531,606	506,745	24,861
Total - Other Department	7,371,007	7,594,304	7,199,739	394,565
Total - General Government	12,707,141	13,078,295	12,440,471	637,824
Security of Persons and Property				
Police				
Personal Services	10,651,723	10,509,799	10,395,254	114,545
Contractual Services	108,010	112,958	109,166	3,792
Materials and Supplies	87,787	91,790	88,302	3,488
Capital Outlay	9,244	9,671	9,429	242
Other	37,238	38,960	37,967	993
Total - Police	10,894,002	10,763,178	10,640,118	123,060
Fire				
Personal Services	7,489,511	7,513,958	7,356,084	157,874
Contractual Services	10,287	10,287	8,394	1,893
Materials and Supplies	38,164	38,164	29,348	8,816
Capital Outlay	2,209	2,209	1,811	398
Other	5,783	5,783	4,744	1,039
Total - Fire	7,545,954	7,570,401	7,400,381	170,020
Corrections				
Personal Services	1,282,979	1,378,975	1,374,302	4,673
Contractual Services	130,553	138,811	135,810	3,001
Materials and Supplies	261,706	278,260	272,303	5,957
Capital Outlay	6,760	7,187	7,049	138
Other	960	1,021	983	38
Total - Corrections	1,682,958	1,804,254	1,790,447	13,807
Total - Security of Persons and Property	20,122,914	20,137,833	19,830,946	306,887

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Sanitation				
Contractual Services	2,122,825	2,122,825	2,102,050	20,775
Other	<u>3,250</u>	<u>3,250</u>	<u>3,250</u>	<u>0</u>
Total - Sanitation	<u>2,126,075</u>	<u>2,126,075</u>	<u>2,105,300</u>	<u>20,775</u>
Public Health				
Personal Services	38,959	38,996	38,938	58
Contractual Services	191,393	199,547	195,053	4,494
Materials and Supplies	305	321	321	0
Other	<u>42,938</u>	<u>44,768</u>	<u>43,743</u>	<u>1,025</u>
Total - Public Health	<u>273,595</u>	<u>283,632</u>	<u>278,055</u>	<u>5,577</u>
Leisure Time Services				
Personal Services	428,811	435,216	422,883	12,333
Contractual Services	6,656	9,172	7,024	2,148
Materials and Supplies	8,877	12,083	8,950	3,133
Other	<u>736</u>	<u>1,014</u>	<u>776</u>	<u>238</u>
Total - Leisure Time Services	<u>445,080</u>	<u>457,485</u>	<u>439,633</u>	<u>17,852</u>
Community and Economic Development				
Unclaimed Monies				
Other	<u>2,000</u>	<u>2,000</u>	<u>1,250</u>	<u>750</u>
Total - Unclaimed Monies	<u>2,000</u>	<u>2,000</u>	<u>1,250</u>	<u>750</u>
Protective Inspection				
Personal Services	655,081	695,045	692,739	2,306
Contractual Services	45,279	58,607	54,179	4,428
Materials and Supplies	9,843	12,767	11,890	877
Other	<u>17,668</u>	<u>22,916</u>	<u>21,328</u>	<u>1,588</u>
Total - Protective Inspection	<u>727,871</u>	<u>789,335</u>	<u>780,136</u>	<u>9,199</u>
Community Service and Economic Development				
Personal Services	96,909	97,002	96,929	73
Materials and Supplies	2,458	2,458	1,732	726
Other	<u>346</u>	<u>346</u>	<u>250</u>	<u>96</u>
Total - Community Service and Economic Development	<u>99,713</u>	<u>99,806</u>	<u>98,911</u>	<u>895</u>
Economic Opportunity				
Personal Services	179,109	194,787	186,793	7,994
Contractual Services	55,656	55,656	32,539	23,117
Materials and Supplies	7,125	7,125	4,200	2,925
Other	<u>4,654</u>	<u>4,654</u>	<u>2,745</u>	<u>1,909</u>
Total - Economic Opportunity	<u>246,544</u>	<u>262,222</u>	<u>226,277</u>	<u>35,945</u>
Total - Community and Economic Development	<u>1,076,128</u>	<u>1,153,363</u>	<u>1,106,574</u>	<u>46,789</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Debt Service:				
Principal Retirement	125,000	125,000	125,000	0
Interest and Fiscal Charges	92,400	92,400	92,400	0
Total - Debt Service	<u>217,400</u>	<u>217,400</u>	<u>217,400</u>	<u>0</u>
Total Expenditures	<u>36,968,333</u>	<u>37,454,083</u>	<u>36,418,379</u>	<u>1,035,704</u>
Excess of Revenues Over(Under) Expenditures	<u>2,746,005</u>	<u>(1,334,560)</u>	<u>359,212</u>	<u>1,693,772</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	110,000	110,000	110,000	0
Proceeds from Sale of Capital Assets	1,076	1,000	465	(535)
Advances In	0	882,000	885,000	3,000
Transfers Out	<u>(249,000)</u>	<u>(305,800)</u>	<u>(305,800)</u>	<u>0</u>
Total Other Financing Sources and Uses	<u>(137,924)</u>	<u>687,200</u>	<u>689,665</u>	<u>2,465</u>
Net Change in Fund Balance	2,608,081	(647,360)	1,048,877	1,696,237
Fund Balance at Beginning of Year	1,679,971	1,679,971	1,679,971	0
Prior Year Encumbrances Appropriated	48,788	48,788	48,788	0
Fund Balance at End of Year	<u>\$ 4,336,840</u>	<u>\$ 1,081,399</u>	<u>\$ 2,777,636</u>	<u>\$ 1,696,237</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property Taxes	\$ 2,661,812	\$ 5,936,464	\$ 2,582,050	\$ (3,354,414)
Special Assessments	140,301	312,904	136,097	(176,807)
Intergovernmental	810,296	1,807,149	786,015	(1,021,134)
Interest	85,753	191,248	83,183	(108,065)
Rent	38,787	86,505	37,625	(48,880)
Other	762	1,699	739	(960)
Total Revenues	<u>3,737,711</u>	<u>8,335,969</u>	<u>3,625,709</u>	<u>(4,710,260)</u>
EXPENDITURES:				
Current:				
General Government				
Personal Services	68,061	100,061	86,802	13,259
Contractual Services	31,088	31,088	31,088	0
Other	135,313	181,313	95,793	85,520
Total - General Government	<u>234,462</u>	<u>312,462</u>	<u>213,683</u>	<u>98,779</u>
Debt Service				
Principal Retirement	4,543,000	6,001,000	4,936,519	1,064,481
Interest and Fiscal Charges	5,914,510	5,884,197	1,165,027	4,719,170
Total - Debt Service	<u>10,457,510</u>	<u>11,885,197</u>	<u>6,101,546</u>	<u>5,783,651</u>
Total Expenditures	<u>10,691,972</u>	<u>12,197,659</u>	<u>6,315,229</u>	<u>5,882,430</u>
Excess of Revenues Over(Under) Expenditures	<u>(6,954,261)</u>	<u>(3,861,690)</u>	<u>(2,689,520)</u>	<u>1,172,170</u>
OTHER FINANCING SOURCES AND USES:				
Notes Issued	2,340,000	2,340,000	2,340,000	0
Premium on Debt Issued	0	21,278	21,278	0
Advances Out	0	(912,313)	(915,313)	(3,000)
Total Other Financing Sources and Uses	<u>2,340,000</u>	<u>1,448,965</u>	<u>1,445,965</u>	<u>(3,000)</u>
Net Change in Fund Balance	(4,614,261)	(2,412,725)	(1,243,555)	1,169,170
Fund Balance at Beginning of Year	2,685,157	2,685,157	2,685,157	0
Fund Balance (Deficit) at End of Year	<u>\$ (1,929,104)</u>	<u>\$ 272,432</u>	<u>\$ 1,441,602</u>	<u>\$ 1,169,170</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
WASTE WATER TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for Services	\$ 13,756,917	\$ 15,147,864	\$ 8,928,026	\$ (6,219,838)
Tap-In Fees	23,156	25,497	15,028	(10,469)
Interest	100	111	65	(46)
Intergovernmental	329,877	363,230	214,085	(149,145)
Property Taxes	720,590	793,448	467,652	(325,796)
Other	1,422,697	1,566,544	926,211	(640,333)
Total Revenues	<u>16,253,337</u>	<u>17,896,694</u>	<u>10,551,067</u>	<u>(7,345,627)</u>
EXPENSES:				
Personal Services	4,459,763	4,445,263	4,181,142	264,121
Contractual Services	4,465,067	4,515,494	2,147,167	2,368,327
Materials and Supplies	4,530,050	4,609,988	2,834,373	1,775,615
Capital Outlay	3,353,258	3,841,653	1,975,035	1,866,618
Other	87,527	95,443	59,009	36,434
Debt Service:				
Principal Retirement	2,255,189	3,934,658	3,934,658	0
Interest and Fiscal Charges	542,926	470,906	470,855	51
Bond Issuance Costs	0	11,582	5,933	5,649
Total Expenses	<u>19,693,780</u>	<u>21,924,987</u>	<u>15,608,172</u>	<u>6,316,815</u>
Excess of Revenue Over(Under) Expenses	<u>(3,440,443)</u>	<u>(4,028,293)</u>	<u>(5,057,105)</u>	<u>(1,028,812)</u>
OTHER FINANCING SOURCES AND USES:				
Capital Grants and Contributions	0	0	391,165	391,165
Notes Issued	0	1,482,903	1,480,000	(2,903)
Proceeds from OPWC Loans	1,322,981	1,322,981	931,816	(391,165)
Premium on Debt Issued	0	3,379	3,379	0
Transfers In	0	310,152	310,152	0
Total Other Finance Sources and Uses	<u>1,322,981</u>	<u>3,119,415</u>	<u>3,116,512</u>	<u>(2,903)</u>
Net Change in Fund Equity	(2,117,462)	(908,878)	(1,940,593)	(1,031,715)
Fund Equity at Beginning of Year	2,823,561	2,823,561	2,823,561	0
Prior Year Encumbrances Appropriated	1,077,690	1,077,690	1,077,690	0
Fund Equity at End of Year	<u>\$ 1,783,789</u>	<u>\$ 2,992,373</u>	<u>\$ 1,960,658</u>	<u>\$ (1,031,715)</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
WATER LINE IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for Services	\$ 4,936,397	\$ 1,900,002	\$ 1,469,054	\$ (430,948)
Interest	1,673	644	498	(146)
Other	1,623,901	625,034	507,981	(117,053)
Total Revenues	<u>6,561,971</u>	<u>2,525,680</u>	<u>1,977,533</u>	<u>(548,147)</u>
EXPENSES:				
Contractual Services	1,011,879	1,011,394	857,820	153,574
Capital Outlay	6,830,354	6,828,179	5,409,541	1,418,638
Other	5,933	5,931	5,514	417
Debt Service:				
Principal Retirement	1,050,000	13,594,764	13,051,380	543,384
Interest and Fiscal Charges	298,629	349,292	349,292	0
Bond Issuance Costs	0	55,236	50,511	4,725
Total Expenses	<u>9,196,795</u>	<u>21,844,796</u>	<u>19,724,058</u>	<u>2,120,738</u>
Excess of Revenue Over(Under) Expenses	<u>(2,634,824)</u>	<u>(19,319,116)</u>	<u>(17,746,525)</u>	<u>1,572,591</u>
OTHER FINANCING SOURCES AND USES:				
Capital Grants and Contributions	0	0	290,582	290,582
Notes Issued	0	12,624,714	12,600,000	(24,714)
Proceeds from OPWC Loans	1,322,375	1,322,375	1,031,793	(290,582)
Premium on Debt Issued	0	28,774	28,774	0
Transfers Out	0	(310,152)	(310,152)	0
Total Other Finance Sources and Uses	<u>1,322,375</u>	<u>13,665,711</u>	<u>13,640,997</u>	<u>(24,714)</u>
Net Change in Fund Equity	(1,312,449)	(5,653,405)	(4,105,528)	1,547,877
Fund Equity at Beginning of Year	1,515,653	1,515,653	1,515,653	0
Prior Year Encumbrances Appropriated	4,182,322	4,182,322	4,182,322	0
Fund Equity at End of Year	<u>\$ 4,385,526</u>	<u>\$ 44,570</u>	<u>\$ 1,592,447</u>	<u>\$ 1,547,877</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
BRIARDALE GREENS GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for Services	\$ 883,611	\$ 58,666	\$ 8,746	\$ (49,920)
Other	1,414	94	14	(80)
Total Revenues	<u>885,025</u>	<u>58,760</u>	<u>8,760</u>	<u>(50,000)</u>
EXPENSES:				
Personal Services	44,917	64,917	52,059	12,858
Contractual Services	4,227	2,855	2,397	458
Materials and Supplies	18,995	12,745	10,915	1,830
Claims	0	280	229	51
Other	37,567	24,909	21,388	3,521
Total Expenses	<u>105,706</u>	<u>105,706</u>	<u>86,988</u>	<u>18,718</u>
Net Change in Fund Equity	779,319	(46,946)	(78,228)	(31,282)
Fund Equity at Beginning of Year	96,856	96,856	96,856	0
Prior Year Encumbrances Appropriated	90	90	90	0
Fund Equity at End of Year	<u>\$ 876,265</u>	<u>\$ 50,000</u>	<u>\$ 18,718</u>	<u>\$ (31,282)</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SELF INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for Services	\$ 257,700	\$ 260,700	\$ 260,000	\$ (700)
Total Revenues	<u>257,700</u>	<u>260,700</u>	<u>260,000</u>	<u>(700)</u>
EXPENSES:				
Personal Services	32,008	45,008	37,052	7,956
Contractual Services	62,946	66,925	56,380	10,545
Materials and Supplies	214	228	194	34
Claims	174,105	185,112	155,927	29,185
Total Expenses	<u>269,273</u>	<u>297,273</u>	<u>249,553</u>	<u>47,720</u>
Net Change in Fund Equity	(11,573)	(36,573)	10,447	47,020
Fund Equity at Beginning of Year	<u>49,340</u>	<u>49,340</u>	<u>49,340</u>	<u>0</u>
Fund Equity at End of Year	<u>\$ 37,767</u>	<u>\$ 12,767</u>	<u>\$ 59,787</u>	<u>\$ 47,020</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
STATE HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 125,835	\$ 125,835	\$ 117,040	\$ (8,795)
Total Revenues	<u>125,835</u>	<u>125,835</u>	<u>117,040</u>	<u>(8,795)</u>
EXPENDITURES:				
Current:				
Transportation				
Materials and Supplies	171,783	171,783	153,774	18,009
Total Expenditures	<u>171,783</u>	<u>171,783</u>	<u>153,774</u>	<u>18,009</u>
Net Change in Fund Balance	(45,948)	(45,948)	(36,734)	9,214
Fund Balance at Beginning of Year	46,201	46,201	46,201	0
Fund Balance at End of Year	<u>\$ 253</u>	<u>\$ 253</u>	<u>\$ 9,467</u>	<u>\$ 9,214</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
INDIGENT DRIVERS ALCOHOL TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and Forfeitures	\$ 10,666	\$ 12,500	\$ 15,802	\$ 3,302
Total Revenues	<u>10,666</u>	<u>12,500</u>	<u>15,802</u>	<u>3,302</u>
EXPENDITURES:				
Current:				
Security of Persons and Property				
Contractual Services	32,300	32,300	9,417	22,883
Total Expenditures	<u>32,300</u>	<u>32,300</u>	<u>9,417</u>	<u>22,883</u>
Net Change in Fund Balance	(21,634)	(19,800)	6,385	26,185
Fund Balance at Beginning of Year	88,273	88,273	88,273	0
Fund Balance at End of Year	<u>\$ 66,639</u>	<u>\$ 68,473</u>	<u>\$ 94,658</u>	<u>\$ 26,185</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
COURT COMPUTERIZATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and Forfeitures	\$ 70,000	\$ 70,000	\$ 69,348	\$ (652)
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>69,348</u>	<u>(652)</u>
EXPENDITURES:				
Current:				
Security of Persons and Property				
Personal Services	47,913	59,913	42,603	17,310
Contractual Services	63,695	63,695	23,559	40,136
Materials and Supplies	16,346	16,346	6,781	9,565
Capital Outlay	4,037	4,037	1,673	2,364
Total Expenditures	<u>131,991</u>	<u>143,991</u>	<u>74,616</u>	<u>69,375</u>
Net Change in Fund Balance	(61,991)	(73,991)	(5,268)	68,723
Fund Balance at Beginning of Year	97,339	97,339	97,339	0
Prior Year Encumbrances Appropriated	6,900	6,900	6,900	0
Fund Balance at End of Year	<u>\$ 42,248</u>	<u>\$ 30,248</u>	<u>\$ 98,971</u>	<u>\$ 68,723</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
COURT SPECIAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and Forfeitures	\$ 90,000	\$ 90,000	\$ 98,736	\$ 8,736
Total Revenues	<u>90,000</u>	<u>90,000</u>	<u>98,736</u>	<u>8,736</u>
EXPENDITURES:				
Current:				
Security of Persons and Property				
Personal Services	117,353	117,353	104,775	12,578
Materials and Supplies	13,582	13,582	10,107	3,475
Other	989	989	736	253
Total Expenditures	<u>131,924</u>	<u>131,924</u>	<u>115,618</u>	<u>16,306</u>
Net Change in Fund Balance	(41,924)	(41,924)	(16,882)	25,042
Fund Balance at Beginning of Year	190,514	190,514	190,514	0
Fund Balance at End of Year	<u>\$ 148,590</u>	<u>\$ 148,590</u>	<u>\$ 173,632</u>	<u>\$ 25,042</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ANIMAL SHELTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for Services	\$ 35,763	\$ 25,938	\$ 23,955	\$ (1,983)
Rent	55,233	40,058	36,996	(3,062)
Total Revenues	<u>90,996</u>	<u>65,996</u>	<u>60,951</u>	<u>(5,045)</u>
EXPENDITURES:				
Current:				
Security of Persons and Property				
Personal Services	63,071	81,071	78,998	2,073
Contractual Services	3,180	4,099	3,805	294
Materials and Supplies	1,943	2,505	2,325	180
Other	4,564	5,883	5,461	422
Total Expenditures	<u>72,758</u>	<u>93,558</u>	<u>90,589</u>	<u>2,969</u>
Excess of Revenues Over(Under) Expenditures	<u>18,238</u>	<u>(27,562)</u>	<u>(29,638)</u>	<u>(2,076)</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	0	20,800	20,800	0
Total Other Financing Sources and Uses	<u>0</u>	<u>20,800</u>	<u>20,800</u>	<u>0</u>
Net Change in Fund Balance	18,238	(6,762)	(8,838)	(2,076)
Fund Balance at Beginning of Year	8,845	8,845	8,845	0
Fund Balance at End of Year	<u>\$ 27,083</u>	<u>\$ 2,083</u>	<u>\$ 7</u>	<u>\$ (2,076)</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
NUISANCE ABATEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Special Assessments	\$ 138,345	\$ 138,345	\$ 158,252	\$ 19,907
Charges for Services	<u>36,655</u>	<u>36,655</u>	<u>41,929</u>	<u>5,274</u>
Total Revenues	<u>175,000</u>	<u>175,000</u>	<u>200,181</u>	<u>25,181</u>
EXPENDITURES:				
Current:				
Community and Economic Development				
Contractual Services	<u>68,253</u>	<u>68,253</u>	<u>51,318</u>	<u>16,935</u>
Total Expenditures	<u>68,253</u>	<u>68,253</u>	<u>51,318</u>	<u>16,935</u>
Excess of Revenues Over(Under) Expenditures	<u>106,747</u>	<u>106,747</u>	<u>148,863</u>	<u>42,116</u>
OTHER FINANCING SOURCES AND USES:				
Transfers Out	<u>(110,000)</u>	<u>(110,000)</u>	<u>(110,000)</u>	<u>0</u>
Total Other Financing Sources and Uses	<u>(110,000)</u>	<u>(110,000)</u>	<u>(110,000)</u>	<u>0</u>
Net Change in Fund Balance	(3,253)	(3,253)	38,863	42,116
Fund Balance at Beginning of Year	51,075	51,075	51,075	0
Prior Year Encumbrances Appropriated	<u>3,253</u>	<u>3,253</u>	<u>3,253</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 51,075</u>	<u>\$ 51,075</u>	<u>\$ 93,191</u>	<u>\$ 42,116</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
INDIGENT DRIVERS INTERLOCK AND ALCOHOL MONITORING FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and Forfeitures	\$ 0	\$ 2,000	\$ 5,097	\$ 3,097
Total Revenues	<u>0</u>	<u>2,000</u>	<u>5,097</u>	<u>3,097</u>
EXPENDITURES:				
Current:				
Security of Persons and Property				
Other	1,850	1,850	0	1,850
Total Expenditures	<u>1,850</u>	<u>1,850</u>	<u>0</u>	<u>1,850</u>
Net Change in Fund Balance	(1,850)	150	5,097	4,947
Fund Balance at Beginning of Year	<u>1,350</u>	<u>1,350</u>	<u>1,350</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$ (500)</u>	<u>\$ 1,500</u>	<u>\$ 6,447</u>	<u>\$ 4,947</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
STREET MAINTENANCE AND CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 1,599,551	\$ 1,685,503	\$ 1,700,657	\$ 15,154
Other	250,535	263,997	266,371	2,374
Total Revenues	<u>1,850,086</u>	<u>1,949,500</u>	<u>1,967,028</u>	<u>17,528</u>
EXPENDITURES:				
Current:				
Transportation				
Personal Services	1,448,414	1,448,414	1,374,073	74,341
Contractual Services	92,284	96,406	91,315	5,091
Materials and Supplies	473,225	494,101	462,427	31,674
Other	25	27	25	2
Total Expenditures	<u>2,013,948</u>	<u>2,038,948</u>	<u>1,927,840</u>	<u>111,108</u>
Excess of Revenues Over(Under) Expenditures	<u>(163,862)</u>	<u>(89,448)</u>	<u>39,188</u>	<u>128,636</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	<u>0</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Total Other Financing Sources and Uses	<u>0</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Net Change in Fund Balance	(163,862)	(64,448)	64,188	128,636
Fund Balance at Beginning of Year	63,324	63,324	63,324	0
Prior Year Encumbrances Appropriated	<u>6,701</u>	<u>6,701</u>	<u>6,701</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$ (93,837)</u>	<u>\$ 5,577</u>	<u>\$ 134,213</u>	<u>\$ 128,636</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
COMMUNITY TELEVISION FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for Services	\$ 1,023	\$ 1,023	\$ 675	\$ (348)
Contributions and Donations	1,577	1,577	1,040	(537)
Total Revenues	<u>2,600</u>	<u>2,600</u>	<u>1,715</u>	<u>(885)</u>
EXPENDITURES:				
Current:				
Community and Economic Development				
Personal Services	51,032	47,907	44,839	3,068
Contractual Services	5,416	7,266	3,901	3,365
Materials and Supplies	27	36	19	17
Capital Outlay	3,707	4,973	2,671	2,302
Total Expenditures	<u>60,182</u>	<u>60,182</u>	<u>51,430</u>	<u>8,752</u>
Excess of Revenues Over(Under) Expenditures	<u>(57,582)</u>	<u>(57,582)</u>	<u>(49,715)</u>	<u>7,867</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	48,000	48,000	48,000	0
Total Other Financing Sources and Uses	<u>48,000</u>	<u>48,000</u>	<u>48,000</u>	<u>0</u>
Net Change in Fund Balance	(9,582)	(9,582)	(1,715)	7,867
Fund Balance at Beginning of Year	12,883	12,883	12,883	0
Fund Balance at End of Year	<u>\$ 3,301</u>	<u>\$ 3,301</u>	<u>\$ 11,168</u>	<u>\$ 7,867</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
RECREATION OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property Taxes	\$ 503,081	\$ 324,539	\$ 311,216	\$ (13,323)
Charges for Services	631,776	407,560	390,829	(16,731)
Intergovernmental	209,339	135,045	129,501	(5,544)
Rent	68,247	44,026	42,219	(1,807)
Contributions and Donations	6,088	3,927	3,766	(161)
Other	1,698	1,096	1,051	(45)
Total Revenues	<u>1,420,229</u>	<u>916,193</u>	<u>878,582</u>	<u>(37,611)</u>
EXPENDITURES:				
Current:				
Leisure Time Services				
Personal Services	718,982	719,725	711,103	8,622
Contractual Services	17,277	17,675	15,330	2,345
Materials and Supplies	389,896	399,217	359,194	40,023
Other	22,444	22,982	20,740	2,242
Total Expenditures	<u>1,148,599</u>	<u>1,159,599</u>	<u>1,106,367</u>	<u>53,232</u>
Excess of Revenues Over(Under) Expenditures	<u>271,630</u>	<u>(243,406)</u>	<u>(227,785)</u>	<u>15,621</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	<u>201,000</u>	<u>212,000</u>	<u>212,000</u>	<u>0</u>
Total Other Financing Sources and Uses	<u>201,000</u>	<u>212,000</u>	<u>212,000</u>	<u>0</u>
Net Change in Fund Balance	472,630	(31,406)	(15,785)	15,621
Fund Balance at Beginning of Year	30,518	30,518	30,518	0
Prior Year Encumbrances Appropriated	<u>2,125</u>	<u>2,125</u>	<u>2,125</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 505,273</u>	<u>\$ 1,237</u>	<u>\$ 16,858</u>	<u>\$ 15,621</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 1,946,427	\$ 2,036,956	\$ 1,319,997	\$ (716,959)
Interest	4	5	3	(2)
Total Revenues	<u>1,946,431</u>	<u>2,036,961</u>	<u>1,320,000</u>	<u>(716,961)</u>
EXPENDITURES:				
Current:				
Community and Economic Development				
Personal Services	803,852	830,285	794,770	35,515
Contractual Services	274,268	286,064	124,440	161,624
Materials and Supplies	151,317	157,825	68,640	89,185
Capital Outlay	15,745	16,422	7,134	9,288
Other	716,411	747,225	325,012	422,213
Total Expenditures	<u>1,961,593</u>	<u>2,037,821</u>	<u>1,319,996</u>	<u>717,825</u>
Net Change in Fund Balance	(15,162)	(860)	4	864
Fund Balance at Beginning of Year	860	860	860	0
Fund Balance (Deficit) at End of Year	<u>\$ (14,302)</u>	<u>\$ 0</u>	<u>\$ 864</u>	<u>\$ 864</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
NEIGHBORHOOD STABILIZATION PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 3,788,506	\$ 2,650,324	\$ 1,381,084	\$ (1,269,240)
Other	9,423	6,592	3,435	(3,157)
Total Revenues	<u>3,797,929</u>	<u>2,656,916</u>	<u>1,384,519</u>	<u>(1,272,397)</u>
EXPENDITURES:				
Current:				
Community and Economic Development				
Personal Services	101,921	101,921	98,720	3,201
Contractual Services	1,252,662	1,252,662	623,335	629,327
Materials and Supplies	69,678	69,678	34,690	34,988
Capital Outlay	1,258,340	1,258,340	626,218	632,122
Total Expenditures	<u>2,682,601</u>	<u>2,682,601</u>	<u>1,382,963</u>	<u>1,299,638</u>
Net Change in Fund Balance	1,115,328	(25,685)	1,556	27,241
Fund Balance at Beginning of Year	25,685	25,685	25,685	0
Fund Balance at End of Year	<u>\$ 1,141,013</u>	<u>\$ 0</u>	<u>\$ 27,241</u>	<u>\$ 27,241</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
OTHER GRANTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 431,029	\$ 1,783,751	\$ 1,484,935	\$ (298,816)
Contributions and Donations	15,129	62,608	52,120	(10,488)
Other	563	2,330	1,940	(390)
Total Revenues	<u>446,721</u>	<u>1,848,689</u>	<u>1,538,995</u>	<u>(309,694)</u>
EXPENDITURES:				
Current:				
General Government				
Personal Services	616,256	631,256	501,203	130,053
Contractual Services	145,421	152,141	125,139	27,002
Capital Outlay	1,227,772	1,284,504	1,057,011	227,493
Total Expenditures	<u>1,989,449</u>	<u>2,067,901</u>	<u>1,683,353</u>	<u>384,548</u>
Net Change in Fund Balance	(1,542,728)	(219,212)	(144,358)	74,854
Fund Balance at Beginning of Year	276,203	276,203	276,203	0
Fund Balance (Deficit) at End of Year	<u>\$ (1,266,525)</u>	<u>\$ 56,991</u>	<u>\$ 131,845</u>	<u>\$ 74,854</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 14,025	\$ 66,362	\$ 79,396	\$ 13,034
Interest	28	130	156	26
Other	1,797	8,507	10,178	1,671
Total Revenues	<u>15,850</u>	<u>74,999</u>	<u>89,730</u>	<u>14,731</u>
EXPENDITURES:				
Current:				
Security of Persons and Property				
Personal Services	22,595	36,795	25,224	11,571
Contractual Services	56,974	52,392	7,838	44,554
Capital Outlay	119,581	109,963	16,451	93,512
Total Expenditures	<u>199,150</u>	<u>199,150</u>	<u>49,513</u>	<u>149,637</u>
Net Change in Fund Balance	(183,300)	(124,151)	40,217	164,368
Fund Balance at Beginning of Year	181,378	181,378	181,378	0
Fund Balance (Deficit) at End of Year	<u>\$ (1,922)</u>	<u>\$ 57,227</u>	<u>\$ 221,595</u>	<u>\$ 164,368</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SHORE CORPORATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Rent	\$ 190,000	\$ 0	\$ 0	\$ 0
Total Revenues	<u>190,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXPENDITURES:				
Current:				
Leisure Time Services				
Personal Services	0	1,900	1,860	40
Contractual Services	46,663	182,763	108,224	74,539
Total Expenditures	<u>46,663</u>	<u>184,663</u>	<u>110,084</u>	<u>74,579</u>
Excess of Revenues Over(Under) Expenditures	<u>143,337</u>	<u>(184,663)</u>	<u>(110,084)</u>	<u>74,579</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	0	138,000	138,000	0
Total Other Financing Sources and Uses	<u>0</u>	<u>138,000</u>	<u>138,000</u>	<u>0</u>
Net Change in Fund Balance	143,337	(46,663)	27,916	74,579
Fund Balance at Beginning of Year	46,663	46,663	46,663	0
Fund Balance at End of Year	<u>\$ 190,000</u>	<u>\$ 0</u>	<u>\$ 74,579</u>	<u>\$ 74,579</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GENERAL PERMANENT IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property Taxes	\$ 410,834	\$ 576,142	\$ 239,397	\$ (336,745)
Special Assessments	561	787	327	(460)
Intergovernmental	200,270	280,852	116,699	(164,153)
Interest	50	70	29	(41)
Other	48	67	28	(39)
Total Revenues	<u>611,763</u>	<u>857,918</u>	<u>356,480</u>	<u>(501,438)</u>
EXPENDITURES:				
Capital Outlay				
Contractual Services	172,998	172,998	111,631	61,367
Materials and Supplies	92,236	92,236	60,652	31,584
Capital Outlay	4,099,269	4,099,269	2,386,221	1,713,048
Other	41,605	41,605	27,635	13,970
Total - Capital Outlay	<u>4,406,108</u>	<u>4,406,108</u>	<u>2,586,139</u>	<u>1,819,969</u>
Debt Service				
Interest and Fiscal Charges	0	22,000	22,000	0
Total - Debt Service	<u>0</u>	<u>22,000</u>	<u>22,000</u>	<u>0</u>
Total Expenditures	<u>4,406,108</u>	<u>4,428,108</u>	<u>2,608,139</u>	<u>1,819,969</u>
Excess of Revenues Over(Under) Expenditures	<u>(3,794,345)</u>	<u>(3,570,190)</u>	<u>(2,251,659)</u>	<u>1,318,531</u>
OTHER FINANCING SOURCES AND USES:				
Notes Issued	1,950,000	1,950,000	1,950,000	0
Proceeds from Sale of Capital Assets	127,111	178,257	74,069	(104,188)
Advances In	0	22,000	22,000	0
Total Other Financing Sources and Uses	<u>2,077,111</u>	<u>2,150,257</u>	<u>2,046,069</u>	<u>(104,188)</u>
Net Change in Fund Balance	(1,717,234)	(1,419,933)	(205,590)	1,214,343
Fund Balance at Beginning of Year	1,311,127	1,311,127	1,311,127	0
Prior Year Encumbrances Appropriated	481,151	481,151	481,151	0
Fund Balance at End of Year	<u>\$ 75,044</u>	<u>\$ 372,345</u>	<u>\$ 1,586,688</u>	<u>\$ 1,214,343</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
RECREATION CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property Taxes	\$ 262,010	\$ 149,591	\$ 167,578	\$ 17,987
Intergovernmental	117,152	66,887	74,929	8,042
Other	23,729	13,548	15,177	1,629
Total Revenues	<u>402,891</u>	<u>230,026</u>	<u>257,684</u>	<u>27,658</u>
EXPENDITURES:				
Capital Outlay				
Personal Services	70,392	72,192	70,019	2,173
Contractual Services	91,386	90,663	78,668	11,995
Materials and Supplies	27,711	27,488	24,263	3,225
Capital Outlay	99,495	98,695	87,124	11,571
Other	6,782	6,728	5,942	786
Total Expenditures	<u>295,766</u>	<u>295,766</u>	<u>266,016</u>	<u>29,750</u>
Net Change in Fund Balance	107,125	(65,740)	(8,332)	57,408
Fund Balance at Beginning of Year	67,395	67,395	67,395	0
Prior Year Encumbrances Appropriated	1,538	1,538	1,538	0
Fund Balance at End of Year	<u>\$ 176,058</u>	<u>\$ 3,193</u>	<u>\$ 60,601</u>	<u>\$ 57,408</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SIDEWALK REPAIR AND REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Capital Outlay				
Capital Outlay	\$ 29,084	\$ 29,084	\$ 0	\$ 29,084
Total Expenditures	<u>29,084</u>	<u>29,084</u>	<u>0</u>	<u>29,084</u>
Net Change in Fund Balance	(29,084)	(29,084)	0	29,084
Fund Balance at Beginning of Year	<u>29,085</u>	<u>29,085</u>	<u>29,085</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 29,085</u>	<u>\$ 29,084</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
PUBLIC BUILDING CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Capital Outlay				
Capital Outlay	\$ 88,929	\$ 88,929	\$ 85,750	\$ 3,179
Debt Service				
Interest and Fiscal Charges	0	8,313	8,313	0
Total Expenditures	<u>88,929</u>	<u>97,242</u>	<u>94,063</u>	<u>3,179</u>
Excess of Revenues Over(Under) Expenditures	<u>(88,929)</u>	<u>(97,242)</u>	<u>(94,063)</u>	<u>3,179</u>
OTHER FINANCING SOURCES AND USES:				
Advances In	<u>0</u>	<u>8,313</u>	<u>8,313</u>	<u>0</u>
Total Other Financing Sources and Uses	<u>0</u>	<u>8,313</u>	<u>8,313</u>	<u>0</u>
Net Change in Fund Balance	(88,929)	(88,929)	(85,750)	3,179
Fund Balance at Beginning of Year	86,880	86,880	86,880	0
Prior Year Encumbrances Appropriated	<u>2,050</u>	<u>2,050</u>	<u>2,050</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 3,180</u>	<u>\$ 3,179</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
EUCLID ENDOWMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Capital Outlay				
Contractual Services	\$ 86,154	\$ 83,210	\$ 63,753	\$ 19,457
Capital Outlay	472,979	456,815	350,000	106,815
Total Expenditures	<u>559,133</u>	<u>540,025</u>	<u>413,753</u>	<u>126,272</u>
Excess of Revenues Over(Under) Expenditures	<u>(559,133)</u>	<u>(540,025)</u>	<u>(413,753)</u>	<u>126,272</u>
OTHER FINANCING SOURCES AND USES:				
Proceeds from Sale of Capital Assets	2,000	120,892	118,893	(1,999)
Transfers Out	0	(138,000)	(138,000)	0
Total Other Financing Sources and Uses	<u>2,000</u>	<u>(17,108)</u>	<u>(19,107)</u>	<u>(1,999)</u>
Net Change in Fund Balance	(557,133)	(557,133)	(432,860)	124,273
Fund Balance at Beginning of Year	557,134	557,134	557,134	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 124,274</u>	<u>\$ 124,273</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SIMS PARK FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Capital Outlay				
Contractual Services	\$ 79,907	\$ 79,907	\$ 0	\$ 79,907
Total Expenditures	<u>79,907</u>	<u>79,907</u>	<u>0</u>	<u>79,907</u>
Net Change in Fund Balance	(79,907)	(79,907)	0	79,907
Fund Balance at Beginning of Year	79,908	79,908	79,908	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 79,908</u>	<u>\$ 79,907</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
BENNINGTON HAMLET FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Payments in Lieu of Taxes	\$ 24,000	\$ 24,000	\$ 25,248	\$ 1,248
Total Revenues	<u>24,000</u>	<u>24,000</u>	<u>25,248</u>	<u>1,248</u>
EXPENDITURES:				
Capital Outlay				
Contractual Services	153,395	153,395	133,169	20,226
Total Expenditures	<u>153,395</u>	<u>153,395</u>	<u>133,169</u>	<u>20,226</u>
Net Change in Fund Balance	(129,395)	(129,395)	(107,921)	21,474
Fund Balance at Beginning of Year	124,595	124,595	124,595	0
Prior Year Encumbrances Appropriated	4,801	4,801	4,801	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 21,475</u>	<u>\$ 21,474</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
CMP PROPERTIES FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Payments in Lieu of Taxes	\$ 32,000	\$ 32,000	\$ 57,287	\$ 25,287
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>57,287</u>	<u>25,287</u>
EXPENDITURES:				
Capital Outlay				
Contractual Services	53,301	139,046	130,827	8,219
Materials and Supplies	<u>150,629</u>	<u>64,884</u>	<u>21,853</u>	<u>43,031</u>
Total Expenditures	<u>203,930</u>	<u>203,930</u>	<u>152,680</u>	<u>51,250</u>
Excess of Revenues Over(Under) Expenditures	<u>(171,930)</u>	<u>(171,930)</u>	<u>(95,393)</u>	<u>76,537</u>
Net Change in Fund Balance	(171,930)	(171,930)	(95,393)	76,537
Fund Balance at Beginning of Year	165,722	165,722	165,722	0
Prior Year Encumbrances Appropriated	<u>6,208</u>	<u>6,208</u>	<u>6,208</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 76,537</u>	<u>\$ 76,537</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
HARBOR TOWN TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Payments in Lieu of Taxes	\$ 20,169	\$ 20,169	\$ 41,127	\$ 20,958
Special Assessments	19,831	19,831	40,439	20,608
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>81,566</u>	<u>41,566</u>
EXPENDITURES:				
Capital Outlay				
Contractual Services	111,084	111,084	93,687	17,397
Total Expenditures	<u>111,084</u>	<u>111,084</u>	<u>93,687</u>	<u>17,397</u>
Net Change in Fund Balance	(71,084)	(71,084)	(12,121)	58,963
Fund Balance at Beginning of Year	71,085	71,085	71,085	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 58,964</u>	<u>\$ 58,963</u>

CITY OF EUCLID, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
DOWNTOWN DISTRICT A TIF
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Payments in Lieu of Taxes	\$ 0	\$ 50,000	\$ 51,139	\$ 1,139
Total Revenues	<u>0</u>	<u>50,000</u>	<u>51,139</u>	<u>1,139</u>
EXPENDITURES:				
Capital Outlay				
Capital Outlay	0	50,000	0	50,000
Total Expenditures	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>51,139</u>	<u>51,139</u>
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 51,139</u>	<u>\$ 51,139</u>

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STATISTICAL SECTION

**CITY OF EUCLID, OHIO
STATISTICAL SECTION**

This part of the City of Euclid’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

Page

Financial Trends

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

S2-S7

Revenue Capacity

These schedules contain information to help the reader assess the City’s most significant local revenue sources, the municipal income tax and the property tax.

S8-S13

Debt Capacity

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.

S14-S19

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

S20-S21

Operating Information

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 government provides and the activities it performs.

S22-S27

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 34 in 2003. Schedules presenting government-wide information begin in that year.

CITY OF EUCLID, OHIO
NET ASSETS BY COMPONENT
LAST EIGHT YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2010	2009 Restated	2008	2007	2006	2005 Restated	2004	2003
<u>Governmental Activities</u>								
Invested in Capital Assets, Net of Related Debt	\$ 36,290,780	\$ 37,644,890	\$ 39,956,632	\$ 41,151,610	\$ 12,190,259	\$ 13,335,911	\$ 9,441,514	\$ 16,919,428
Restricted	13,342,663	8,307,210	8,179,008	11,000,386	10,020,313	7,732,966	14,394,303	4,018,418
Unrestricted	5,052,623	3,360,059	5,636,227	4,075,405	6,065,273	2,959,733	2,339,507	6,910,033
Total Governmental Activities Net Assets	<u>\$ 54,686,066</u>	<u>\$ 49,312,159</u>	<u>\$ 53,771,867</u>	<u>\$ 56,227,401</u>	<u>\$ 28,275,845</u>	<u>\$ 24,028,610</u>	<u>\$ 26,175,324</u>	<u>\$ 27,847,879</u>
<u>Business Type - Activities</u>								
Invested in Capital Assets, Net of Related Debt	\$ 40,280,422	\$ 34,567,361	\$ 29,214,805	\$ 29,982,118	\$ 28,971,722	\$ 29,207,199	\$ 29,795,176	\$ 28,646,313
Restricted	0	0	0	0	0	0	1,200,000	0
Unrestricted	8,274,759	11,352,949	13,829,216	11,908,239	13,304,043	8,390,986	4,378,060	6,786,523
Total Business-Type Activities Net Assets	<u>\$ 48,555,181</u>	<u>\$ 45,920,310</u>	<u>\$ 43,044,021</u>	<u>\$ 41,890,357</u>	<u>\$ 42,275,765</u>	<u>\$ 37,598,185</u>	<u>\$ 35,373,236</u>	<u>\$ 35,432,836</u>
<u>Primary Government</u>								
Invested in Capital Assets, Net of Related Debt	\$ 76,571,202	\$ 72,212,251	\$ 69,171,437	\$ 71,133,728	\$ 41,161,981	\$ 42,543,110	\$ 39,236,690	\$ 45,565,741
Restricted	13,342,663	8,307,210	8,179,008	11,000,386	10,020,313	7,732,966	15,594,303	4,018,418
Unrestricted	13,327,382	14,713,008	19,465,443	19,369,316	19,369,316	11,350,719	6,717,567	13,696,556
Total Primary Government Net Assets	<u>\$103,241,247</u>	<u>\$ 95,232,469</u>	<u>\$ 96,815,888</u>	<u>\$101,503,430</u>	<u>\$ 70,551,610</u>	<u>\$ 61,626,795</u>	<u>\$ 61,548,560</u>	<u>\$ 63,280,715</u>

CITY OF EUCLID, OHIO
CHANGES IN NET ASSETS
LAST EIGHT YEARS
(ACCRUAL BASIS OF ACCOUNTING)

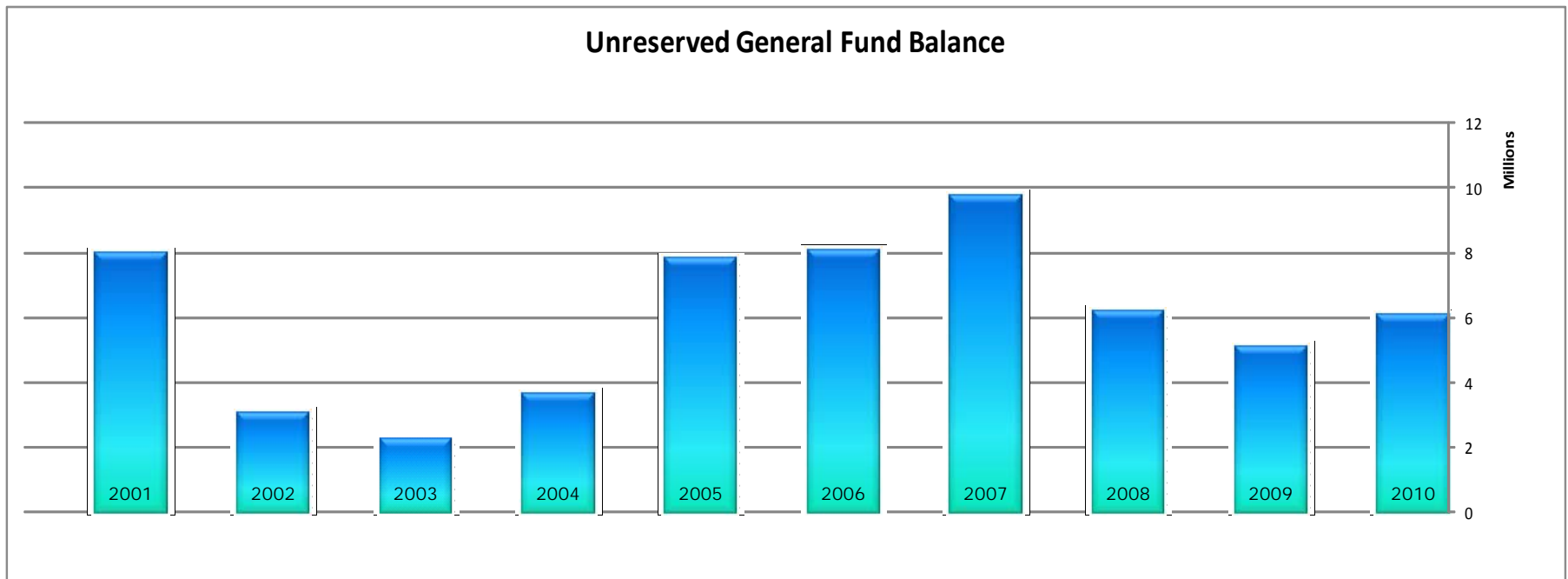
	2010	2009 Restated	2008	2007	2006	2005 Restated	2004	2003
<u>Program Revenues</u>								
Governmental Activities:								
Charges for Services:								
General Government	\$ 4,317,024	\$ 2,301,388	\$ 564,303	\$ 1,031,766	\$ 1,019,146	\$ 1,630,952	\$ 2,101,899	\$ 2,074,682
Security of Persons and Property	3,732,402	2,845,690	4,073,600	4,999,375	4,975,827	2,897,560	2,150,294	2,645,843
Public Health	82,068	78,398	83,793	91,602	92,922	33,424	85,666	85,730
Leisure Time Services	433,648	590,597	730,006	883,285	796,916	615,674	755,333	660,437
Community and Economic Development	1,512,112	1,413,183	1,554,640	542,492	236,343	532,403	323,664	268,828
Sanitation	1,337,454	0	0	0	0	231,521	942,743	1,083,386
Transportation	0	114,156	39,637	207,307	88,588	191,361	459,799	444,152
Subtotal - Charges for Services	11,414,708	7,343,412	7,045,979	7,755,827	7,209,742	6,132,895	6,819,398	7,263,058
Operating Grants and Contributions:								
General Government	587,960	137,338	0	498,055	428,589	243,965	0	0
Security of Persons and Property	1,084,936	491,637	487,231	18,906	139,422	1,400	91,319	123,014
Leisure Time Services	3,766	10,039	4,327	5,947	43,084	36,744	0	0
Community and Economic Development	2,738,366	1,215,829	1,247,025	889,458	1,123,011	1,116,634	87,740	379,087
Transportation	1,819,510	1,699,535	1,861,667	1,935,960	1,835,670	1,927,988	0	0
Subtotal - Operating Grants and Contributions	6,234,538	3,554,378	3,600,250	3,348,326	3,569,776	3,326,731	179,059	502,101
Capital Grants and Contributions:								
General Government	350,000	0	279,401	0	18,690	31,219	0	0
Community Development	0	0	0	0	0	0	1,320,553	1,435,493
Leisure Time Activities	0	0	0	0	11,170	19,767	0	90,146
Subtotal - Capital Grants and Contributions	350,000	0	279,401	0	29,860	50,986	1,320,553	1,525,639
Total Governmental Activities Program Revenues	17,999,246	10,897,790	10,925,630	11,104,153	10,809,378	9,510,612	8,319,010	9,290,798
<u>Business-Type Activities</u>								
Charges for Services:								
Briardale Greens Golf Course	8,746	939,058	1,035,336	1,019,279	987,636	795,003	786,232	780,200
Waste Water Treatment	9,238,260	10,663,957	10,887,935	10,876,879	11,498,677	9,396,074	9,730,420	12,383,945
Water Line Improvement	1,551,174	1,967,426	1,623,543	1,671,736	1,605,235	840,218	0	0
Operating Grants and Contributions:								
Wastewater Treatment	184,648	227,712	52,675	39,479	814,589	0	0	0
Capital Grants and Contributions:								
Briardale Golf Course	98,794	0	0	0	121,449	0	0	250,488
Wastewater Treatment	321,351	94,932	276,000	0	0	0	0	0
Water Line Improvement	464,161	1,042,281	65,348	0	0	0	0	0
Total Business-Type Activities Program Revenues	11,867,134	14,935,366	13,940,837	13,607,373	15,027,586	11,031,295	10,516,652	13,414,633
Total Primary Government Program Revenues	\$ 29,866,380	\$ 25,833,156	\$ 24,866,467	\$ 24,711,526	\$ 25,836,964	\$ 20,541,907	\$ 18,835,662	\$ 22,705,431

CITY OF EUCLID, OHIO
CHANGES IN NET ASSETS
LAST EIGHT YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(CONTINUED)

	2010	2009	2008	2007	2006	2005 Restated	2004	2003
Expenses								
Governmental Activities:								
General Government	\$ 13,105,802	\$ 13,389,365	\$ 12,894,864	\$ 14,000,128	\$ 12,352,031	\$ 11,114,592	\$ 11,965,470	\$ 12,180,369
Security of Persons and Property:	20,607,153	21,052,721	23,445,910	22,884,517	21,466,024	21,544,601	21,147,901	19,842,460
Sanitation	1,916,687	2,251,317	2,506,683	2,219,004	2,013,501	1,777,289	1,912,089	1,848,221
Public Health	273,641	280,112	260,044	277,425	257,280	256,582	234,887	287,591
Leisure Time Services	1,766,298	2,095,133	2,423,707	1,706,870	2,109,410	1,924,054	4,077,885	1,914,797
Community and Economic Development	2,873,059	2,846,921	3,201,584	2,955,795	3,173,312	2,619,435	478,828	965,181
Transportation	6,647,276	7,382,963	6,343,637	7,396,063	2,695,350	4,446,355	1,489,045	1,432,019
Interest and Fiscal Charges	1,418,378	1,406,102	1,505,395	1,553,302	1,546,588	1,566,775	2,069,348	1,913,236
Total Governmental Activities Expenses	48,608,294	50,704,634	52,581,824	52,993,104	45,613,496	45,249,683	43,375,453	40,383,874
Business-Type Activities								
Briardale Golf Course	142,248	894,060	988,166	1,059,840	996,359	1,206,580	770,115	716,146
Wastewater Treatment	9,938,574	10,920,206	11,061,437	10,109,869	9,438,610	10,732,693	10,313,927	12,131,189
Water Line Improvement	965,870	1,033,398	792,165	765,993	915,675	557,637	0	0
Total Business-Type Activities Expenses	11,046,692	12,847,664	12,841,768	11,935,702	11,350,644	12,496,910	11,084,042	12,847,335
Total Primary Government Program Expenses	59,654,986	63,552,298	65,423,592	64,928,806	56,964,140	57,746,593	54,459,495	53,231,209
Net (Expense)/Revenue								
Governmental Activities	(30,609,048)	(39,806,844)	(41,656,194)	(41,888,951)	(34,804,118)	(35,739,071)	(35,056,443)	(31,093,076)
Business-Type Activities	820,442	2,087,702	1,099,069	1,671,671	3,676,942	(1,465,615)	(567,390)	567,298
Total Primary Government Net Expense	(29,788,606)	(37,719,142)	(40,557,125)	(40,217,280)	(31,127,176)	(37,204,686)	(35,623,833)	(30,525,778)
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Property Taxes	\$ 5,162,960	\$ 5,069,206	\$ 5,158,520	\$ 5,839,560	\$ 7,391,165	\$ 5,471,671	\$ 9,724,482	\$ 9,514,574
Municipal Income Taxes	22,994,810	22,527,179	24,124,792	24,286,649	26,227,696	22,004,837	20,213,175	18,311,962
Grants and Entitlements not Restricted to Specific Programs	6,874,711	5,885,372	6,460,923	5,647,600	3,846,566	5,745,954	3,208,030	3,540,576
Payments in Lieu of Taxes	174,801	172,310	123,164	72,269	68,730	59,293	0	0
Investment Income	173,483	451,410	921,534	1,303,442	1,163,865	663,536	398,378	257,951
Gain/Loss on Sale of Capital Assets	128,453	45,431	0	176,305	0	0	0	(48,192)
Miscellaneous	478,952	1,196,228	1,743,907	18,771	66,875	10,827	53,367	0
Transfers	(5,215)	0	667,820	286,456	286,456	(625,806)	286,456	286,456
Total Governmental Activities	35,982,955	35,347,136	39,200,660	37,631,052	39,051,353	33,330,312	33,883,888	31,863,327
Business-Type Activities								
Property Taxes	365,166	465,667	639,606	626,240	767,977	670,778	609,316	776,352
Grants and Entitlements not Restricted to Specific Programs	0	0	0	0	0	614,188	183,912	0
Investment Income	9,856	4,339	56,180	63,583	48,163	351	1,018	987
Miscellaneous	1,434,192	318,581	26,629	294	0	0	0	0
Transfers	5,215	0	(667,820)	(286,456)	(286,456)	625,806	(286,456)	(286,456)
Total Business-Type Activities	1,814,429	788,587	54,595	403,661	529,684	1,911,123	507,790	490,883
Total Primary Government General Revenues and Other Changes in Net Assets	37,797,384	36,135,723	39,255,255	38,034,713	39,581,037	35,241,435	34,391,678	32,354,210
Change in Net Assets								
Governmental Activities	5,373,907	(4,459,708)	(2,455,534)	(4,257,899)	4,247,235	(2,408,759)	(1,172,555)	770,251
Business-Type Activities	2,634,871	2,876,289	1,153,664	2,075,332	4,206,626	445,508	(59,600)	1,058,181
Total Primary Government Change in Net Assets	\$ 8,008,778	\$ (1,583,419)	\$ (1,301,870)	\$ (2,182,567)	\$ 8,453,861	\$ (1,963,251)	\$ (1,232,155)	\$ 1,828,432

CITY OF EUCLID, OHIO
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN YEARS

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Fund										
Reserved	\$ 1,312,501	\$ 1,389,906	\$ 1,529,833	\$ 97,896	\$ 99,257	\$ 37,934	\$ 3,837,679	\$ 1,909,424	\$ 2,021,963	\$ 2,227,337
Unreserved	6,114,271	5,143,251	6,220,960	9,782,186	8,076,295	7,821,849	3,678,477	2,288,627	3,075,721	7,994,663
Total General Fund	7,426,772	6,533,157	7,750,793	9,880,082	8,175,552	7,859,783	7,516,156	4,198,051	5,097,684	10,222,000
All Other Governmental Funds										
Reserved	1,973,200	498,970	728,790	1,257,678	346,199	522,175	5,739,842	3,206,235	904,389	1,675,870
Unreserved, Undesignated, Reported in:										
Special Revenue funds	1,128,722	1,281,141	1,425,191	1,787,192	1,684,898	1,520,080	1,180,356	982,576	(365,426)	(51,760)
Debt Service funds	3,275,849	2,767,975	2,708,149	3,775,688	2,947,437	3,056,034	3,008,900	2,764,898	3,024,670	3,533,956
Capital Projects funds	1,500,463	2,095,459	2,081,323	2,131,623	2,499,812	401,209	2,558,005	(3,112,551)	866,054	1,358,973
Total All Other Governmental Funds	7,878,234	6,643,545	6,943,453	8,952,181	7,478,346	5,499,498	12,487,103	3,841,158	4,429,687	6,517,039
Total Governmental Funds	\$ 15,305,006	\$ 13,176,702	\$ 14,694,246	\$ 18,832,263	\$ 15,653,898	\$ 13,359,281	\$ 20,003,259	\$ 8,039,209	\$ 9,527,371	\$ 16,739,039



CITY OF EUCLID, OHIO
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

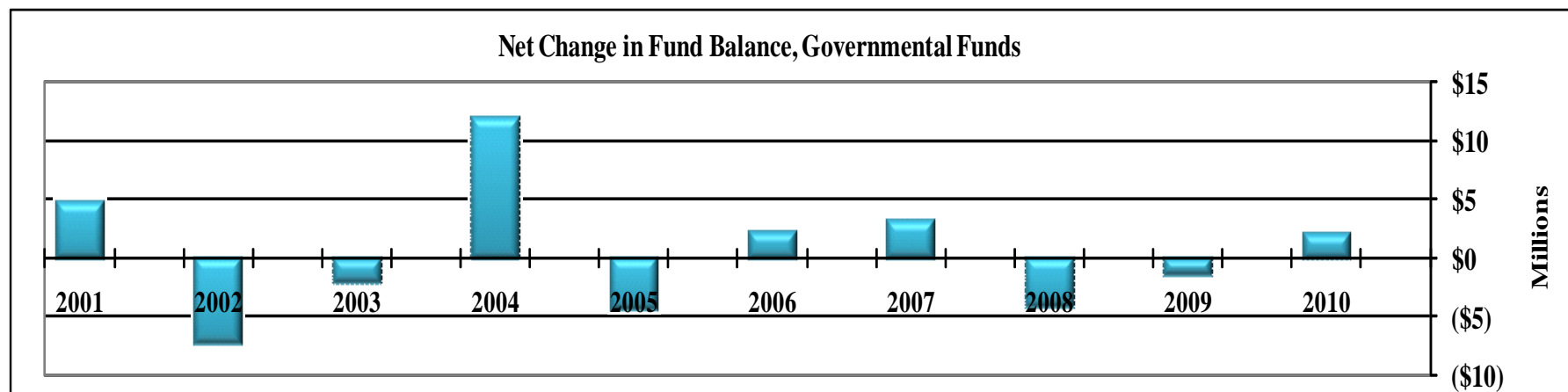
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues										
Property and Other Taxes	\$ 4,908,989	\$ 4,863,732	\$ 5,317,922	\$ 6,511,494	\$ 6,213,540	\$ 5,893,239	\$ 29,815,540	\$ 27,489,246	\$ 26,810,629	\$ 30,368,310
Municipal Income Taxes	22,165,312	22,295,312	23,949,387	25,508,186	23,084,613	23,029,224	0	0	0	0
Charges for Services	6,120,126	4,396,344	4,468,421	5,011,318	4,357,413	4,201,706	4,709,566	4,769,455	4,149,742	4,642,160
Licenses and Permits	148,341	136,019	119,297	131,568	45,638	241,899	572,019	436,977	305,921	303,514
Fines and Forfeitures	1,778,448	1,849,083	2,115,947	1,843,132	1,760,313	1,350,888	1,488,128	1,443,538	1,363,606	1,506,379
Payments in Lieu of Taxes	174,801	172,310	123,164	72,269	68,730	59,293	0	0	0	0
Intergovernmental	13,061,780	9,702,823	10,781,759	8,544,675	8,123,702	8,401,874	4,725,839	5,272,087	5,344,993	5,717,660
Special Assessments	335,115	320,199	505,921	84,684	190,634	88,111	270,469	232,264	287,221	258,963
Rent	205,560	928,741	378,566	438,302	370,186	329,315	300,078	277,330	268,929	1,058,189
Contributions and Donations	57,741	51,034	35,658	27,517	144,696	35,280	0	0	0	0
Interest	256,825	500,049	862,215	1,286,011	1,162,032	663,536	397,135	252,601	246,511	293,649
Miscellaneous	478,952	1,196,228	891,394	18,771	66,875	10,827	186,241	248,911	74,088	251,664
Total Revenues	49,691,990	46,411,874	49,549,651	49,477,927	45,588,372	44,305,192	42,465,015	40,422,409	38,851,640	44,400,488
Expenditures										
Current:										
General Government	13,904,635	12,846,810	13,255,819	12,389,735	11,367,827	10,527,754	12,064,453	9,980,456	11,056,302	11,948,092
Security of Persons and Property	20,337,564	20,493,264	22,504,755	20,876,789	20,107,626	18,582,973	20,605,101	19,574,377	20,583,109	21,246,143
Public Health	272,263	272,496	260,044	277,809	257,651	257,846	235,365	287,592	445,574	482,245
Leisure Time Services	1,568,545	1,826,333	2,142,829	1,998,691	1,836,370	1,662,926	3,858,686	2,946,549	2,317,867	2,739,069
Community and Economic Development	2,863,379	2,728,006	3,084,899	2,613,273	2,743,472	2,277,566	2,039,604	2,473,339	2,666,776	3,611,075
Sanitation	1,916,687	2,251,317	2,506,683	2,204,171	1,857,975	1,786,082	1,912,089	1,848,221	1,870,822	1,861,473
Transportation	2,109,236	2,232,410	2,596,559	2,242,299	2,096,922	1,587,855	1,589,464	1,819,574	4,331,625	5,612,092
Capital Outlay	2,547,975	3,015,982	5,376,523	3,579,883	2,780,690	3,227,405	0	0	0	0
Debt Service:										
Principal Retirement	5,240,760	3,305,944	9,590,395	6,419,365	2,927,010	8,711,529	6,861,073	2,697,510	2,387,632	2,398,902
Interest and Fiscal Charges	1,311,229	1,367,743	1,492,737	1,529,377	1,518,668	1,568,293	2,086,281	1,928,585	1,876,224	2,244,424
Bond Issuance Costs	0	0	275,697	0	0	0	0	0	0	0
Total Expenditures	52,072,273	50,340,305	63,086,940	54,131,392	47,494,211	50,190,229	51,252,116	43,556,203	47,535,931	52,143,515
Excess of Revenues Over (Under) Expenditures	(2,380,283)	(3,928,431)	(13,537,289)	(4,653,465)	(1,905,839)	(5,885,037)	(8,787,101)	(3,133,794)	(8,684,291)	(7,743,027)

CITY OF EUCLID, OHIO
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(CONTINUED)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Other Financing Sources (Uses)										
Sale of Capital Assets	197,309	52,620	55,191	224,113	0	0	2,800	724,808	0	0
Special Assessment Bonds Issued	0	0	0	0	0	0	0	0	0	0
General Obligation Bonds Issued	0	0	10,625,000	0	0	0	13,097,000	0	0	11,495,000
Premium on Debt Issued	21,278	0	215,765	40,280	0	0	0	0	0	0
OPWC Loan	0	18,267	1,119,127	434,981	98,000	0	0	0	447,179	0
Notes Issued	4,290,000	2,340,000	0	6,846,000	3,816,000	100,000	5,981,000	0	0	0
Inception of Capital Lease	0	0	205,758	0	0	1,077,689	1,583,897	15,780	824,509	149,179
Transfers In	553,800	1,061,859	1,195,820	825,300	1,085,900	918,056	689,115	586,880	1,304,019	2,547,214
Transfers Out	(553,800)	(1,061,859)	(528,000)	(538,844)	(799,444)	(631,600)	(602,659)	(300,424)	(1,149,563)	(1,663,023)
Payment to Refunded Bond Escrow Agent	0	0	(3,489,389)	0	0	0	0	0	0	0
Total Other Financing Sources (Uses)	4,508,587	2,410,887	9,399,272	7,831,830	4,200,456	1,464,145	20,751,153	1,027,044	1,426,144	12,528,370
Net Change in Fund Balances	\$ 2,128,304	\$ (1,517,544)	\$ (4,138,017)	\$ 3,178,365	\$ 2,294,617	\$ (4,420,892)	\$ 11,964,052	\$ (2,106,750)	\$ (7,258,147)	\$ 4,785,343

Debt Service as a Percentage of Noncapital Expenditures

2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
13.48%	9.70%	19.68%	15.38%	9.79%	20.63%	18.47%	11.41%	9.06%	9.65%



CITY OF EUCLID, OHIO
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN YEARS

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Unvoted Millage										
Bond Sinking Fund	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88
Total Unvoted Millage	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>	<u>3.88</u>
Voted Millage										
1964 Charter Current Expense	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72
1964 Charter Perm Improvement	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1964 Charter Recreational	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
1964 Charter Recreational	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
1976 Sewage Levy	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Voted Millage	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>	<u>11.72</u>
Total Millage	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>
Overlapping Rates by Taxing District										
City of Euclid										
Residential/Agricultural Effective Rate	6.3560	6.8571	6.5566	6.5540	6.5523	6.8792	6.8787	6.8790	7.1638	7.1631
Commerical/Industrial and Public Utility Effective Rate	9.4690	10.6120	10.3296	10.3634	10.3668	10.3549	9.9554	9.7881	9.9331	9.9603
General Business and Public Utility Personal Property	13.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000
Euclid City Schools										
Residential/Agricultural Effective Rate	54.4667	54.4664	46.1446	39.1132	39.0934	43.0313	37.5124	35.0153	37.9854	37.5787
Commerical/Industrial and Public Utility Effective Rate	72.7342	72.8014	66.1743	59.4467	59.4747	59.3941	51.2261	47.5742	48.8727	48.6599
General Business and Public Utility Personal Property	89.8000	89.9000	85.2000	78.2000	78.2000	78.2000	72.8000	70.3000	70.6000	70.2000
Cuyahoga County										
Residential/Agricultural Effective Rate	13.1866	13.1789	12.6607	11.8688	11.8655	11.7227	10.9754	10.9899	9.7642	9.7718
Commerical/Industrial and Public Utility Effective Rate	12.8412	12.8457	12.8153	12.4535	12.4941	12.5881	11.9846	12.0433	10.1235	10.0506
General Business and Public Utility Personal Property	13.3200	13.3200	13.3200	13.4200	13.4200	13.5200	13.5200	13.5200	11.7200	11.7200
Special Taxing Districts (1)										
Residential/Agricultural Effective Rate	8.9900	7.9811	7.2832	7.2794	7.2761	7.7965	6.3793	5.7037	6.2552	5.1689
Commerical/Industrial and Public Utility Effective Rate	8.8450	7.9119	7.8711	7.8782	7.8962	8.0597	6.7804	6.2102	6.3523	5.5500
General Business and Public Utility Personal Property	9.0800	8.2800	8.2800	8.2800	8.2800	8.2800	7.2800	6.9800	6.9800	6.9800

Source: County Auditor

Notes: 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.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

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

(1) Metro Parks (1.85 mills), Port Authority (.13 mills), Euclid Library (3.5 mills), Community College (2.8 mills)

CITY OF EUCLID, OHIO
ASSESSED VALUATION AND ESTIMATED ACTUAL
VALUES OF TAXABLE PROPERTY
LAST TEN YEARS

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2010	\$ 551,393,850	\$ 179,899,430	\$ 2,089,409,371	\$ 15,476,470	\$ 17,586,898
2009	\$ 553,341,120	\$ 181,540,130	\$ 2,099,660,714	\$ 15,108,400	\$ 17,168,636
2008	\$ 615,910,790	\$ 183,124,340	\$ 2,282,957,514	\$ 13,964,270	\$ 15,868,489
2007	\$ 617,695,210	\$ 184,247,970	\$ 2,291,266,229	\$ 21,020,000	\$ 23,886,364
2006	\$ 549,090,850	\$ 185,048,420	\$ 2,097,540,771	\$ 22,108,400	\$ 25,123,182
2005	\$ 549,066,990	\$ 196,770,870	\$ 2,130,965,314	\$ 24,167,100	\$ 27,462,614
2004	\$ 549,167,830	\$ 202,727,320	\$ 2,148,271,857	\$ 24,947,560	\$ 28,349,500
2003	\$ 502,349,750	\$ 199,443,630	\$ 2,005,123,943	\$ 24,563,360	\$ 27,912,909
2002	\$ 502,484,040	\$ 195,662,440	\$ 1,994,704,229	\$ 25,710,060	\$ 29,215,977
2001	\$ 502,678,150	\$ 191,537,930	\$ 1,983,474,514	\$ 31,693,220	\$ 36,015,023

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

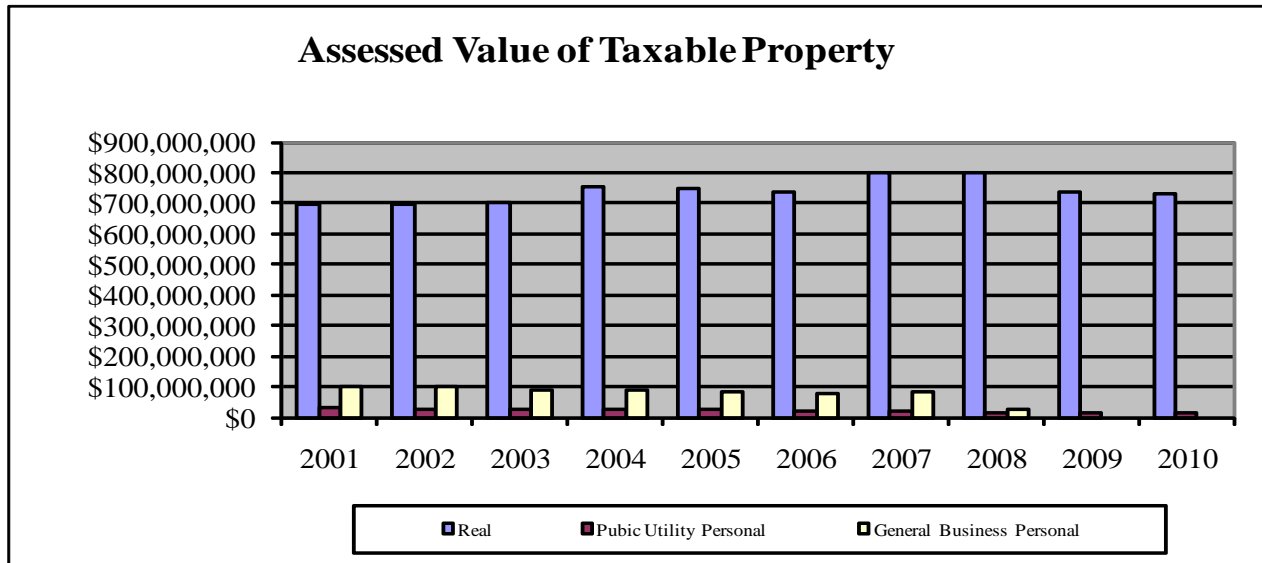
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General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

CITY OF EUCLID, OHIO
ASSESSED VALUATION AND ESTIMATED ACTUAL
VALUES OF TAXABLE PROPERTY
LAST TEN YEARS
(CONTINUED)

Collection Year	Tangible Personal Property		Assessed Value	Total		Ratio	Weighted Average Tax Rate
	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value		
2010	\$ -	\$ -	\$ 746,769,750	\$ 2,106,996,269	35.44%	0.3233	
2009	\$ -	\$ -	\$ 749,989,650	\$ 2,116,829,351	35.43%	7.9421	
2008	\$ 24,916,620	\$ 132,888,640	\$ 837,916,020	\$ 2,431,714,643	34.46%	7.8008	
2007	\$ 81,771,053	\$ 436,112,283	\$ 904,734,233	\$ 2,751,264,875	32.88%	8.3575	
2006	\$ 77,001,463	\$ 410,674,469	\$ 833,249,133	\$ 2,533,338,423	32.89%	8.4756	
2005	\$ 80,320,200	\$ 321,280,800	\$ 850,325,160	\$ 2,479,708,728	34.29%	8.7551	
2004	\$ 88,592,903	\$ 354,371,612	\$ 865,435,613	\$ 2,530,992,969	34.19%	8.7436	
2003	\$ 90,128,261	\$ 360,513,044	\$ 816,485,001	\$ 2,393,549,896	34.11%	8.8146	
2002	\$ 102,144,004	\$ 408,576,016	\$ 826,000,544	\$ 2,432,496,222	33.96%	9.1256	
2001	\$ 102,559,257	\$ 410,237,028	\$ 828,468,557	\$ 2,429,726,565	34.10%	9.1770	



**CITY OF EUCLID, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2010	\$ 7,526,417	\$ 5,778,277	76.77%	\$ 457,077	\$ 6,235,354	82.85%	\$ 496,190	6.59%
2009	\$ 7,636,772	\$ 5,849,893	76.60%	\$ 423,626	\$ 6,273,519	82.15%	\$ 547,502	7.17%
2008	\$ 7,755,667	\$ 6,345,313	81.82%	\$ 489,718	\$ 6,835,031	88.13%	\$ 511,356	6.59%
2007	\$ 8,248,325	\$ 6,773,525	82.12%	\$ 362,574	\$ 7,136,099	86.52%	\$ 426,602	5.17%
2006	\$ 8,161,127	\$ 6,759,330	82.82%	\$ 291,261	\$ 7,050,591	86.39%	\$ 659,193	8.08%
2005	\$ 6,571,871	\$ 5,470,854	83.25%	\$ 302,983	\$ 5,773,837	87.86%	\$ 552,594	8.41%
2004	\$ 7,102,956	\$ 5,765,902	81.18%	\$ 416,427	\$ 6,182,329	87.04%	\$ 773,180	10.89%
2003	\$ 6,771,824	\$ 5,729,679	84.61%	\$ 307,880	\$ 6,037,559	89.16%	\$ 797,874	11.78%
2002	\$ 6,824,687	\$ 5,760,886	84.41%	\$ 361,604	\$ 6,122,490	89.71%	\$ 569,507	8.34%
2001	\$ 6,564,534	\$ 5,848,361	89.09%	\$ 138,590	\$ 5,986,951	91.20%	\$ 480,160	7.31%

Source: 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 EUCLID, OHIO
PRINCIPAL TAXPAYERS – REAL ESTATE TAX
2010 AND 2001

Taxpayer	<i>2010</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Cleve Electric Illum Co	\$ 12,691,180	1.74 %
Lincoln Electric Co	12,025,410	1.64 %
Niederst Indian Hills, LLC	11,822,510	1.62 %
Northpointe Towers LTD	6,685,000	0.91 %
Harbor Crest LTD.	5,510,970	0.75 %
Willo Arms Euclid LLC	5,017,300	0.69 %
Horizon House LTD	3,638,640	0.50 %
Depot Land Co LTD	3,369,730	0.46 %
AE Portfolio, LLC	2,975,000	0.41 %
Normandy Towers East I & E	2,664,210	0.36 %
Total	\$ 66,399,950	9.08 %
Total Assessed Valuation	\$ 731,293,280	

Taxpayer	<i>2001</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Lincoln Electric Co.	\$ 14,112,890	2.03 %
Cleve Electric Illum Co.	12,726,500	1.83 %
Ohio Bell Telephone Co.	9,945,180	1.43 %
Argo Tech Co.	7,728,840	1.11 %
Regency Towers Associates	7,053,800	1.02 %
Americana Apartments	5,265,720	0.76 %
Depot Land Co.	4,944,040	0.71 %
Reliance Electric & Engine Co.	4,909,450	0.71 %
Troy CMBS Property, LLC	4,566,630	0.66 %
Indian Hills Senior Community, Inc.	4,131,750	0.60 %
Total	\$ 75,384,800	10.86 %
Total Assessed Valuation	\$ 694,216,080	

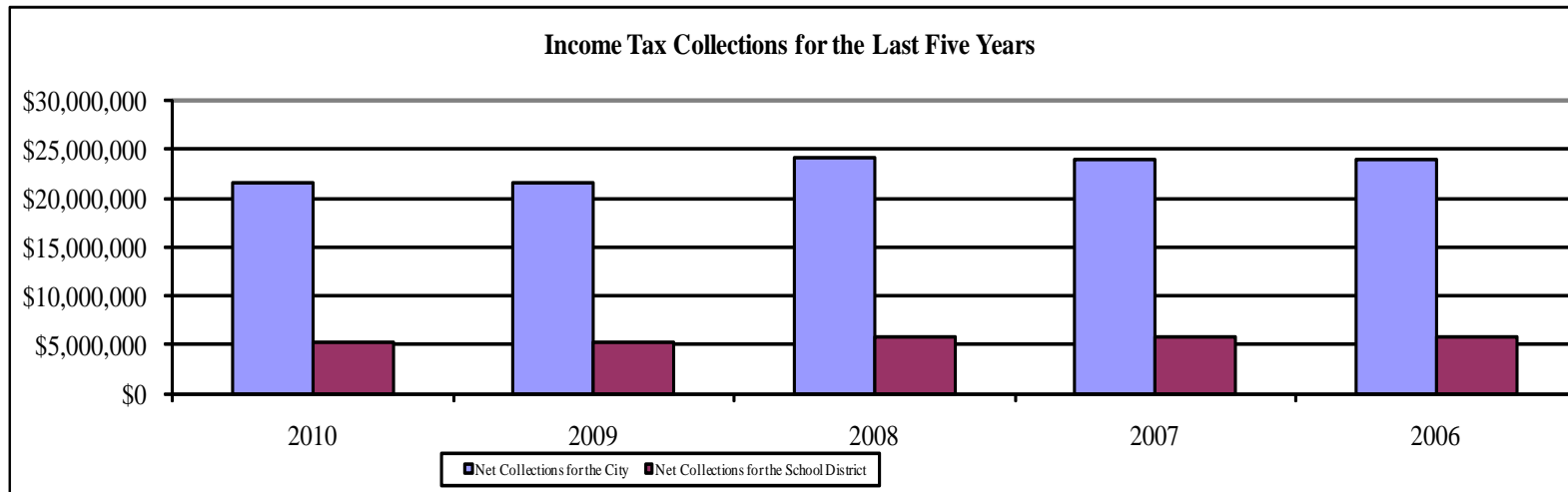
Source: County Auditor

(1) The amounts presented represent the assessed values upon which 2010 and 2001 collections were based.

**CITY OF EUCLID, OHIO
INCOME TAX COLLECTION
LAST FIVE YEARS**

<u>Year</u>	<u>Tax Rate</u>	<u>Individual</u>	<u>Net Profit</u>	<u>Payroll Withholding</u>	<u>Penalty and Interest</u>	<u>Miscellaneous Revenue</u>	<u>Gross Collections</u>	<u>Refunds and Adjustments</u>	<u>Net Collections</u>	<u>Net Collections for the City</u>	<u>Net Collections for the School District</u>
2010	2.85%	\$5,082,908	\$3,567,641	\$17,882,748	\$586,113	\$92,518	\$27,211,928	(\$458,849)	\$26,753,079	\$21,511,064	\$5,242,015
2009	2.85%	\$5,571,815	\$2,205,169	\$19,127,921	\$501,077	\$139,475	\$27,545,457	(\$710,927)	\$26,834,530	\$21,570,417	\$5,264,113
2008	2.85%	\$5,613,660	\$3,506,412	\$20,750,925	\$658,185	\$31,777	\$30,560,960	(\$621,987)	\$29,938,973	\$24,076,487	\$5,862,486
2007	2.85%	\$5,828,145	\$3,057,660	\$21,195,076	\$562,751	\$37,298	\$30,680,930	(\$823,011)	\$29,857,919	\$24,021,190	\$5,836,729
2006	2.85%	\$5,875,202	\$2,250,314	\$21,436,836	\$533,447	\$103,748	\$30,199,547	(\$515,617)	\$29,683,931	\$23,914,232	\$5,769,698

- Note:
1. The information provided was determined on a cash basis.
 2. As the function of collections and administration of the income tax was transferred from the Central Collection Agency in November 2005, only the years from 2006 forward are presented.
 3. The City is prohibited by statute from presenting information regarding individual taxpayers.

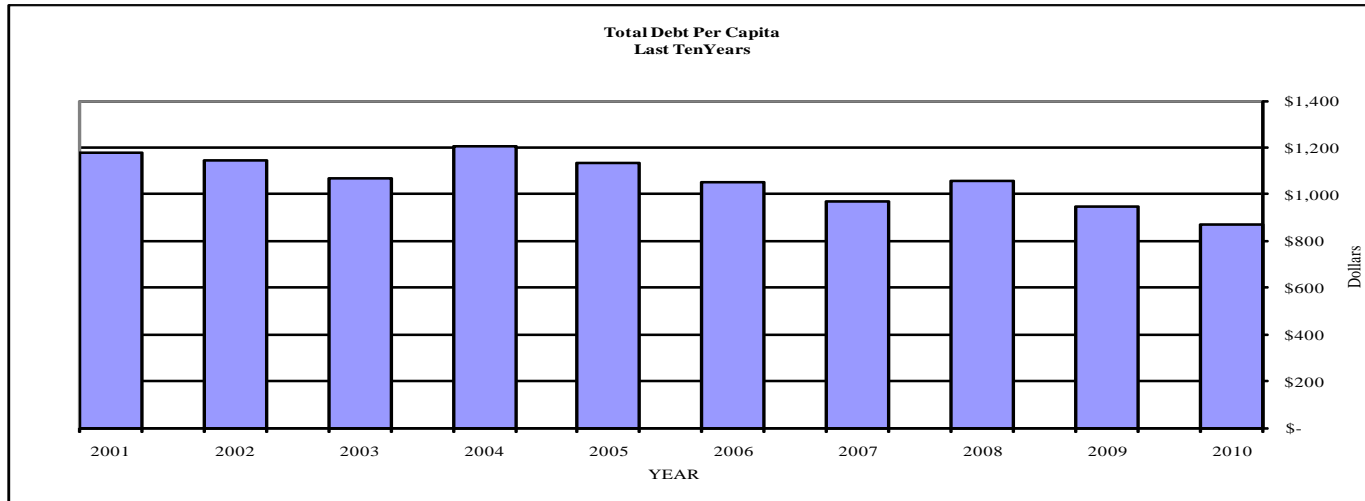


CITY OF EUCLID, OHIO
RATIO OF OUTSTANDING DEBT TO TOTAL PERSONAL INCOME AND DEBT PER CAPITA
LAST TEN YEARS

Year	Governmental Activities					Business-Type Activities				Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds (1)	Special Assessment Bonds	OPWC Loans	Capital Leases	Development Revenue Bonds	General Obligation Bonds (1)	Capital Leases	OWDA Loans	OPWC Loans			
2010	\$ 23,232,081	\$ 995,000	\$ 1,586,856	\$ 473,890	\$ 995,000	\$ 6,040,858	\$ 246,279	\$ 4,790,889	\$ 7,372,374	\$ 45,733,227	4.41%	\$ 868
2009	\$ 25,667,580	\$ 1,080,000	\$ 1,670,375	\$ 653,131	\$ 1,120,000	\$ 6,537,151	\$ 357,699	\$ 6,779,135	\$ 5,971,616	\$ 49,836,687	4.81%	\$ 945
2008	\$ 28,354,079	\$ 1,160,000	\$ 1,652,108	\$ 1,085,075	\$ 1,235,000	\$ 6,962,444	\$ 449,192	\$ 8,620,444	\$ 6,079,837	\$ 55,598,179	5.36%	\$ 1,055
2007	\$ 23,007,141	\$ 1,235,000	\$ 532,981	\$ 1,304,712	\$ 1,340,000	\$ 6,546,909	\$ 502,859	\$ 10,328,970	\$ 6,352,551	\$ 51,151,123	4.93%	\$ 970
2006	\$ 25,043,297	\$ 1,305,000	\$ 98,000	\$ 1,736,675	\$ 1,440,000	\$ 6,863,551	\$ 540,893	\$ 11,915,515	\$ 6,515,556	\$ 55,458,487	5.35%	\$ 1,052
2005	\$ 27,264,455	\$ 1,375,000	\$ 0	\$ 2,174,685	\$ 1,530,000	\$ 7,165,193	\$ 693,242	\$ 13,389,914	\$ 6,069,001	\$ 59,661,490	5.76%	\$ 1,132
2004	\$ 34,057,000	\$ 1,440,000	\$ 2,393,316	\$ 1,775,901	\$ 1,615,000	\$ 2,918,000	\$ 425,954	\$ 14,765,846	\$ 4,080,513	\$ 63,471,530	6.12%	\$ 1,204
2003	\$ 27,440,000	\$ 1,500,000	\$ 2,534,696	\$ 560,826	\$ 1,695,000	\$ 1,765,000	\$ 480,677	\$ 16,042,064	\$ 4,288,338	\$ 56,306,601	5.43%	\$ 1,068
2002	\$ 29,710,000	\$ 1,560,000	\$ 2,606,540	\$ 744,918	\$ 1,765,000	\$ 1,845,000	\$ 539,513	\$ 17,226,034	\$ 4,296,009	\$ 60,293,014	5.82%	\$ 1,144
2001	\$ 31,880,000	\$ 1,615,000	\$ 2,256,993	\$ 223,541	\$ 1,830,000	\$ 1,930,000	\$ 12,855	\$ 18,333,990	\$ 3,986,226	\$ 62,068,605	5.99%	\$ 1,177

(1) Amounts include associated premiums and gains

Note: Population and Personal Income data are presented on page S21.



CITY OF EUCLID, OHIO
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Net Bonded Debt Per Capita</u>
2010	52,717	\$ 2,106,996,269	\$29,272,939	1.39 %	\$ 555
2009	52,717	\$ 2,116,829,351	\$32,204,731	1.52 %	\$ 611
2008	52,717	\$ 2,431,714,643	\$35,316,523	1.45 %	\$ 670
2007	52,717	\$ 2,751,264,875	\$29,554,050	1.07 %	\$ 561
2006	52,717	\$ 2,533,338,423	\$31,906,848	1.26 %	\$ 605
2005	52,717	\$ 2,479,708,728	\$34,429,648	1.39 %	\$ 653
2004	52,717	\$ 2,530,992,969	\$36,975,000	1.46 %	\$ 701
2003	52,717	\$ 2,393,549,896	\$29,205,000	1.22 %	\$ 554
2002	52,717	\$ 2,432,496,222	\$31,555,000	1.30 %	\$ 599
2001	52,717	\$ 2,429,726,565	\$33,810,000	1.39 %	\$ 641

Sources:

(1) U. S. Bureau of Census, Census of Population.
2000 Federal Census

(2) County Auditor

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

**CITY OF EUCLID, OHIO
LEGAL DEBT MARGIN
LAST TEN YEARS**

	2010	2009	2008	2007	2006
Total Assessed Property Value	<u>\$ 746,769,750</u>	<u>\$ 749,989,650</u>	<u>\$ 837,916,020</u>	<u>\$ 904,734,233</u>	<u>\$ 833,249,133</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>78,410,824</u>	<u>78,748,913</u>	<u>87,981,182</u>	<u>94,997,094</u>	<u>87,491,159</u>
Debt Outstanding:					
General Obligation Bonds	\$ 23,053,000	\$ 25,481,000	\$ 28,160,000	\$ 23,029,000	\$ 25,073,000
General Obligation Bonds - Enterprise	5,967,000	6,454,000	6,870,000	6,536,000	6,852,000
Special Assessment Bonds	995,000	1,080,000	1,160,000	1,235,000	1,305,000
Notes	4,290,000	2,340,000	0	6,846,000	3,816,000
Notes - Enterprise	7,040,000	7,040,000	5,600,000	3,000,000	3,000,000
OPWC Loans	1,586,856	1,670,375	1,652,108	532,981	98,000
OPWC Loans - Enterprise	7,372,374	5,971,616	6,079,837	6,352,551	6,515,556
OWDA Loans	4,790,889	6,779,135	8,620,444	10,328,970	11,915,515
Industrial Development Revenue Bonds	995,000	1,120,000	1,235,000	1,340,000	1,440,000
Total Gross Indebtedness	<u>56,090,119</u>	<u>57,936,126</u>	<u>59,377,389</u>	<u>59,200,502</u>	<u>60,015,071</u>
Less:					
General Obligation Bonds - Enterprise	(5,967,000)	(6,454,000)	(6,870,000)	(6,536,000)	(6,852,000)
Special Assessment Bonds	(995,000)	(1,080,000)	(1,160,000)	(1,235,000)	(1,305,000)
Notes	(4,290,000)	(2,340,000)	0	(6,846,000)	(3,816,000)
Notes - Enterprise	(7,040,000)	(7,040,000)	(5,600,000)	(3,000,000)	(3,000,000)
OPWC Loans	(1,586,856)	(1,670,375)	(1,652,108)	(532,981)	(98,000)
OPWC Loans - Enterprise	(7,372,374)	(5,971,616)	(6,079,837)	(6,352,551)	(6,515,556)
OWDA Loans	(4,790,889)	(6,779,135)	(8,620,444)	(10,328,970)	(11,915,515)
Industrial Development Revenue Bonds	(995,000)	(1,120,000)	(1,235,000)	(1,340,000)	(1,440,000)
General Obligation Bond Retirement Fund Balance	(3,245,536)	(3,596,149)	(3,596,149)	(3,775,688)	(2,947,437)
Total Net Debt Applicable to Debt Limit	<u>19,807,464</u>	<u>21,884,851</u>	<u>24,563,851</u>	<u>19,253,312</u>	<u>22,125,563</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 58,603,360</u>	<u>\$ 56,864,062</u>	<u>\$ 63,417,331</u>	<u>\$ 75,743,782</u>	<u>\$ 65,365,596</u>
Legal Debt Margin as a Percentage of the Debt Limit	74.74%	72.21%	72.08%	79.73%	74.71%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$ 41,072,336</u>	<u>\$ 41,249,431</u>	<u>\$ 46,085,381</u>	<u>\$ 49,760,383</u>	<u>\$ 45,828,702</u>
Total Gross Indebtedness	\$ 56,090,119	\$ 57,936,126	\$ 59,377,389	\$ 59,200,502	\$ 60,015,071
Less:					
General Obligation Bonds - Enterprise	(5,967,000)	(6,454,000)	(6,870,000)	(6,536,000)	(6,852,000)
Special Assessment Bonds	(995,000)	(1,080,000)	(1,160,000)	(1,235,000)	(1,305,000)
Notes	(4,290,000)	(2,340,000)	0	(6,846,000)	(3,816,000)
Notes - Enterprise	(7,040,000)	(7,040,000)	(5,600,000)	(3,000,000)	(3,000,000)
OPWC Loans	(1,586,856)	(1,670,375)	(1,652,108)	(532,981)	(98,000)
OPWC Loans - Enterprise	(7,372,374)	(5,971,616)	(6,079,837)	(6,352,551)	(6,515,556)
OWDA Loans	(4,790,889)	(6,779,135)	(8,620,444)	(10,328,970)	(11,915,515)
Industrial Development Revenue Bonds	(995,000)	(1,120,000)	(1,235,000)	(1,340,000)	(1,440,000)
General Obligation Bond Retirement Fund Balance	(3,245,536)	(3,596,149)	(3,596,149)	(3,775,688)	(2,947,437)
Net Debt Within 5 ½ % Limitations	<u>19,807,464</u>	<u>21,884,851</u>	<u>24,563,851</u>	<u>19,253,312</u>	<u>22,125,563</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$ 21,264,872</u>	<u>\$ 19,364,580</u>	<u>\$ 21,521,530</u>	<u>\$ 30,507,071</u>	<u>\$ 23,703,139</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	51.77%	46.95%	46.70%	61.31%	51.72%

Source: City Financial Records

CITY OF EUCLID, OHIO
LEGAL DEBT MARGIN (CONTINUED)
LAST TEN YEARS

	2005	2004	2003	2002	2001
Total Assessed Property Value	<u>\$ 850,325,160</u>	<u>\$ 865,435,613</u>	<u>\$ 816,485,001</u>	<u>\$ 826,000,544</u>	<u>\$ 828,468,557</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>89,284,142</u>	<u>90,870,739</u>	<u>85,730,925</u>	<u>86,730,057</u>	<u>86,989,198</u>
Debt Outstanding:					
General Obligation Bonds	\$ 27,302,000	\$ 34,057,000	\$ 27,440,000	\$ 29,710,000	\$ 31,880,000
General Obligation Bonds - Enterprise	7,153,000	2,918,000	1,765,000	1,845,000	1,930,000
Special Assessment Bonds	1,375,000	1,440,000	1,500,000	1,560,000	1,615,000
Notes	100,000	5,981,000	0	0	0
Notes - Enterprise	1,000,000	1,200,000	0	0	0
OPWC Loans	0	2,393,316	2,534,696	2,606,540	2,256,993
OPWC Loans - Enterprise	6,069,001	4,080,513	4,288,338	4,296,009	3,986,226
OWDA Loans	13,389,914	14,765,846	16,042,064	17,226,034	18,333,990
Industrial Development Revenue Bonds	1,530,000	1,615,000	1,695,000	1,765,000	1,830,000
Total Gross Indebtedness	<u>57,918,915</u>	<u>68,450,675</u>	<u>55,265,098</u>	<u>59,008,583</u>	<u>61,832,209</u>
Less:					
General Obligation Bonds - Enterprise	(7,153,000)	(2,918,000)	(1,765,000)	(1,845,000)	(1,930,000)
Special Assessment Bonds	(1,375,000)	0	0	0	0
Notes	(100,000)	(5,981,000)	0	0	0
Notes - Enterprise	(1,000,000)	(1,200,000)	0	0	0
OPWC Loans	0	(2,393,316)	(2,534,696)	(2,606,540)	(2,256,993)
OPWC Loans - Enterprise	(6,069,001)	(4,080,513)	(4,288,338)	(4,296,009)	(3,986,226)
OWDA Loans	(13,389,914)	(14,765,846)	(16,042,064)	(17,226,034)	(18,333,990)
Industrial Development Revenue Bonds	(1,530,000)	0	0	0	0
General Obligation Bond Retirement Fund Balance	(3,056,034)	(3,008,900)	(2,764,898)	(3,024,670)	(3,533,956)
Total Net Debt Applicable to Debt Limit	<u>24,245,966</u>	<u>34,103,100</u>	<u>27,870,102</u>	<u>30,010,330</u>	<u>31,791,044</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 65,038,176</u>	<u>\$ 56,767,639</u>	<u>\$ 57,860,823</u>	<u>\$ 56,719,727</u>	<u>\$ 55,198,154</u>
Legal Debt Margin as a Percentage of the Debt Limit	72.84%	62.47%	67.49%	65.40%	63.45%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$ 46,767,884</u>	<u>\$ 47,598,959</u>	<u>\$ 44,906,675</u>	<u>\$ 45,430,030</u>	<u>\$ 45,565,771</u>
Total Gross Indebtedness	\$ 57,918,915	\$ 68,450,675	\$ 55,265,098	59,008,583	61,832,209
Less:					
General Obligation Bonds - Enterprise	(7,153,000)	(2,918,000)	(1,765,000)	(1,845,000)	(1,930,000)
Special Assessment Bonds	(1,375,000)	0	0	0	0
Notes	(100,000)	(5,981,000)	0	0	0
Notes - Enterprise	(1,000,000)	(1,200,000)	0	0	0
OPWC Loans	0	(2,393,316)	(2,534,696)	(2,606,540)	(2,256,993)
OPWC Loans - Enterprise	(6,069,001)	(4,080,513)	(4,288,338)	(4,296,009)	(3,986,226)
OWDA Loans	(13,389,914)	(14,765,846)	(16,042,064)	(17,226,034)	(18,333,990)
Industrial Development Revenue Bonds	(1,530,000)	0	0	0	0
General Obligation Bond Retirement Fund Balance	(3,056,034)	(3,008,900)	(2,764,898)	(3,024,670)	(3,533,956)
Net Debt Within 5 ½ % Limitations	<u>24,245,966</u>	<u>34,103,100</u>	<u>27,870,102</u>	<u>30,010,330</u>	<u>31,791,044</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$ 22,521,918</u>	<u>\$ 13,495,859</u>	<u>\$ 17,036,573</u>	<u>\$ 15,419,700</u>	<u>\$ 13,774,727</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	48.16%	28.35%	37.94%	33.94%	30.23%

**CITY OF EUCLID, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2010**

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of Euclid			
General Obligation Bonds	\$ 23,232,081	100.00%	\$ 23,232,081
Special Assessment Bonds	995,000	100.00%	995,000
OPWC Loans	1,586,856	100.00%	1,586,856
Capital Leases	473,890	100.00%	473,890
Development Revenue Bonds	995,000	100.00%	995,000
General Obligation Notes	4,311,278	100.00%	4,311,278
Total Direct Debt	<u>31,594,105</u>		<u>31,594,105</u>
Overlapping			
Euclid City School District			
General Obligation Bonds	48,524,428	100.00%	48,524,428
County			
General Obligation Bonds	319,446,948	2.50%	7,998,075
Regional			
Transit Authority	152,760,000	2.50%	3,824,691
Total Overlapping Debt	<u>520,731,376</u>		<u>60,347,194</u>
Total	<u><u>\$ 552,325,481</u></u>		<u><u>\$ 91,941,299</u></u>

**CITY OF EUCLID, OHIO
 PLEDGED REVENUE COVERAGE
 INDUSTRIAL DEVELOPMENT REVENUE BONDS – GENERAL FUND
 LAST TEN YEARS**

Year	Net Revenues (1)	Operating Expenses	Net Revenue Available for Debt Service	Debt Service			Coverage
				Principal	Interest	Total	
2010	\$ 109,336	\$ 0	\$ 109,336	\$ 125,000	\$ 92,400	\$ 217,400	0.50
2009	\$ 109,336	\$ 0	\$ 109,336	\$ 115,000	\$ 101,888	\$ 216,888	0.50
2008	\$ 109,336	\$ 0	\$ 109,336	\$ 105,000	\$ 110,550	\$ 215,550	0.51
2007	\$ 109,335	\$ 0	\$ 109,335	\$ 100,000	\$ 118,800	\$ 218,800	0.50
2006	\$ 109,336	\$ 0	\$ 109,336	\$ 90,000	\$ 126,225	\$ 216,225	0.51
2005	\$ 109,336	\$ 0	\$ 109,336	\$ 85,000	\$ 133,238	\$ 218,238	0.50
2004	\$ 109,336	\$ 0	\$ 109,336	\$ 80,000	\$ 139,838	\$ 219,838	0.50
2003	\$ 109,336	\$ 0	\$ 109,336	\$ 70,000	\$ 145,613	\$ 215,613	0.51
2002	\$ 109,336	\$ 0	\$ 109,336	\$ 65,000	\$ 150,975	\$ 215,975	0.51
2001	\$ 109,336	\$ 0	\$ 109,336	\$ 60,000	\$ 155,925	\$ 215,925	0.51

(1) Net revenues include principal and interest received from repayment of loan from Lincoln Electric Company

Detail regarding the City's outstanding debt can be found in the notes to the basic financial statements

**CITY OF EUCLID, OHIO
PRINCIPAL EMPLOYERS
2010 AND 2006**

2010		
Employer	Number of W-2 Issued	Percentage of Total City Employment
Lincoln Electric	2,207	9.54%
Cleveland Clinic	1,513	6.54%
Euclid Board of Education	1,370	5.92%
City of Euclid	645	2.79%
University Hospital Health System	589	2.55%
Cuyahoga County	518	2.24%
Argo Tech Corporation	406	1.76%
Babcock& Wilcox Nuclear Operations	293	1.27%
Hose Masters	279	1.21%
HC Starck Incorporated	268	1.16%
Total	8,088	34.96%
Total Estimated Employment within the City	23,132	

2006		
Employer	Number of W-2 Issued	Percentage of Total City Employment
Lincoln Electric	2,771	11.07%
Euclid Board of Education	1,464	5.85%
Meridia Health Systems	1,282	5.12%
City of Euclid	680	2.72%
Cuyahoga County	598	2.39%
Argo Tech Corporation	437	1.75%
University Hospitals Health System	388	1.55%
Hose Masters	278	1.11%
Marine Mechanical Corp.	261	1.04%
GE Lighting, Inc.	160	0.64%
Total	8,319	33.24%
Total Estimated Employment within the City	25,025	

Source: City Income Tax Department

(1) Information prior to 2006 is not available

CITY OF EUCLID, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
2010	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,168	9.5%	\$ 71,632	\$ 746,769,750
2009	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,040	9.0%	\$ 69,136	\$ 749,989,650
2008	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,042	7.1%	\$ 81,777	\$ 837,916,020
2007	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,303	6.3%	\$ 99,664	\$ 904,734,233
2006	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,414	5.7%	\$ 107,011	\$ 833,249,133
2005	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,301	6.0%	\$ 111,934	\$ 850,325,160
2004	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,021	6.7%	\$ 105,056	\$ 865,435,613
2003	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	5,992	6.5%	\$ 104,931	\$ 816,485,001
2002	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	5,891	4.7%	\$ 99,723	\$ 826,000,544
2001	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,051	3.7%	\$ 95,643	\$ 828,468,557

(1) Source: U. S. Census

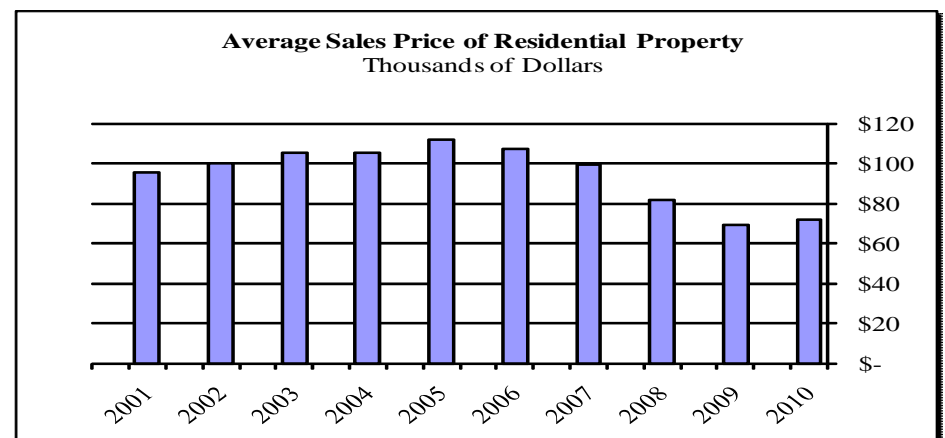
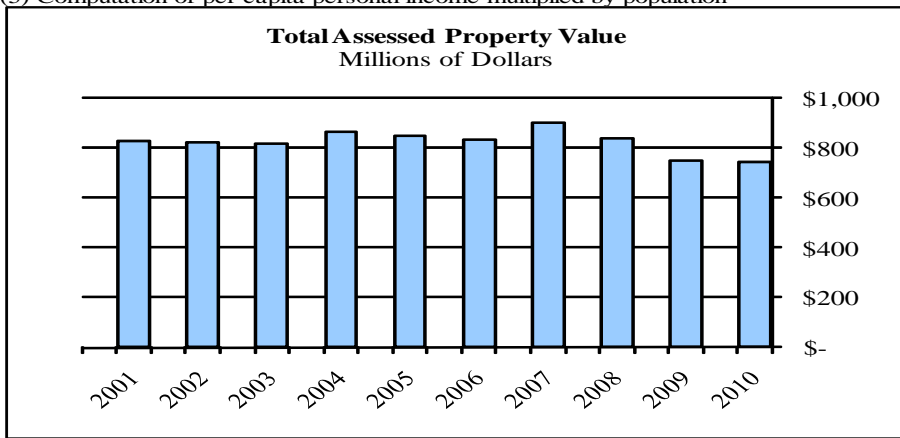
(a) Years 2001 through 2010 - 2000 Federal Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/>"

(3) Source: County Planning Commission

(4) Source: County Auditor

(5) Computation of per capita personal income multiplied by population



CITY OF EUCLID, OHIO
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST NINE YEARS (1)

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government									
Council	10	11	11	11	11	11	11	11	11
Finance	14	15	16	15	13	13	13	17	20
Tax	8	10	10	10	7	7	0	0	0
Mayor	22	22	24	24	24	24	25	26	29
Law	11	10	9	9	10	8	8	7	10
Municipal Court	28	28	26	26	23	27	26	26	26
Public Service Administration	6	7	6	6	6	6	6	6	8
Engineer	6	2	3	3	3	3	3	3	4
Public Building	8	10	10	10	9	10	10	11	12
Security of Persons and Property									
Police	97	96	99	95	95	95	95	95	98
Police - Administration	11	11	9	7	7	7	7	8	15
Police - Records Room	6	6	6	6	6	5	5	6	7
Police - School Guards	11	11	10	10	10	10	10	13	12
Police - Communications	16	16	17	16	15	14	16	18	19
Police - Corrections	28	28	38	38	36	32	38	40	36
Police - Animal Control	2	2	3	2	2	2	3	4	6
Fire	79	79	82	82	80	77	78	82	83
Leisure Time Activities									
Recreation - Administration	4	4	5	4	4	4	4	4	5
Parks & Rec Maintenance	13	14	15	14	17	16	16	22	26
Recreation - Programs	75	75	75	75	75	75	88	119	129
Shore Cultural Center	0	0	4	4	4	4	4	5	5
Golf Course	0	27	34	34	34	33	31	32	34
Community Development									
Economic Development	6	6	8	7	6	5	7	7	8
Building	4	5	4	4	3	2	2	3	6
Housing	10	12	13	11	10	10	7	10	11
Weatherization	5	5	6	6	6	7	6	7	7
Senior Programs	8	15	23	21	20	21	22	25	29
Transportation									
Motor Maintenance	8	12	12	12	12	12	12	14	14
Traffic Maintenance	0	4	4	4	4	4	4	4	5
Street M&R	26	29	27	25	23	23	24	26	37
Basic Utility Services									
Wastewater	43	43	43	43	44	44	42	44	44
Totals:	<u>565</u>	<u>615</u>	<u>652</u>	<u>634</u>	<u>619</u>	<u>611</u>	<u>623</u>	<u>695</u>	<u>756</u>

Source: Annual Operating Budget - Employee Count (Appendix A)

(1) Information prior to 2002 is not available

CITY OF EUCLID, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST NINE YEARS (1)

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government									
<i>Council and Clerk</i>									
Number of Ordinances & Resolutions Passed	178	218	250	258	220	202	229	246	242
<i>Finance Department</i>									
Number of checks/ vouchers issued	4,781	6,492	6,966	6,839	6,292	5,258	5,459	5,455	6,210
Amount of checks written	\$ 22,146,777	\$ 21,145,225	\$ 21,301,660	\$ 20,765,198	\$ 18,347,965	\$ 20,341,425	\$ 22,292,434	\$ 21,994,000	\$ 20,500,023
Interest earnings for fiscal year (cash basis)	\$ 261,703	\$ 578,273	\$ 970,513	\$ 1,393,041	\$ 968,963	\$ 488,302	\$ 323,793	\$ 286,042	\$ 564,599
Agency Ratings - Moody's Financial Services	A1	A1	A1	A1	A1	A1	Aa3	Aa3	Aa3
Health Insurance Costs vs General Fund Expenditures %	11.96%	9.89%	8.96%	8.81%	9.19%	9.04%	9.04%	9.19%	7.98%
General Fund Receipts (cash basis)	\$ 37,792,896	\$ 36,206,654	\$ 38,721,325	\$ 38,573,561	\$ 37,147,964	\$ 34,784,647	\$ 34,633,913	\$ 30,962,129	\$ 31,970,610
General Fund Expenditures (cash basis)	\$ 36,685,422	\$ 38,143,278	\$ 39,123,349	\$ 37,588,519	\$ 36,015,179	\$ 33,973,504	\$ 34,146,031	\$ 32,303,473	\$ 34,484,278
General Fund Cash Balances	\$ 2,796,536	\$ 1,689,062	\$ 3,625,687	\$ 4,027,711	\$ 3,042,669	\$ 1,909,884	\$ 1,098,740	\$ 647,842	\$ 2,202,957
<i>Income Tax Department</i>									
Number of Individual Returns	24,552	25,487	32,180	28,916	34,128	n/a	n/a	n/a	n/a
Number of Business Returns	2,950	2,958	2,928	2,638	2,853	n/a	n/a	n/a	n/a
Number of Business Withholding Accounts	2,979	3,043	3,050	3,117	3,131	n/a	n/a	n/a	n/a
Amount of Penalties and Interest Collected	\$ 586,113	\$ 501,077	\$ 658,185	\$ 562,411	\$ 533,448	n/a	n/a	n/a	n/a
Annual number of Corporate withholding forms processed	17,045	17,746	18,434	18,448	17,992	n/a	n/a	n/a	n/a
Annual number of balance due statements forms processed	7,471	6,484	7,779	6,914	7,033	n/a	n/a	n/a	n/a
Annual number of estimated payment forms processed	12,844	14,883	15,916	15,512	20,167	n/a	n/a	n/a	n/a
Annual number of reconciliations of withholdings processed	2,188	3,112	2,230	1,643	2,325	n/a	n/a	n/a	n/a
<i>Municipal Court</i>									
Number of Civil Cases	3,614	4,234	4,937	4,670	4,041	3,246	2,723	2,639	2,234
Number of Traffic/Criminal cases	7,430	7,510	8,718	7,573	6,398	5,908	7,801	8,363	7,942
<i>Vital Statistics</i>									
<i>Certificates Filed</i>									
Number of Births	4	2	1	2	2	4	0	4	na
Number of Deaths	404	430	491	406	440	512	529	553	na
<i>Certificates Issued</i>									
Number of Births	1,482	1,724	1,855	2,401	2,458	2,518	2,469	2,713	na
Number of Deaths	1,703	1,830	2,128	2,080	2,218	2,684	2,769	2,889	na
Burial Permits Issued	625	675	601	579	456	478	550	na	na
<i>Civil Service</i>									
Number of police entry tests administered	1	0	0	0	1	1	(a)	(a)	(a)
Number of fire entry tests administered	1	0	0	1	(a)	1	(a)	(a)	1
Number of police promotional tests administered	3	0	0	4	1	(a)	(a)	(a)	(a)
Number of fire promotional tests administered	3	0	3	0	4	(a)	1	(a)	2
Number of hires of Police Officers from certified lists	4	0	0	3	2	6	(a)	(a)	(a)
Number of hires of Fire/Medics from certified lists	0	0	0	5	(a)	12	(a)	(a)	0
Number of promotions from police certified lists	0	1	0	4	1	(a)	(a)	(a)	(a)
Number of promotions from fire certified lists	3	0	3	1	11	(a)	1	(a)	3

(a) Test Not administered
n/a Information not available

CITY OF EUCLID, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST NINE YEARS (1)

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government									
<i>Building Department Indicators</i>									
Estimated Value of Construction	\$ 22,004,556	\$ 17,632,080	\$ 19,829,373	\$ 19,199,769	\$ 14,337,881	\$ 12,461,795	\$ 12,927,470	\$ 17,409,525	\$ 39,586,980
Number of permits issued	2,504	2,964	2,430	2,194	2,294	2,291	2,713	2,138	2,100
Amount of Revenue generated from permits	\$ 325,992	\$ 231,664	\$ 221,555	\$ 268,817	\$ 218,779	\$ 203,544	\$ 239,570	\$ 174,801	\$ 192,670
Number of contractor registrations issued	794	969	919	910	808	785	930	990	915
<i>Housing Department Indicators</i>									
Total dwelling / housing units	26,205	26,235	26,235	26,265	26,284	26,284	26,304	26,276	26,280
Number of point of sale inspections	748	859	1,218	1,153	1,288	1,229	1,161	1,227	1,068
Number of rental inspections performed	11,138	10,890	10,435	9,482	9,761	9,017	7,636	7,542	7,778
Revenue generated from Housing Fees	\$ 735,200	\$ 839,055	\$ 876,234	\$ 732,683	\$ 720,042	\$ 579,290	\$ 562,178	\$ 576,939	\$ 555,516
Security of Persons & Property									
<i>Police</i>									
Total Crimes/Offenses	18,130	15,592	17,187	19,789	21,446	16,677	18,320	20,321	20,456
Motor Vehicle Accidents	1,223	1,149	1,315	1,428	1,456	1,516	1,488	1,696	1,667
Fatalities from Motor Vehicle Accidents	2	1	3	3	1	2	4	2	4
Number of criminal arrests	2,988	2,654	3,201	2,942	2,883	2,566	2,986	2,823	2,375
Number of traffic citations issued	10,712	12,373	12,023	10,094	8,498	7,719	10,001	10,545	9,702
Number of parking citations issued	3,208	3,596	5,133	6,311	3,980	3,997	5,430	5,802	6,513
Narcotics & Vice Criminal Charges	1,760	1,798	2,524	2,277	2,710	2,252	1,969	1,543	972
Warrants Processed	1,926	2,669	3,351	4,247	3,335	3,465	4,280	3,723	3,605
Emergency Response Team (ERT) calls for service	13	29	25	14	6	10	6	15	12
Police Dept. Auxiliary hours worked	1,912.75	2,088.00	2,330.00	2,818.75	2,976.50	3,068.50	3,216.00	2,589.45	2,233.50
Grant Awards	\$ 1,807,491	\$ 1,665,907	\$ 296,910	\$ 238,261	\$ 296,860	\$ 265,784	\$ 103,627	\$ 128,090	\$ 371,521
Prisoners (Total Jail Days)	20,957	19,166	30,364	29,591	29,339	25,416	25,991	23,437	23,514
Prisoner revenue	\$ 719,895	\$ 469,059	\$ 678,661	\$ 997,818	\$ 519,437	\$ 666,896	\$ 467,210	\$ 546,320	\$ 555,704
Juvenile Diversion Program - referred	264	255	165	557	363	347	159	184	106
Juvenile Diversion Program - accepted	114	203	82	456	324	181	115	175	98
<i>Fire</i>									
EMS Calls	6,208	5,636	5,575	5,466	5,544	5,452	5,397	5,217	4,993
Ambulance Billing Collections (net)	\$ 1,231,380	\$ 1,228,840	\$ 1,178,278	\$ 1,175,599	\$ 1,174,427	\$ 1,124,218	\$ 979,105	\$ 925,934	\$ 815,156
Fire Calls	1,225	1,152	1,403	1,259	1,236	1,165	1,086	1,068	1,148
Fire Losses	\$ 1,256,000	\$ 380,450	\$ 1,585,500	\$ 1,119,925	\$ 917,200	\$ 1,219,400	\$ 1,867,400	\$ 883,325	\$ 3,162,325
Fire Safety Company Inspections	1,460	1,462	1,355	1,433	1,664	2,273	3,142	3,084	3,059
Fire Prevention Bureau Inspections	2,704	2,978	2,614	2,841	2,616	2,763	2,920	2,671	2,838
EMS Training (Man Hours)	1,255.00	1,452.75	1,334.50	1,996.75	1,917.75	1,071.50	1,919.75	1,247.25	1,501.50
Fire Training (Man Hours)	6,381.00	7,001.25	8,591.00	7,028.00	6,939.75	6,784.00	8,742.25	8,351.50	7,960.00
Public Health and Welfare									
Cemetery burials	1	3	1	0	0	3	5	3	7
Cemetery cremations	3	2	4	0	1	1	1	5	0
Cemetery sale of lots	0	0	0	0	0	0	0	0	0
Cemetery receipts	\$ 600	\$ 1,000	\$ 1,000	\$ 400	\$ 400	\$ 1,415	\$ 2,300	\$ 1,372	\$ 1,725

(a) Test Not administered
n/a Information not available

CITY OF EUCLID, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST NINE YEARS (1)

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002
Leisure Time Activities									
<i>Recreation</i>									
Swimming pool receipts	\$ 96,334	\$ 98,348	\$ 98,716	\$ 102,644	\$ 98,214	\$ 100,703	\$ 96,681	\$ 119,347	\$ 149,727
Ice Arena receipts	\$ 115,074	\$ 141,666	\$ 178,106	\$ 173,572	\$ 174,213	\$ 134,925	\$ 183,108	\$ 180,999	\$ 179,539
Youth & Adult Sports receipts	\$ 177,020	\$ 179,836	\$ 210,318	\$ 222,765	\$ 231,549	\$ 232,096	\$ 225,916	\$ 257,347	\$ 259,317
Shore Cultural Facility rentals*	\$ 290,623	\$ 117,887	\$ 211,921	\$ 229,676	\$ 195,479	\$ 178,188	\$ 194,067	\$ 187,464	\$ 213,103
<i>Golf</i>									
Rounds of Golf	31,856	35,118	40,486	44,636	44,742	46,776	50,003	48,679	51,316
Golf/Pro-shop receipts	\$ 601,983	\$ 623,533	\$ 679,953	\$ 658,739	\$ 673,323	\$ 624,760	\$ 674,592	\$ 668,676	\$ 679,600
Food & Beverage receipts	\$ 244,397	\$ 318,844	\$ 359,389	\$ 326,050	\$ 305,959	\$ 153,072	\$ 111,636	\$ 111,525	\$ 113,906
Community Development									
Grant amounts received due to Economic Development Dept.	\$ 3,157,430	\$ 1,245,302	\$ 1,244,705	\$ 1,663,793	\$ 1,165,922	\$ 1,567,271	\$ 1,279,625	\$ 1,515,890	\$ 1,301,484
Transportation									
Motor Maintenance - Number of vehicles & equip. maintained	542	544	513	509	501	554	552	556	556
Motor Maintenance - Repair Orders	1,905	2,151	2,332	2,437	3,031	2,994	3,271	3,852	4,211
Traffic Maintenance - No. of responses to EPD Signals/Signs	N/A	N/A	239	271	248	265	236	287	292
Snow & Ice Removal - Salt (tons)	6,763.83	5,261.25	9,572.00	8,902.30	4,404.69	9,758.94	6,220.75	8,065.38	4,472.31
Snow & Ice Removal - Salt (cost)	\$ 311,652	\$ 221,330	\$ 354,225	\$ 313,080	\$ 152,509	\$ 329,886	\$ 236,840	\$ 262,568	\$ 140,160
Street Repair Maintenance - Cold Patch (tons)	291.27	296.97	577.00	477.43	425.55	382.11	352.46	402.06	227.09
Street Repair Maintenance - Cold Patch (cost)	\$ 25,807	\$ 29,714	\$ 43,432	\$ 24,349	\$ 21,704	\$ 16,813	\$ 15,508	\$ 18,093	\$ 10,219
Street Repair Maintenance - Hot Mix (tons)	904.07	741.38	657.00	1,036.73	1,072.37	781.30	762.05	793.00	1,075.46
Street Repair Maintenance - Hot Mix (cost)	\$ 49,451	\$ 41,493	\$ 29,550	\$ 31,450	\$ 31,163	\$ 18,907	\$ 18,402	\$ 21,470	\$ 29,018
Street Repair Maintenance - Emulsion/Crack Sealer (gallons)	1,898	1,766	1,815	2,442	2,637	1,428	1,714	1,886	1,146
Street Repair Maintenance - Emulsion/Crack Sealer (cost)	\$ 5,542	\$ 4,681	\$ 3,936	\$ 4,533	\$ 4,199	\$ 1,572	\$ 1,650	\$ 2,460	\$ 1,143
Sewer Jet Cleaning - Sanitary Sewers (feet)	250,510	193,475	213,225	223,435	169,100	6,345	3,100	8,605	208,990
Sewer Jet Cleaning - Storm Sewers (feet)	20,390	2,100	5,225	4,635	4,320	2,500	1,450	1,000	19,010
Sewer Repairs (includes Water Department damage)	47	76	71	78	61	68	41	59	59
House Call Sewer Jobs/Residential & Business	1,058	1,185	1,139	1,195	1,595	1,492	1,327	1,732	2,235
Catch Basin Repairs	49	55	66	39	54	45	37	40	72
Catch Basin Cleaning	1,134	1,194	849	569	623	320	75	54	2,274
Man Hole Repairs	20	23	13	30	13	5	11	16	44
Sidewalk Repairs	14	16	9	25	12	19	5	12	18
Curb & Apron Repairs	52	80	31	50	17	25	23	26	54
Leaf Collection - Number of Loads	754	750	691	774	1,139	734	840	745	965
Street Sweeping - Number of Loads (dirt & debris)	381	386	471	321	582	352	301	285	473
Street Sweeping - Number of times whole city sweep	3	4	8	5	6	3	3	2	7
Water Hole Maintenance - New Water Openings	213	250	264	312	190	229	165	220	176
Water Hole Maintenance - Completed (cemented/asphalted)	326	288	265	195	221	279	265	326	153
Water Hole Maintenance - Total not completed	363	538	493	480	355	388	432	496	518
Fire Hydrants Painted	0	0	2,034	103	58	80	634	8	880

CITY OF EUCLID, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST NINE YEARS (1)

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002
Wastewater Department									
Wastewater Rates for Water Consumption Based Customers (per 1000 MCF)									
Euclid	\$ 33.01	\$ 31.01	\$ 29.01	\$ 29.01	\$ 29.01	\$ 29.01	\$ 28.71	\$ 28.71	\$ 28.26
Cuyahoga County (So.Euclid, Highland Hts, Richmond Hts)	\$ 29.05	\$ 29.05	\$ 29.05	\$ 29.05	\$ 29.49	\$ 26.05	\$ 25.75	\$ 25.75	\$ 24.86
Willoughby Hills	\$ 24.16	\$ 24.16	\$ 24.16	\$ 24.16	\$ 24.16	\$ 24.16	\$ 24.16	\$ 24.16	\$ 24.16
Wastewater Rates for Wastewater Master Meter Customers (per 1000 Gallons)									
Wickliffe	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73
Willowick	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73
Wastewater Flow MGD									
Euclid	11.70	10.59	13.80	16.74	15.58	14.09	15.19	12.86	12.05
Wickliffe	1.93	1.92	2.14	2.36	2.60	2.51	2.38	2.51	2.15
Willowick	1.70	1.88	2.08	1.85	2.00	1.49	1.26	1.28	1.06
Total	<u>15.33</u>	<u>14.39</u>	<u>18.02</u>	<u>20.95</u>	<u>20.18</u>	<u>18.09</u>	<u>18.83</u>	<u>16.65</u>	<u>15.26</u>
Water Line Construction Fund									
Euclid (charges included with wastewater billing) (per 1000 MCF)	\$ 9.00	\$ 9.00	\$ 8.00	\$ 7.00	\$ 6.00	\$ 5.50	\$ 4.50	\$ 4.00	\$ 3.50
Wastewater Rates									
Wickliffe & Willowick (master metered per 1,000 GA)									
Operating, Maintenance & Repairs	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39
Capital Costs	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28
Lakeshore Trunk Sewer Line maintenance	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total	<u>\$ 1.73</u>	<u>\$ 1.73</u>	<u>\$ 1.73</u>	<u>\$ 1.73</u>	<u>\$ 1.73</u>	<u>\$ 1.73</u>	<u>\$ 1.73</u>	<u>\$ 1.73</u>	<u>\$ 1.73</u>
Willoughby Hills (per MCF of water consumption)									
Operating, Maintenance & Repairs	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60
Capital Costs	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08
Satellite Sewer Discharge Program services	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Total	<u>\$ 24.16</u>	<u>\$ 24.16</u>	<u>\$ 24.16</u>	<u>\$ 24.16</u>	<u>\$ 24.16</u>	<u>\$ 24.16</u>	<u>\$ 24.16</u>	<u>\$ 24.16</u>	<u>\$ 24.16</u>
Cuyahoga County (So.Euclid, Highland Hts, Richmond Hts)									
Operating, Maintenance & Repairs	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60
Capital Costs	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08
Satellite Sewer Discharge Program services	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Equalization under billing (2nd quarter 2000)					0.44	0.44	0.44	0.44	
Equalization under billing (3rd quarter 2000)	1.94	1.94	1.94	1.94	1.94	1.94			
Meter Reading/Billing Charges (City of Cleveland)	1.45	1.45	1.45	1.45	1.45	1.45	1.15	1.15	0.70
Administrative Expenses (City of Euclid)	1.50	1.50	1.50	1.50	1.50	0.00	0.00	0.00	0.00
Total	<u>\$ 29.05</u>	<u>\$ 29.05</u>	<u>\$ 29.05</u>	<u>\$ 29.05</u>	<u>\$ 29.49</u>	<u>\$ 26.05</u>	<u>\$ 25.75</u>	<u>\$ 25.75</u>	<u>\$ 24.86</u>
Euclid									
Operating, Maintenance & Repairs	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60
Capital Costs	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08
Peterson Construction Fund	7.88	5.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88
Meter Reading/Billing Charges	1.61	1.61	1.45	1.45	1.45	1.45	1.15	1.15	0.70
Total	<u>\$ 33.17</u>	<u>\$ 31.17</u>	<u>\$ 29.01</u>	<u>\$ 29.01</u>	<u>\$ 29.01</u>	<u>\$ 29.01</u>	<u>\$ 28.71</u>	<u>\$ 28.71</u>	<u>\$ 28.26</u>

Source: City Departments

(1) Information prior to 2002 is not available

CITY OF EUCLID, OHIO
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST SEVEN YEARS (1)

Function/Program	2010	2009	2008	2007	2006	2005	2004
General Government							
Square Footage Occupied	11,392	11,392	11,392	11,392	11,392	11,392	11,392
Administrative Vehicles	2	1	1	17	21	20	20
Inspection Vehicles	11	12	14	14	13	13	13
Municipal Court Vehicles	1	1	1	1	1	1	1
Lands & Buildings Vehicles	11	11	11	10	9	9	9
Police							
Stations	1	1	1	1	1	1	1
Mini-stations	2	2	2	2	2	1	0
Square Footage of Buildings	58,384	58,384	58,384	58,384	58,384	51,194	49,094
Vehicles	63	64	64	66	69	59	60
Fire							
Stations	3	3	3	3	3	4	4
Square Footage of Buildings	27,389	27,389	27,389	27,389	27,389	34,579	34,579
Vehicles	13	16	18	18	18	18	21
Recreation							
Number of Parks	3	3	3	3	3	3	3
Acres of Parks	106	106	106	106	106	106	106
Acres of Playgrounds/Recreation	254	254	254	254	254	254	254
Number of Playgrounds	14	14	14	14	14	14	14
Number of Tennis Courts	6	6	6	6	6	6	6
Number of Skateboarding Areas	1	1	1	1	1	1	1
Number of Baseball Diamonds	9	19	19	19	19	19	19
Number of Soccer Fields	7	7	7	7	7	7	7
Number of Swimming Pools	5	6	6	6	6	6	6
Number of Ice Rinks	1	1	1	1	1	1	1
Acres of Golf Course	126	126	126	126	126	126	126
Square Footage of Shore Center Building	153,525	153,525	153,525	153,525	153,525	153,525	153,525
Other Public Works							
Streets (miles)	143.065	143.065	143.065	143.065	143.065	143.065	143.065
Service Vehicles	43	43	40	35	35	33	32
Wastewater							
Sanitary Sewers (miles)	262.38	262.38	262.38	262.38	262.38	262.38	262.38
Vehicles	11	10	11	20	13	13	13
Water Department							
Water Lines (miles)	139.65	139.65	139.65	139.65	139.65	139.65	139.65

Source: City Departments

(1) Information prior to 2004 is not available



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Dave Yost • Auditor of State

CITY OF EUCLID

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
SEPTEMBER 8, 2011