

**CITY OF EUCLID
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2013**

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



Dave Yost • Auditor of State

City Council
City of Euclid
585 E. 222nd Street
Euclid, OH 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, 2013 through December 31, 2013. 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 28, 2014

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**CITY OF EUCLID
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013**

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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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Euclid, Ohio's basic financial statements, and have issued our report thereon dated June 17, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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

James G. Zupka,
CPA, President

Digitally signed by James G. Zupka, CPA,
President
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James G. Zupka, CPA, Inc.
Certified Public Accountants

June 17, 2014

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

Certified Public Accountants

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

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

Report on Compliance for Each Major Federal Program

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 the City of Euclid, Ohio's major federal program for the year ended December 31, 2013. The City of Euclid, Ohio's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City of Euclid, Ohio's major federal program based on our audit of the types of compliance requirements referred to above. 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 on compliance for its major federal program. However, our audit does not provide a legal determination of the City of Euclid, Ohio's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Euclid, Ohio, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on of its major federal program for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the City of Euclid, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Euclid, Ohio's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2013, and the related notes to the financial statements, which collectively comprise the City of Euclid, Ohio's basic financial statements. We issued our report thereon dated June 17, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. 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 basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

James G. Zupka,
CPA, President

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

June 17, 2014

**CITY OF EUCLID
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/ <i>Pass-Through Grantor/ Program or Cluster Title</i>	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<u>Direct Award</u>			
<i>Community Development Block Grants Entitlement Grants Cluster</i>			
Entitlement Grants	14.218	B-10MC-39-0006	\$ 326,309
Entitlement Grants	14.218	B-11MC-39-0006	420,613
ARRA - Neighborhood Stabilization Program (NSP)	14.254	B-08-MN-39-0008	80,405
ARRA - Neighborhood Stabilization Program (NSP)	14.254	B-11-MN-39-0008	<u>559,142</u>
<i>Total Community Development Block Grants Entitlement Grants Cluster</i>			<u>1,386,469</u>
Total U.S. Department of Housing and Urban Development			<u>1,386,469</u>
<u>U.S. Department of Energy</u>			
<u>Direct Award</u>			
ARRA - Energy Efficiency and Conservation Grant	81.128	DE-EE0001561	<u>439</u>
Total U.S. Department of Energy			<u>439</u>
<u>U.S. Department of Justice</u>			
<u>Direct Award</u>			
ARRA - COPS Hiring Recovery Program (CHRP)	16.710	2009RKWX0671	<u>37,639</u>
Justice Assistance Grant	16.738		<u>16,651</u>
Total U.S. Department of Justice			<u>54,290</u>
<u>U.S. Department of Homeland Security</u>			
<u>Direct Award</u>			
Assistance to Firefighters Grant - Fire Prevention and Safety Program	97.044	2011-JG-LLE-5269	<u>24,210</u>
Total U.S. Department of Homeland Security			<u>24,210</u>
<u>U.S. Department of Health and Human Services</u>			
<u>Pass-Through Programs from State Department of Aging and the Western Reserve Area Agency on Aging</u>			
Special Programs for the Aging-Title III, Part C-Nutrition Services	93.045	n/a	<u>74,532</u>
Total U.S. Department of Health and Human Services			<u>74,532</u>
<u>U.S. Department of Transportation</u>			
<u>Pass-Through Ohio Department of Transportation</u>			
Urban Core Engineering Program	20.205	E100(218)	<u>260,936</u>
Total Department of Transportation			<u>260,936</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,800,876</u>

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

CITY OF EUCLID, OHIO
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

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
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 DECEMBER 31, 2013**

1. SUMMARY OF AUDITOR'S RESULTS

2013(i)	Type of Financial Statement Opinion	Unmodified
2013(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2013(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2013(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2013(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2013(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2013(v)	Type of Major Programs' Compliance Opinions	Unmodified
2013(vi)	Are there any reportable findings under .510?	No
2013(vii)	Major Programs (list): Community Development Block Grants Entitlement Grants Cluster: Entitlement Grants - CFDA #14.218 ARRA-Neighborhood Stabilization Program (NSP) - CFDA #14.254	
2013(viii)	Dollar Threshold: A/B Programs Type B: All Others	Type A: \$300,000
2013(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CITY OF EUCLID
CUYAHOGA COUNTY, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

The prior audit report, as of December 31, 2012, 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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City of Euclid, Ohio



2013 Comprehensive Annual Financial Report

For the Year Ending December 31, 2013



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CITY OF EUCLID, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2013

Issued by The Finance Department

Thomas K. Malone
Director of Finance

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INTRODUCTORY SECTION

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City of Euclid, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2013
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585 East 222nd Street, Euclid, OH 44123-2099

June 17, 2014

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, 2013, 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 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 four (4) years. The judicial power of the City is vested in the Municipal Court Judge, elected to a six (6) year term. The Mayor appoints the directors of Administration, Finance, Police, Fire, Planning & Development, Law, Parks & Recreation, and Public Service.

City Services

The City offers its citizens a full range of municipal services that include a municipal court, police and fire protection, sanitation and recycling services, 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. Quality 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 Hospital's Euclid Health Center.

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, Inc. for the operation of the golf course.

The City 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'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 Hazen and Sawyer 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 Direct Energy as the provider for natural gas and electricity. Residents can obtain electricity from First Energy Solutions and natural gas from Dominion East Ohio Gas Company, and other independent natural gas suppliers. Cleveland Public Power, a City of Cleveland owned electric utility and The North East Ohio Regional Sewer District serve a small portion of the community. 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, as amended by GASB Statement No. 61. 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 have been reviewed and authorized by City Council annually since 2010.

The City was downgraded to an “Aa3” from an “Aa2” long-term bond rating with Moody’s Investor Service in March 2013. By maintaining a relatively strong credit rating during difficult financial times, the City has demonstrated its high level of performance as it relates to the management of government resources and municipal debt.

Following the U.S. Recession of 2008, business growth remained steady in the City and began to significantly improve as the National Economy continued to rebound in 2013. The City has continued to partner with the State of Ohio and Cuyahoga County taking an aggressive approach in assisting businesses to respond to these improving economic conditions. As a result, the business sector has experienced consistent growth anchored by a number of key investments during 2013, which position the City for continued growth in the future.

In 2013, local developer Ray Fogg Business Systems completed construction of the first building at Bluestone Business Park. The 103,000 square foot industrial facility features 32 foot high ceilings and a flexible floor plan. Remedi Seniorcare of Ohio, Northeast was the first tenant in the property occupying approximately 33,000 square feet. This pharmaceutical distribution company will bring 135 full time employees to the City representing an annual payroll of over \$5.75 million. The remaining space has generated much interest and presents an excellent opportunity to continue to add employment to the City.

Nearby, the Ohio Department of Transportation, in partnership with the Cleveland – Cuyahoga County Port Authority, completed the construction of a new 32,000 square foot maintenance facility representing over \$8 million of investment in the City.

Also in 2013, University Hospitals commenced construction of a new 24,000 square foot state of the art medical office building at East 185th and Lakeshore Boulevard in the City. This \$11 million investment represents a major vote of confidence by University Hospitals in the East 185th Street corridor and the City.

MesoCoat, sister company of Euclid-based Powdermet, opened its first full-scale pipe cladding facility on Rockwell Drive in 2013. MesoCoat, a highly advanced surface engineering company, which combined with Powdermet, employs 56 people in the City. The new 11,000 square foot facility was constructed at a total cost of approximately \$6.3 million.

Small and medium-sized businesses were also attracted to the City in 2013. For example, Petfix of Northeast Ohio, LLC opened the doors to a newly renovated facility on East 222nd Street. The nonprofit organization is dedicated to ending pet overpopulation by promoting the importance of spaying and neutering and providing these services at rates that are affordable and accessible to low-income members of the community.

Downtown Euclid continued to attract investment as well. A small yogurt store, Yogurt City, opened in the district. The shop features more than 40 flavors and toppings. Additionally, plans were approved for the conversion of an existing building on Lakeshore Boulevard into a yet to be named restaurant. Completion of the restaurant project at E. 219th and Lakeshore Boulevard is expected in late 2014.

In late 2013, the City negotiated the sale of 4 acres of land in Century Corners Industrial Park to the HELP Foundation. The local non-profit provides social services to mentally handicapped individuals in Northeast Ohio. The land sale will allow the HELP Foundation to construct a new 10,000 square foot administrative headquarters and training facility with an expected completion date of February 2015. The project will result in the addition of over 22 new jobs to the City.

Improvements were also seen in the City's housing market in 2013. The average home sales price increased by over 3 percent compared to 2012. In addition, the number of new foreclosure filings in the City has continued to decline. The City is contributing to these gains by administering programs to eliminate blighted houses through demolition or rehabilitation. The City also partnered with the Cuyahoga County Land Reutilization Corporation in 2013 to introduce the Owner Advantage Plus Program. Through this program, the County Landbank offers houses to owner occupants at affordable prices and provides limited financing to the buyers for improvements. The City is supporting the program by waiving local building permit fees for program participants.

Harbor Town/Euclid Waterfront Improvements Plan

In the summer of 2009, the City and JJR, an engineering firm specializing in waterfront development projects, set in motion a process to refine the Harbor Town Marina Project concept to include more public access and to better meet regulatory and granting agencies funding priorities.

The JJR team held a series of meetings with area property owners, nearby residents, and lakefront permitting and regulatory agencies. 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 to the east. Not only will public areas be increased, but the opportunity for private investment in new housing and commercial developments will be expanded due to the inclusion of direct connections from the lakefront and Sims Park to Downtown Euclid in the plan.

City Council adopted the Euclid Waterfront Plan as an official addendum to the City's Master Plan in 2009, which is a requirement of many of the grants and funding sources. Since the adoption, the City has received nearly \$1 million in grant funding through various State agencies and programs. Together with financing made possible through its Tax Incremental Funding, the City embarked on Phase One of the implementation of the Plan to make more than \$1 million in improvements to its Lakefront, including property acquisition and other public access improvements. The construction of a new ADA accessible multi-purpose trail and an expanded fishing pier at Sims Park were completed in October 2013. A grand opening was held in late 2013 to celebrate the completion of this first phase of the Euclid Waterfront project.

To continue the momentum of the Euclid Waterfront Improvements Plan, City Council authorized the next phase of detailed engineering and design services with the approval of the Phase IV contract with JJR in the fall of 2013. This work will position the City to prepare for the next phase of lakefront development which will include shoreline stabilization and public lake access with a walking trail and related amenities resulting in nearly three quarters of a mile of public lakefront access in the City.

Long-Term Financial Planning

The City utilizes long-term planning for the funding of capital projects through a Three-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 which have been 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'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's 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 Municipal Charter and is divided between the City's Mayor, Finance Director, Council, the Cuyahoga County Budget Commission and the Office of the Cuyahoga County Fiscal Officer. Major documents associated with the budget preparation include: the County Tax Budget, the Certificate of Estimated Resources and the City's Annual Appropriation Ordinance all of which are prepared and then placed on file with the Cuyahoga County Budget Commission. 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 County Fiscal Officer through the statutory authority of the County Budget Commission must certify that the City's Annual Appropriation does not exceed the amounts set forth in the 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 component of fund balance at December 31, 2013. 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 2013 to be performed by the independent public accounting firm of James G. Zupka, CPA, Inc. The independent accountants' unmodified 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 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, 2013. 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 for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012. 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, all of whom exhibited dedication and professionalism throughout the many hours required in preparing this report.

Respectfully submitted,



Thomas K. Malone
Director of Finance



Bill Cervenik, CPA
Mayor

CITY OF EUCLID, OHIO

“A City of Superior Services”

BILL CERVENIK -Mayor



Directors & Chiefs

CHRIS FREY-*Law*

LEE BOCK-*Public Service*

THOMAS MALONE- *Finance*

CHIEF THOMAS COSGRIFF-*Fire*

JONATHAN HOLODY –*Economic Development*

CHIEF TOM BRICKMAN –*Police*

Municipal Court

DEBORAH LEBARRON –*Judge*

Euclid City Council

KIRSTEN HOLZHEIMER GAIL- *President of Council*

STEPHANA C. CAVINESS – *Ward I*

PATRICK McLAUGHLIN- *Ward V*

MADELINE SCARNIENCH – *Ward II*

JAMES O'HARE – *Ward VI*

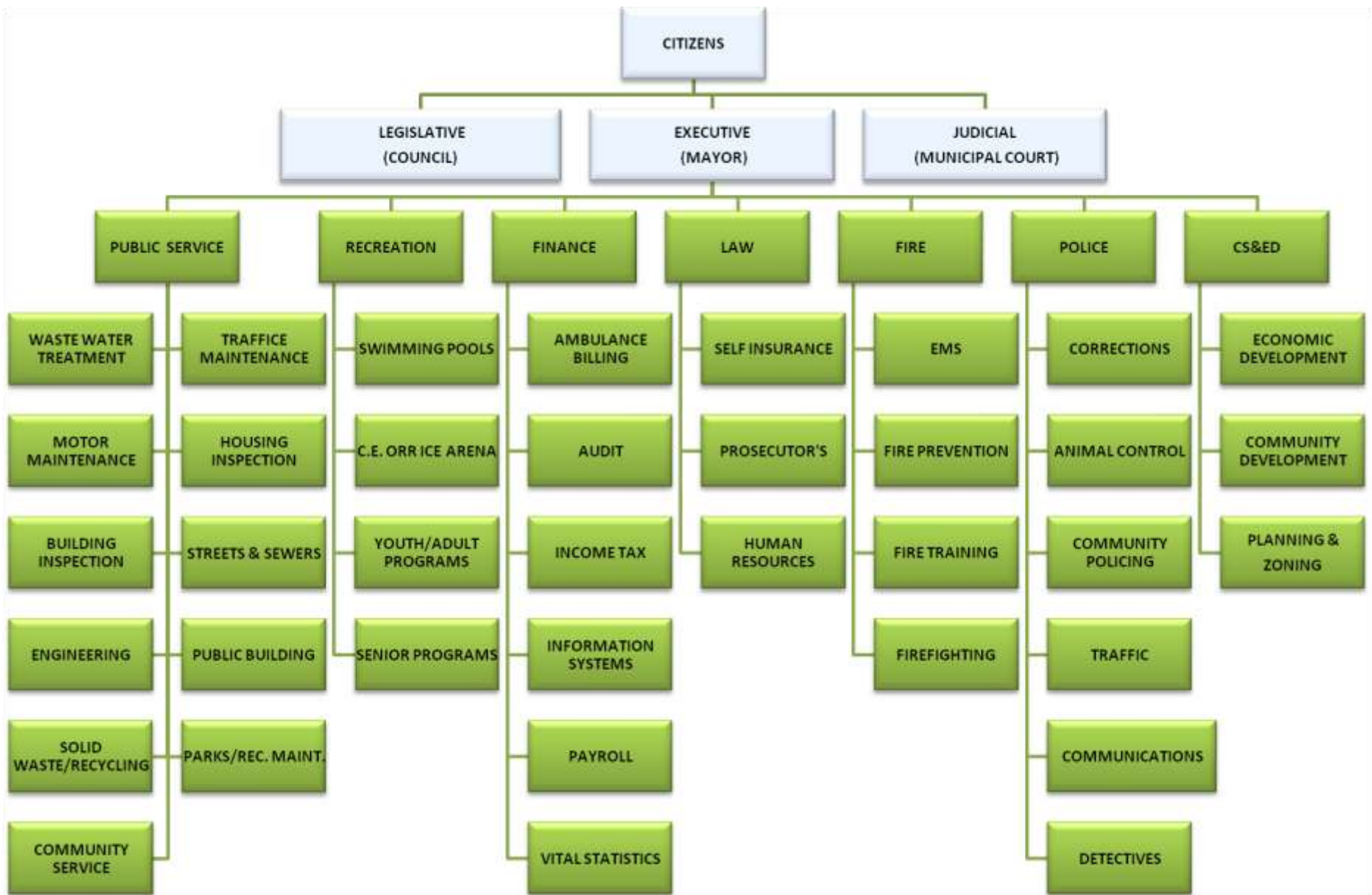
KANDACE JONES – *Ward III*

DARYL K. LANGMAN – *Ward VII*

SCOTT LYNCH – *Ward IV*

GREG VAN HO – *Ward VIII*

City of Euclid, Ohio
Organizational Chart
 December 31, 2013





Government Finance Officers Association

**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, 2012

Executive Director/CEO



THE LAKEFRONT CITY

Euclid

FINANCIAL SECTION

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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 David Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Ohio, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2014, 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* in considering the City of Euclid, Ohio's internal control over financial reporting and compliance.



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

June 17, 2014

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City of Euclid, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
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, 2013. 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 2013 are as follows:

- Total assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources at the close of 2013 by \$109,758,320 compared to \$108,410,975 at the end of 2012, an increase of \$1,347,345 or 1.24 percent. Of these amounts, \$23,004,818 (2013) and \$20,735,255 (2012) 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 decreased by \$3,738,056 with governmental activities decreasing by \$8,115,741 and business-type activities increasing by \$4,332,685. The governmental activities decrease is reflected primarily in equity in pooled cash and cash equivalents and capital assets.
- Municipal income tax revenue for 2013 was \$23,090,347 versus \$22,359,573 in 2012, an increase of \$730,774 or 3.27 percent.
- Property and other local taxes for governmental activities slightly decreased by \$133,199, or 2.72 percent, to \$4,765,637.
- Together, municipal income taxes and property and other local taxes accounted for \$27,855,984 in revenue, or 62.72 percent, of all revenues in governmental activities.
- Grants and entitlements not restricted to specific programs decreased by \$872,517, or 28.50 percent, to \$2,189,349.
- Charges for services in business-type activities increased by \$2,288,666, or 16.34 percent, from \$14,008,814 in 2012 to \$16,297,480 in 2013.
- The City's governmental long-term obligations, decreased by \$2,870,639, or 8.57 percent, to \$30,610,125.

City of Euclid, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Overview of the Financial Statements

This management's 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 21, 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 Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual reported as net position. Over time, increases or decreases in the City's net position are one indicator of whether the City's financial health is improving or deteriorating. In 2013, Governmental Activities unrestricted net position decreased by \$1,180,175 or 9.77 percent. In Business-Type Activities, unrestricted net position increased by \$3,449,738 or 39.84 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 position changed during the most recent year. All changes in net position 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, sanitation, 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 2013, Business-Type Activities' expenses slightly decreased by \$390,316 or 3.33 percent. This decrease was due to the number of studies completed in the prior year for improvements to the water and sewers.

City of Euclid, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Revenues in Business-Type Activities increased by \$3,204,429 or 22.84 percent. This reflects an increase in Charges for Services revenue collected by the Waste Water Treatment Fund, due to a rate increase during 2013 coupled with an increase in capital grants and contributions from OPWC.

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.

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.

The City maintains 25 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 23 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 24 through 28 of this report.

City of Euclid, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

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, and the City's internal service fund.

The basic proprietary fund financial statements can be found on pages 29 through 31 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 32 of this report.

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 beginning on page 33 of this report.

City of Euclid, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Government-Wide Financial Analysis

Information regarding the government-wide net position of the City is presented in the following table for 2013 and 2012.

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
ASSETS						
Current and other assets	\$ 33,249,086	\$ 38,646,122	\$ 13,645,907	\$ 9,940,390	\$ 46,894,993	\$ 48,586,512
Capital assets, net	59,500,420	62,219,125	68,559,979	67,932,811	128,060,399	130,151,936
Total Assets	92,749,506	100,865,247	82,205,886	77,873,201	174,955,392	178,738,448
DEFERRED OUTFLOWS OF RESOURCES						
Deferral on Refundings	471,969	566,345	151,502	177,705	623,471	744,050
LIABILITIES						
Current and other liabilities	8,149,080	9,239,720	674,174	572,120	8,823,254	9,811,840
Long-term liabilities:						
Due within one year	3,507,647	3,576,790	2,337,919	2,739,749	5,845,566	6,316,539
Due in more than one year	27,102,478	29,903,974	19,481,010	20,769,907	46,583,488	50,673,881
Total Liabilities	38,759,205	42,720,484	22,493,103	24,081,776	61,252,308	66,802,260
DEFERRED INFLOWS OF RESOURCES						
Property taxes	4,097,442	4,005,973	-	-	4,097,442	4,005,973
Payments in lieu of taxes	263,293	263,290	-	-	263,293	263,290
Sale of future revenues	207,500	-	-	-	207,500	-
Total Deferred Inflows of Resources	4,568,235	4,269,263	-	-	4,568,235	4,269,263
NET POSITION						
Net investment in capital assets	32,235,958	32,146,243	47,755,727	45,310,310	79,991,685	77,456,553
Restricted	6,761,817	10,219,167	-	-	6,761,817	10,219,167
Unrestricted	10,896,260	12,076,435	12,108,558	8,658,820	23,004,818	20,735,255
Total Net Position	\$ 49,894,035	\$ 54,441,845	\$ 59,864,285	\$ 53,969,130	\$ 109,758,320	\$ 108,410,975

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$109,758,320 at the close of the most recent fiscal year.

By far the largest component of the City's net position, 72.88 percent, reflects its investment in capital assets (e.g. land, construction in progress, 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 and deferred outflows/inflows of resources. 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.

City of Euclid, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

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

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

Table 2 - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
REVENUES						
Program Revenues:						
Charges for services	\$ 9,306,525	\$ 10,615,950	\$ 16,297,480	\$ 14,008,814	\$ 25,604,005	\$ 24,624,764
Operating grants and contributions	3,360,377	3,685,591	-	-	3,360,377	3,685,591
Capital grants and contributions	497,681	738,313	937,345	9,300	1,435,026	747,613
Total Program Revenues	13,164,583	15,039,854	17,234,825	14,018,114	30,399,408	29,057,968
General Revenues:						
Property and other local taxes	4,765,637	4,898,836	-	-	4,765,637	4,898,836
Municipal income taxes	23,090,347	22,359,573	-	-	23,090,347	22,359,573
Payments in lieu of taxes	261,567	304,822	-	-	261,567	304,822
Grants and entitlements	2,189,349	3,061,866	-	-	2,189,349	3,061,866
Investment income	90,253	107,136	146	196	90,399	107,332
Gain on Sale of Capital Assets	23,311	-	-	-	23,311	-
All other revenues	827,035	983,607	-	12,232	827,035	995,839
Total General Revenues	31,247,499	31,715,840	146	12,428	31,247,645	31,728,268
Total Revenues	44,412,082	46,755,694	17,234,971	14,030,542	61,647,053	60,786,236
EXPENSES						
Program Expenses:						
Security of persons and property	21,090,420	20,602,865	-	-	21,090,420	20,602,865
Public health	273,361	275,393	-	-	273,361	275,393
Leisure time activities	1,878,910	1,709,689	-	-	1,878,910	1,709,689
Community and economic development	3,004,987	2,991,518	-	-	3,004,987	2,991,518
Sanitation	2,310,771	2,063,996	-	-	2,310,771	2,063,996
Transportation	6,026,874	9,489,789	-	-	6,026,874	9,489,789
General government	13,381,458	11,879,530	-	-	13,381,458	11,879,530
Interest and fiscal charges	993,111	1,210,537	-	-	993,111	1,210,537
Waste Water Treatment	-	-	9,997,445	10,203,983	9,997,445	10,203,983
Water Line Improvement	-	-	1,253,974	1,433,806	1,253,974	1,433,806
Briardale Greens Golf Course	-	-	88,397	92,343	88,397	92,343
Total Expenses	48,959,892	50,223,317	11,339,816	11,730,132	60,299,708	61,953,449
Change in Net Position	(4,547,810)	(3,467,623)	5,895,155	2,300,410	1,347,345	(1,167,213)
Net Position - Beginning of Year	54,441,845	57,909,468	53,969,130	51,668,720	108,410,975	109,578,188
Net Position - End of Year	\$ 49,894,035	\$ 54,441,845	\$ 59,864,285	\$ 53,969,130	\$ 109,758,320	\$ 108,410,975

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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 2.38 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 2013	Net Cost of Services 2013
Security of persons and property	\$ 21,090,420	\$ 17,027,259
Public health	273,361	143,323
Leisure time activities	1,878,910	1,222,459
Community and economic development	3,004,987	(345,366)
Sanitation	2,310,771	713,181
Transportation	6,026,874	4,322,927
General government	13,381,458	11,718,415
Interest and fiscal charges	993,111	993,111
Total cost of service	<u>\$ 48,959,892</u>	<u>\$ 35,795,309</u>

Security of Persons and Property expenses totaled \$21,090,420, or 43.08 percent of the total 2013 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, 2013, the City employed 95 full time police officers and 78 full time firefighters. General Government expenses totaled \$13,381,458 or 27.33 percent, of total 2013 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 enterprise funds, which include the Waste Water Treatment Fund, the Water Line Improvement Fund, and the Briardale Greens Golf Course Fund. The operating results of these three enterprise funds are discussed below.

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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 has retained the services of Hazen and Sawyer, on an annual basis, to determine the adequacy of user rates to fund continuing operations.

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 2013, operating expenses in the fund decreased by \$154,711, or 14.28 percent, while operating revenues decreased by \$1,226,163, or 42.16 percent. The decrease in expenses is mainly attributed to the decrease in depreciation expense for 2013 when compared to 2012. In prior year, the City made adjustments to useful lives that caused depreciation expense to increase in the prior period.

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. 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2013, the City's governmental funds reported an ending combined fund balance of \$7,623,482, a decrease of \$2,406,170 in comparison with the prior year. \$2,570,804 of the ending fund balance for 2013 constitutes assigned and unassigned fund balance combined, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted, or committed to indicate that it is not available for new spending because it is not in spendable form or it has already been restricted by an external constraint or committed by internal constraints.

All governmental funds had total revenues of \$46,721,513 and expenditures of \$49,382,967 (not including other financing sources and uses) with expenditures exceeding revenues by \$2,661,454. Revenues increased from the previous year primarily due to an increase in municipal income taxes which was offset by decreases in intergovernmental revenues and charges for services. Expenditures increased due mainly to the general government expenditures seeing the largest increase as a result of increases in health insurance costs.

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The General Fund is the chief operating fund of the City. At the beginning of the current year, total fund balance for the General Fund was \$7,894,866. General Fund expenditures (not including other financing uses) for the current year were \$37,652,313, with revenues (not including other financing sources) of \$37,820,409, leaving a total fund balance of \$7,763,687, of which \$5,915,128 is unassigned fund balance.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures (not including other financing uses). The General Fund's unassigned fund balance represents 15.71 percent of total General Fund expenditures while total fund balance represents 20.62 percent of that same amount.

On a cash basis, projected final budgetary fund balance in the General Fund, for year ending 2013 was about \$3.16 million. Actual budgetary fund balance increased by \$25,533 (which includes prior year encumbrances appropriated) taking the actual budgetary fund balance from \$4,008,977 to \$4,034,510.

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 0.47 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.

2013 income tax revenues were up, by \$3,443,095 or 16.71 percent from 2012. This increase is mainly due to the continued strengthening of the local economy, the policies and programs of the City's Planning and Development Department in the areas of job creation, expansion and retention, and the concentration on compliance and collection of delinquent accounts by the Tax Department.

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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. 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 resulted 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 has phased out the reimbursements immediately or over a much shorter time frame.

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 use is 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	2013	2012	2011
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
Total	<u>13.60</u>	<u>13.60</u>	<u>13.60</u>
Assessed Valuation	<u>\$ 587,254,750</u>	<u>\$ 738,711,240</u>	<u>\$ 746,769,750</u>

Property tax collections have dropped significantly due to a decline in the City’s assessed valuation, 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.

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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, 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 2013, the City received \$912,892 from the State's LGF for a decrease of \$1,073,443, or 54.04 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.

Analysis of the General Obligation Bond Retirement Fund

The City's General Obligation Bond Retirement Fund experienced a decrease in fund balance of \$2,718,409, which reduced the fund balance to a deficit fund balance of \$3,458,636. This decrease in fund balance is mainly attributed to recognition of short-term notes and will be eliminated once these notes are rolled into long-term bonds.

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. A brief analysis of the major enterprise funds were previously discussed in another section of the Management's Discussion and Analysis.

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, 2013, amounts to \$128,060,399. 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, 2013, is reflected in the table which follows.

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 10,775,705	\$ 10,775,705	\$ 8,336,966	\$ 7,428,126	\$ 19,112,671	\$ 18,203,831
Construction in progress	2,479,587	4,215,739	2,278,174	3,490,768	4,757,761	7,706,507
Total Non-Depreciable	13,255,292	14,991,444	10,615,140	10,918,894	23,870,432	25,910,338
Land improvements	2,011,458	1,823,855	375,358	423,502	2,386,816	2,247,357
Buildings and Improvements	8,924,108	9,040,090	7,460,856	7,763,627	16,384,964	16,803,717
Furniture, Fixtures, and Equipment	4,292,955	4,779,536	893,251	927,062	5,186,206	5,706,598
Infrastructure:						
Streets	31,016,607	31,584,200	-	-	31,016,607	31,584,200
Sanitary Sewers	-	-	15,781,053	16,218,333	15,781,053	16,218,333
Storm Sewers	-	-	7,379,634	7,616,913	7,379,634	7,616,913
Water Lines	-	-	26,054,687	24,064,480	26,054,687	24,064,480
Total Depreciable, Net of Depreciation	46,245,128	47,227,681	57,944,839	57,013,917	104,189,967	104,241,598
Total Capital Assets, Net of Depreciation	\$ 59,500,420	\$ 62,219,125	\$68,559,979	\$67,932,811	\$ 128,060,399	\$ 130,151,936

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

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

Governmental Activities

Press Box	\$ 404,640
Fishing Pier and Trail	1,456,506
Downtown Streetscape	21,740
Lakeshore/East 222nd/Babbitt Improvements	455,686
Euclid Corridor	90,000
Highland Road Repairs	51,015
Total Governmental Activities	\$ 2,479,587

Business-Type Activities

Wastewater Treatment Plant	\$ 332,177
E. 222nd & Tungsten Waterline	208,378
E. 194th Street SSO Elimination	97,062
Sludge Line Replacement	239,412
E. 222nd Relief Sewer	125,722
Edgecliff SSO Elimination	117,065
Crystal/E. 220th/Bruce Storm & Sanitary	303,277
E. 274th/E. 275th SSO Elimination	380,286
Green Infrastructure	88,982
MBR	218,773
Headworks	167,040
Total Business-Type Activities	\$ 2,278,174

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Additional information on the City's capital assets can be found in Note 10.

Debt The City's outstanding General Obligation Debt was downgraded to an "Aa3" from an "Aa2" long-term bond rating with Moody's Investor Service in March 2013. 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, 2013, the City's General Obligation Bonded Debt totaled \$31,074,343.

A summary of outstanding debt at December 31, 2013 follows.

Table 6 - Outstanding Debt at December 31

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds, net	\$ 19,975,891	\$ 22,581,511	\$ 11,098,452	\$ 11,874,105	\$ 31,074,343	\$ 34,455,616
Special Assessment Bonds, net	570,111	683,133	-	-	570,111	683,133
Notes Payable	5,278,176	5,276,969	-	-	5,278,176	5,276,969
Industrial Revenue Bond, net	419,000	547,000	-	-	419,000	547,000
OWDA Loans	-	-	2,523,453	2,915,302	2,523,453	2,915,302
OPWC Loans	1,336,299	1,419,818	7,177,596	7,775,402	8,513,895	9,195,220
Capital Leases	375,358	271,420	4,751	57,692	380,109	329,112
Total Outstanding Debt	<u>\$ 27,954,835</u>	<u>\$ 30,779,851</u>	<u>\$ 20,804,252</u>	<u>\$ 22,622,501</u>	<u>\$ 48,759,087</u>	<u>\$ 53,402,352</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 Notes 11 and 12 to the financial statements for more information regarding the City's outstanding debt.

Debt Capacity: The City is within the statutory limitations for both voted and unvoted debt. The computation of the legal debt margins at December 31, 2013, 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 notes and bonded debt.

The City's 2013 overall legal debt limit established by statutory limitations was \$61,661,749. The City's legal debt margin of \$36,138,041 is within the overall legal debt limit. The City's 2013 unvoted legal debt limit established by statutory limitations was of \$32,299,011. The City's unvoted legal debt margin of \$6,775,303 is within the unvoted legal debt limit.

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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, 2013 for the City is as follows:

	Amount	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
Net General Obligation Debt (Bonded)	\$ 31,074,343	1.89%	\$ 635

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

The City of Euclid experienced a substantial valuation decline during its sexennial reassessment by the County Fiscal Officer in 2013, due mostly to a 20.3 percent downward valuation of residential property. This reduction in value resulted in the City's existing outstanding debt to be in excess of the 10 Mill statutory limitation on debt issuance. Issuance of future General Obligation Debt is restricted until the outstanding debt is reduced below the statutory limitation. This will be accomplished by the refinancing of \$5,265,000 of outstanding notes with Various Purpose Income Tax Special Obligation Notes, and conservative management of remaining debt.

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 its business districts and

The budget process for 2014 is complete and, although a challenge, the City is committed to taking the steps necessary to restore structural balance to the City's budget. 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 \$4,034,510, and dividing that balance by the 2013 original budget for General Fund revenues and other financing sources of \$38,335,322 results in a percentage of 10.52 percent.

In addition to revenue enhancements, the City has made significant reductions in operating expenses and continues to explore available opportunities. Collaborative efforts are being examined with other governmental agencies to explore possible cost savings that will also strengthen results of operations. Cuyahoga County is expected to assume management of the City's correctional facility in 2014, resulting in savings in excess of \$1,000,000 annually.

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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 City has received over \$3.5 million dollars in funding from various governmental agencies 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.

Contacting the City's Finance Department

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

Basic Financial Statements

City of Euclid, Ohio
Statement of Net Position
December 31, 2013

	Governmental Activities	Business-Type Activities	Total	Euclid Development Corporation
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 8,598,733	\$ 9,515,405	\$ 18,114,138	\$ 645,868
Cash and Cash Equivalents:				
In Segregated Accounts	8,147	-	8,147	-
With Fiscal Agents	50,132	-	50,132	-
With Escrow Agents	160,947	-	160,947	-
Materials and Supplies Inventory	322,583	64,051	386,634	-
Accounts Receivable	458,951	4,037,044	4,495,995	-
Accrued Interest Receivable	19,531	-	19,531	-
Intergovernmental Receivable	1,758,328	10,121	1,768,449	3,300
Prepaid Items	99,787	14,535	114,322	-
Municipal Income Taxes Receivable	10,008,718	-	10,008,718	-
Property Taxes Receivable	5,031,109	-	5,031,109	-
Payments in Lieu of Taxes Receivable	263,293	-	263,293	-
Notes Receivable	982,123	-	982,123	-
Loans Receivable	-	-	-	2,309,159
Special Assessments Receivable	4,679,058	-	4,679,058	-
Assets held for Resale	807,646	-	807,646	-
Capital Leases Receivable	-	4,751	4,751	-
Nondepreciable Capital Assets	13,255,292	10,615,140	23,870,432	-
Depreciable Capital Assets	46,245,128	57,944,839	104,189,967	-
Total Assets	92,749,506	82,205,886	174,955,392	2,958,327
DEFERRED OUTFLOWS OF RESOURCES				
Deferral on Refunding	471,969	151,502	623,471	-
Total Deferred Outflows of Resources	471,969	151,502	623,471	-
LIABILITIES				
Accounts Payable	690,849	398,798	1,089,647	500
Contracts Payable	-	-	-	11,872
Accrued Wages and Benefits	901,576	149,143	1,050,719	2,595
Intergovernmental Payable	667,766	74,038	741,804	52
Matured Compensated Absences Payable	18,262	-	18,262	-
Accrued Interest Payable	99,464	52,195	151,659	-
Retainage Payable	83,844	-	83,844	-
Claims Payable	409,143	-	409,143	-
Notes Payable	5,278,176	-	5,278,176	-
Long-term Liabilities:				
Due within one year	3,507,647	2,337,919	5,845,566	-
Due in more than one year	27,102,478	19,481,010	46,583,488	-
Total Liabilities	38,759,205	22,493,103	61,252,308	15,019
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	4,097,442	-	4,097,442	-
Payments in Lieu of Taxes	263,293	-	263,293	-
Sale of Future Revenues	207,500	-	207,500	-
Total Deferred Inflows of Resources	4,568,235	-	4,568,235	-
NET POSITION				
Net Investment in Capital Assets	32,235,958	47,755,727	79,991,685	-
Restricted for:				
Debt Service	2,894,299	-	2,894,299	-
Capital Projects	1,358,282	-	1,358,282	-
Transportation	688,415	-	688,415	-
Community Development	863,521	-	863,521	-
Other Purposes	957,300	-	957,300	-
Unrestricted	10,896,260	12,108,558	23,004,818	2,943,308
Total Net Position	\$ 49,894,035	\$ 59,864,285	\$ 109,758,320	\$ 2,943,308

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Statement of Activities
For the Year Ended December 31, 2013

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental activities:				
Security of Persons and Property	\$ 21,090,420	\$ 3,643,071	\$ 398,529	\$ 21,561
Public Health	273,361	84,625	14,569	30,844
Leisure Time Activities	1,878,910	403,594	368	252,489
Community and Economic Development	3,004,987	1,965,204	1,317,949	67,200
Sanitation	2,310,771	1,592,590	5,000	-
Transportation	6,026,874	2,024	1,576,336	125,587
General Government	13,381,458	1,615,417	47,626	-
Interest and Fiscal Charges	993,111	-	-	-
<i>Total Governmental activities</i>	<u>48,959,892</u>	<u>9,306,525</u>	<u>3,360,377</u>	<u>497,681</u>
Business-type activities:				
Waste Water Treatment	9,997,445	14,615,480	-	850,622
Water Line Improvement	1,253,974	1,682,000	-	-
Briardale Greens Golf Course	88,397	-	-	86,723
<i>Total Business-type activities</i>	<u>11,339,816</u>	<u>16,297,480</u>	<u>-</u>	<u>937,345</u>
<i>Total Primary Government</i>	<u>\$ 60,299,708</u>	<u>\$ 25,604,005</u>	<u>\$ 3,360,377</u>	<u>\$ 1,435,026</u>
Component Unit:				
Euclid Development Corporation	212,671	146,774	-	-
<i>Total Component Unit</i>	<u>\$ 212,671</u>	<u>\$ 146,774</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Property Taxes levied for:
 General Purposes
 Debt Service Purpose
 Capital Outlay
 Other Purposes
Municipal Income Taxes levied for:
 General Purposes
Other Local Taxes
Payments in Lieu of Taxes
Grants & Entitlements not restricted to specific programs
Investment Income
Gain on Sale of Capital Assets
All Other Revenues
 Total General Revenues
Change in Net Position
Net Position - Beginning of Year
Net Position - End of Year

The notes to the basic financial statements are an integral part of this statement

Net (Expense) Revenue and Changes in Net Position			Component Unit
Governmental Activities	Business-type Activities	Total	Euclid Development Corporation
\$ (17,027,259)	\$ -	\$ (17,027,259)	\$ -
(143,323)	-	(143,323)	-
(1,222,459)	-	(1,222,459)	-
345,366	-	345,366	-
(713,181)	-	(713,181)	-
(4,322,927)	-	(4,322,927)	-
(11,718,415)	-	(11,718,415)	-
(993,111)	-	(993,111)	-
<u>(35,795,309)</u>	<u>-</u>	<u>(35,795,309)</u>	<u>-</u>
-	5,468,657	5,468,657	-
-	428,026	428,026	-
-	(1,674)	(1,674)	-
<u>-</u>	<u>5,895,009</u>	<u>5,895,009</u>	<u>-</u>
<u>(35,795,309)</u>	<u>5,895,009</u>	<u>(29,900,300)</u>	<u>-</u>
-	-	-	(65,897)
-	-	-	(65,897)
1,522,904	-	1,522,904	-
1,915,883	-	1,915,883	-
385,258	-	385,258	-
294,609	-	294,609	-
23,090,347	-	23,090,347	-
646,983	-	646,983	-
261,567	-	261,567	-
2,189,349	-	2,189,349	-
90,253	146	90,399	(94)
23,311	-	23,311	-
827,035	-	827,035	3,339
<u>31,247,499</u>	<u>146</u>	<u>31,247,645</u>	<u>3,245</u>
<u>(4,547,810)</u>	<u>5,895,155</u>	<u>1,347,345</u>	<u>(62,652)</u>
<u>54,441,845</u>	<u>53,969,130</u>	<u>108,410,975</u>	<u>3,005,960</u>
<u>\$ 49,894,035</u>	<u>\$ 59,864,285</u>	<u>\$ 109,758,320</u>	<u>\$ 2,943,308</u>

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Balance Sheet
Governmental Funds
December 31, 2013

	General Fund	General Obligation Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 4,173,439	\$ 1,082,249	\$ 3,281,099	\$ 8,536,787
Cash and Cash Equivalents:				
In Segregated Accounts	8,147	-	-	8,147
With Fiscal Agents	50,132	-	-	50,132
With Escrow Agents	-	-	160,947	160,947
Materials and Supplies Inventory	191,894	-	130,689	322,583
Accrued Interest Receivable	19,531	-	-	19,531
Accounts Receivable	445,022	-	13,929	458,951
Interfund Receivable	-	773,313	-	773,313
Intergovernmental Receivable	840,242	125,813	792,273	1,758,328
Prepaid Items	78,286	-	21,501	99,787
Municipal Income Taxes Receivable	10,008,718	-	-	10,008,718
Property Taxes Receivable	1,843,462	2,364,672	822,975	5,031,109
Special Assessments Receivable	4,096,707	582,351	-	4,679,058
Notes Receivable	982,123	-	-	982,123
Payments in Lieu of Taxes Receivable	-	-	263,293	263,293
Assets held for Resale	-	-	807,646	807,646
Total Assets	\$ 22,737,703	\$ 4,928,398	\$ 6,294,352	\$ 33,960,453
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 393,465	\$ -	\$ 291,104	\$ 684,569
Accrued Wages and Benefits	823,442	1,697	76,437	901,576
Intergovernmental Payable	619,042	946	47,778	667,766
Matured Compensated Absences Payable	18,262	-	-	18,262
Accrued Interest Payable	-	33,508	-	33,508
Retainage Payable	-	-	83,844	83,844
Interfund Payable	-	-	773,313	773,313
Claims Payable	409,143	-	-	409,143
Notes Payable	-	5,278,176	-	5,278,176
Total Liabilities	2,263,354	5,314,327	1,272,476	8,850,157
Deferred Inflows of Resources:				
Property Taxes and Payments in Lieu of Taxes	1,501,355	1,925,839	933,541	4,360,735
Sale of Future Revenues	-	-	207,500	207,500
Unavailable Revenue - Delinquent Property Taxes	342,107	438,833	152,727	933,667
Unavailable Revenue - Income Taxes	6,295,762	-	-	6,295,762
Unavailable Revenue - Other	4,571,438	708,035	409,677	5,689,150
Total Deferred Inflows of Resources	12,710,662	3,072,707	1,703,445	17,486,814
Fund Balances:				
Nonspendable	1,278,550	-	152,190	1,430,740
Restricted	-	-	3,546,337	3,546,337
Committed	63,128	-	12,473	75,601
Assigned	506,881	-	-	506,881
Unassigned (Deficit)	5,915,128	(3,458,636)	(392,569)	2,063,923
Total Fund Balances (Deficit)	7,763,687	(3,458,636)	3,318,431	7,623,482
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 22,737,703	\$ 4,928,398	\$ 6,294,352	\$ 33,960,453

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
*Reconciliation of Total Governmental Fund Balances to Net
 Position of Governmental Activities*
 December 31, 2013

Total Governmental Funds Balance \$ 7,623,482

*Amounts reported for Governmental Activities in the Statement of Net Position
 are different because:*

Capital Assets used in Governmental Activities are not financial resources
 and, therefore, are not reported in the funds 59,500,420

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

Delinquent property taxes	\$	933,667	
Municipal income taxes		6,295,762	
Special assessments		4,679,058	
Intergovernmental		979,180	
Charges for services		30,912	
Total			12,918,579

In the Statement of Activities, interest is accrued on outstanding
 bonds, whereas in Governmental funds, an interest expenditure
 is reported when due. (65,956)

Internal Service funds are used by management to charge the costs
 of certain activities, such as insurance to individual funds. The assets
 and liabilities of the Internal Service funds are included in Governmental
 Activities in the Statement of Net Position. (144,334)

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

General obligation bonds		(19,966,000)	
Special assessment bonds		(655,000)	
Industrial development revenue bonds		(530,000)	
Unamortized premiums on bonds		(285,971)	
Deferral on refundings		471,969	
Compensated absences		(6,913,374)	
Claims and judgments payable		(348,123)	
Capital leases		(375,358)	
OPWC loans		(1,336,299)	
Total			(29,938,156)

Net Position of Governmental Activities \$ 49,894,035

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

	General	General Obligation Bond	Other Governmental	Total Governmental
	Fund	Retirement	Funds	Funds
REVENUES				
Property Taxes	\$ 1,519,249	\$ 1,914,232	\$ 678,235	\$ 4,111,716
Municipal Income Taxes	24,043,014	-	-	24,043,014
Other Local Taxes	646,983	-	-	646,983
Payments in Lieu of Taxes	-	-	261,566	261,566
Intergovernmental	1,994,607	593,998	4,049,937	6,638,542
Interest	63,640	25,970	643	90,253
Fees, Licenses, and Permits	556,302	-	-	556,302
Fines and Forfeitures	1,825,427	-	469,563	2,294,990
Rentals	60,905	41,500	39,837	142,242
Charges for Services	4,982,574	-	394,015	5,376,589
Contributions and Donations	3,039	-	15,741	18,780
Special Assessments	1,119,805	116,470	-	1,236,275
All Other Revenues	1,004,864	3,258	296,139	1,304,261
Total Revenues	37,820,409	2,695,428	6,205,676	46,721,513
EXPENDITURES				
Current:				
Security of Persons and Property	20,435,659	-	449,450	20,885,109
Public Health	277,146	-	-	277,146
Leisure Time Activities	695,206	-	956,570	1,651,776
Community and Economic Development	1,409,162	-	1,421,714	2,830,876
Sanitation	2,303,563	-	-	2,303,563
Transportation	-	-	1,905,970	1,905,970
General Government	12,208,466	93,233	570,247	12,871,946
Capital Outlay	-	-	2,514,506	2,514,506
Debt Service:				
Principal Retirement	285,317	2,824,519	67,745	3,177,581
Interest and Fiscal Charges	37,794	622,960	303,740	964,494
Total Expenditures	37,652,313	3,540,712	8,189,942	49,382,967
Excess of Revenues (Under) Expenditures	168,096	(845,284)	(1,984,266)	(2,661,454)
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	991	-	35,134	36,125
Inception of Capital Lease	-	-	292,000	292,000
Insurance Recovery	2,159	-	-	2,159
Transfers In	117,000	-	2,217,550	2,334,550
Transfers Out	(419,425)	(1,873,125)	(117,000)	(2,409,550)
Total Other Financing Sources (Uses)	(299,275)	(1,873,125)	2,427,684	255,284
Net Change in Fund Balances	(131,179)	(2,718,409)	443,418	(2,406,170)
Fund Balances - Beginning of Year	7,894,866	(740,227)	2,875,013	10,029,652
Fund Balances - End of Year	\$ 7,763,687	\$ (3,458,636)	\$ 3,318,431	\$ 7,623,482

The notes to the basic financial statements are an integral part of this statement

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, 2013

Net Change in Fund Balances-Total Governmental Funds \$(2,406,170)

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 Outlay	\$	1,968,289	
Depreciation		(4,674,180)	
Total		(2,705,891)	(2,705,891)

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets. (12,814)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Delinquent property taxes		6,938	
Municipal income taxes		(952,667)	
Special assessments		(687,766)	
Intergovernmental		(703,712)	
Charges for services		2,306	
Total		(2,334,901)	(2,334,901)

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the inception of capital leases. (292,000)

Repayment of principal on the City's bonds, OPWC loan, and capital leases are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 3,177,581

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.

Compensated absences		351,446	
Claims		(201,406)	
Accrued interest on bonds		30,741	
Amortization of bond premiums		35,018	
Amortization of loss on refunding		(94,376)	
Total		121,423	121,423

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. (95,038)

Change in Net Position of Governmental Activities \$(4,547,810)

The notes to the basic financial statements are an integral part of this statement

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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 1,502,183	\$ 1,502,183	\$ 1,519,249	\$ 17,066
Income Taxes	24,906,384	24,906,384	24,149,428	(756,956)
Other Local Taxes	700,200	700,200	653,704	(46,496)
Intergovernmental	1,913,719	1,913,719	1,861,809	(51,910)
Interest	40,000	40,000	71,285	31,285
Licenses and Permits	468,115	468,115	556,302	88,187
Fines and Forfeitures	1,695,285	1,695,285	1,821,555	126,270
Rentals	75,000	75,000	60,905	(14,095)
Charges for Services	5,958,161	5,958,161	5,123,599	(834,562)
Contributions and Donations	-	-	300	300
Special Assessments	925,000	925,000	957,496	32,496
All Other Revenues	40,775	40,775	1,050,732	1,009,957
Total Revenues	<u>38,224,822</u>	<u>38,224,822</u>	<u>37,826,364</u>	<u>(398,458)</u>
Expenditures:				
Current:				
Security of Persons and Property	21,004,654	21,014,654	20,522,527	492,127
Public Health	276,008	278,868	278,149	719
Leisure Time Activities	552,407	563,980	546,251	17,729
Community and Economic Development	1,329,075	1,374,075	1,284,304	89,771
Sanitation	2,295,300	2,325,300	2,303,654	21,646
General Government	12,711,146	13,013,800	12,388,203	625,597
Debt Service:				
Principal	205,000	270,200	255,000	15,200
Interest & Fiscal Charges	60,150	60,150	54,095	6,055
Total Expenditures	<u>38,433,740</u>	<u>38,901,027</u>	<u>37,632,183</u>	<u>1,268,844</u>
Excess of Revenues Over (Under) Expenditures	(208,918)	(676,205)	194,181	870,386
Other Financing Sources (Uses)				
Sale of Capital Assets	500	500	991	491
Transfers In	110,000	159,132	159,132	-
Transfers Out	(381,100)	(389,100)	(389,100)	-
Total Other Financing Sources (Uses)	<u>(270,600)</u>	<u>(229,468)</u>	<u>(228,977)</u>	<u>491</u>
Net Change in Fund Balance	(479,518)	(905,673)	(34,796)	870,877
Fund Balance - Beginning of Year	4,008,977	4,008,977	4,008,977	-
Prior Year Encumbrances Appropriated	60,329	60,329	60,329	-
Fund Balance - End of Year	<u>\$ 3,589,788</u>	<u>\$ 3,163,633</u>	<u>\$ 4,034,510</u>	<u>\$ 870,877</u>

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2013

	Enterprise Funds				Governmental Activities
	Waste Water Treatment	Water Line Improvement	Briardale Greens Golf Course	Total	Internal Service Fund
ASSETS					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 7,492,125	\$ 2,020,629	\$ 2,651	\$ 9,515,405	\$ 61,946
Materials and Supplies Inventory	64,051	-	-	64,051	-
Accounts Receivable	3,606,352	430,692	-	4,037,044	-
Intergovernmental Receivable	10,121	-	-	10,121	-
Prepaid Items	14,535	-	-	14,535	-
Capital Leases Receivable	-	-	4,751	4,751	-
Total Current Assets	11,187,184	2,451,321	7,402	13,645,907	61,946
Noncurrent Assets:					
Capital Assets:					
Land	1,065,440	-	7,271,526	8,336,966	-
Construction in Progress	2,069,796	208,378	-	2,278,174	-
Depreciable Assets, Net of Depreciation	30,557,477	26,054,687	1,332,675	57,944,839	-
Total Noncurrent Assets	33,692,713	26,263,065	8,604,201	68,559,979	-
Total Assets	44,879,897	28,714,386	8,611,603	82,205,886	61,946
DEFERRED OUTFLOWS OF RESOURCES					
Deferral on Refunding	29,371	122,131	-	151,502	-
Total Deferred Outflows of Resources	29,371	122,131	-	151,502	-
LIABILITIES					
Current Liabilities:					
Accounts Payable	398,798	-	-	398,798	6,280
Accrued Wages and Benefits	149,143	-	-	149,143	-
Compensated Absences Payable	86,099	-	-	86,099	-
Intergovernmental Payable	74,038	-	-	74,038	-
Accrued Interest Payable	27,090	25,105	-	52,195	-
Claims Payable	-	-	-	-	135,000
General Obligation Bonds Payable	225,000	659,000	-	884,000	-
OWDA Loans Payable	765,013	-	-	765,013	-
OPWC Loans Payable	359,211	238,845	-	598,056	-
Capital Leases Payable	-	-	4,751	4,751	-
Total Current Liabilities	2,084,392	922,950	4,751	3,012,093	141,280
Noncurrent Liabilities:					
Compensated Absences Payable	726,560	-	-	726,560	-
Claims Payable	50,516	-	-	50,516	65,000
Unamortized Bond Premiums	33,888	112,066	-	145,954	-
General Obligation Bonds Payable	2,180,000	8,040,000	-	10,220,000	-
OWDA Loans Payable	1,758,440	-	-	1,758,440	-
OPWC Loans Payable	3,616,496	2,963,044	-	6,579,540	-
Total Noncurrent Liabilities	8,365,900	11,115,110	-	19,481,010	65,000
Total Liabilities	10,450,292	12,038,060	4,751	22,493,103	206,280
NET POSITION					
Net Investment in Capital Assets	24,784,036	14,372,241	8,599,450	47,755,727	-
Unrestricted	9,674,940	2,426,216	7,402	12,108,558	(144,334)
Total Net Position	\$ 34,458,976	\$ 16,798,457	\$ 8,606,852	\$ 59,864,285	\$ (144,334)

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Enterprise Funds			Governmental	
	Waste Water Treatment	Water Line Improvement	Briardale Greens Golf Course	Total	Internal Service Fund
OPERATING REVENUES					
Charges for Services	\$ 14,519,627	\$ 1,682,000	\$ -	\$16,201,627	\$ -
Other Services	95,853	-	-	95,853	-
Total Operating Revenues	<u>14,615,480</u>	<u>1,682,000</u>	<u>-</u>	<u>16,297,480</u>	<u>-</u>
OPERATING EXPENSES					
Salaries	4,701,082	-	-	4,701,082	-
Materials and Supplies	2,111,824	-	-	2,111,824	-
Contractual Services	1,942,069	259,583	-	2,201,652	39,775
Depreciation	1,057,772	669,235	88,236	1,815,243	-
Claims	-	-	-	-	130,263
Other	48,588	-	161	48,749	-
Total Operating Expense	<u>9,861,335</u>	<u>928,818</u>	<u>88,397</u>	<u>10,878,550</u>	<u>170,038</u>
Operating Income (Loss)	<u>4,754,145</u>	<u>753,182</u>	<u>(88,397)</u>	<u>5,418,930</u>	<u>(170,038)</u>
NONOPERATING REVENUES (EXPENSES)					
Interest	-	146	-	146	-
Interest and Fiscal Charges	(136,110)	(325,156)	-	(461,266)	-
Total Nonoperating Revenues (Expenses)	<u>(136,110)</u>	<u>(325,010)</u>	<u>-</u>	<u>(461,120)</u>	<u>-</u>
Capital Contributions	850,622	-	86,723	937,345	-
Transfers In	35,288	-	-	35,288	75,000
Transfers Out	-	(35,288)	-	(35,288)	-
Change in Net Position	<u>5,503,945</u>	<u>392,884</u>	<u>(1,674)</u>	<u>5,895,155</u>	<u>(95,038)</u>
Net Position - Beginning of Year	28,955,031	16,405,573	8,608,526	53,969,130	(49,296)
Net Position - End of Year	<u>\$ 34,458,976</u>	<u>\$ 16,798,457</u>	<u>\$ 8,606,852</u>	<u>\$59,864,285</u>	<u>\$ (144,334)</u>

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Enterprise Funds				Governmental Activities
	Waste Water Treatment	Water Line Improvement	Briardale Greens Golf Course	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Charges for Services	\$ 14,280,041	\$ 1,838,370	\$ -	\$16,118,411	\$ -
Cash Payments to Employees for Services and Benefits	(4,539,771)	-	-	(4,539,771)	-
Cash Payments for Goods and Services	(3,934,589)	(262,739)	-	(4,197,328)	(33,495)
Cash Payments for Claims	-	-	-	-	(80,263)
Other Cash Payments	(64,138)	-	(161)	(64,299)	-
Net Cash Provided by (Used in) Operating Activities	<u>5,741,543</u>	<u>1,575,631</u>	<u>(161)</u>	<u>7,317,013</u>	<u>(113,758)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In	-	-	-	-	75,000
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Grants Received	850,622	-	-	850,622	-
Proceeds from OWDA and OPWC Loans	862,533	250	-	862,783	-
Principal Paid on Debt	(1,884,837)	(790,836)	-	(2,675,673)	-
Interest Paid on Debt	(131,696)	(354,258)	-	(485,954)	-
Payments for Capital Acquisitions	(1,959,571)	(396,117)	-	(2,355,688)	-
Net Cash Used in Capital and Related Financing Activities	<u>(2,262,949)</u>	<u>(1,540,961)</u>	<u>-</u>	<u>(3,803,910)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on Investments	-	146	-	146	-
Net Cash Provided by Investing Activities	<u>-</u>	<u>146</u>	<u>-</u>	<u>146</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,478,594	34,816	(161)	3,513,249	(38,758)
Cash and Cash Equivalents - Beginning of Year	4,013,531	1,985,813	2,812	6,002,156	100,704
Cash and Cash Equivalents - End of Year	<u>\$ 7,492,125</u>	<u>\$ 2,020,629</u>	<u>\$ 2,651</u>	<u>\$ 9,515,405</u>	<u>\$ 61,946</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 4,754,145	\$ 753,182	\$ (88,397)	\$ 5,418,930	\$ (170,038)
Adjustments:					
Depreciation	1,057,772	669,235	88,236	1,815,243	-
(Increase) Decrease in Assets:					
Accounts Receivable	(335,439)	156,370	-	(179,069)	-
Intergovernmental Receivable	(10,121)	-	-	(10,121)	-
Materials and Supplies Inventory	(16,330)	-	-	(16,330)	-
Prepaid Items	(454)	-	-	(454)	-
Increase (Decrease) in Liabilities:					
Accounts Payable	205,637	(3,156)	-	202,481	6,280
Accrued Wages and Benefits	18,710	-	-	18,710	-
Compensated Absences Payable	138,239	-	-	138,239	-
Intergovernmental Payable	(86,102)	-	-	(86,102)	-
Claims Payable	15,486	-	-	15,486	50,000
Net Cash Provided by (Used in) Operating Activities	<u>\$ 5,741,543</u>	<u>\$ 1,575,631</u>	<u>\$ (161)</u>	<u>\$ 7,317,013</u>	<u>\$ (113,758)</u>
Schedule of Noncash Investing, Capital, and Related Financing Activities					
Capital Contribution from Third Party Administrator	\$ -	\$ -	\$ 86,723	\$ 86,723	\$ -

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2013

	<u>Agency Funds</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 910,158
Cash and Cash Equivalents: in Segregated Accounts	<u>193,059</u>
Total Assets	<u><u>\$1,103,217</u></u>
 Liabilities	
Deposits Held and Due to Others	<u><u>\$1,103,217</u></u>

The notes to the basic financial statements are an integral part of this statement

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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, the Euclid Development Corporation.

Euclid Development Corporation (EDCOR) The Euclid Development Corporation (EDCOR) is a legally separate, non-profit organization served by a board of trustees in which a majority is appointed by the City. 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, the City has chosen the discrete method of presentation for the EDCOR. The discrete method of presentation requires component unit data to be reported together with, but separately from the data of the primary government in the government-wide financial statements. 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, 2013
(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 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 Position 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 Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The 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 Position 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.

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 proprietary 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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

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 deferred outflows of resources compared to liabilities and deferred inflows of resources 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 restricted 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, committed, or assigned to a particular purpose.

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, 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:

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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

B. Fund Accounting (Continued)

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 position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. 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, employees' portion of the flex spending plan, 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, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

C. **Measurement Focus** (Continued)

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, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. 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 outflows/inflows of resources, 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, 2013
(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 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On 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 Outflows/Inflows of Resources - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on refunding reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, sale of future revenues, and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

D. Basis of Accounting (Continued)

For the City, unavailable revenue includes delinquent property taxes (\$933,667), municipal income taxes (\$6,295,762), intergovernmental grants (\$979,180), special assessments (\$4,679,058), and charges for services (\$30,912). These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

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

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

E. Budgetary Process

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

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

E. Budgetary Process

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

F. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through 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 animal control donations, the D.A.R.E. program, the municipal court accounts, the City's jail commissary, and the employees' portion of flex spending accounts are included in this line item.

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

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 2013, the City invested in U.S agency debt securities, municipal debt securities from governmental entities within the State of Ohio, Commercial Paper, and the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value, which is based on quoted market prices.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

F. Cash and Cash Equivalents (Continued)

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2013.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the General Fund during 2013 amounted to \$63,640, which includes \$42,774 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, 2013, 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.

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 Position 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 Position 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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

I. Capital Assets (Continued)

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	3-15 Years
Infrastructure	25-50 Years

For 2013, the City's infrastructure consists of streets, storm sewers, sanitary sewers, and water lines.

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 equally offset in the nonspendable fund balance unless the proceeds from their collection are restricted, committed, or assigned. Interfund balance amounts are eliminated in the Statement of Net Position, 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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

K. Compensated Absences (Continued)

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.

M. Fund Balance

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

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are not spendable in form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

M. Fund Balance(Continued)

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City’s Council. Those committed amounts cannot be used for any other purpose unless the City’s Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by City Council.

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

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

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

N. Net Position

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position 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. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The government-wide Statement of Net Position reports \$6,761,817 of restricted net position, none of which is restricted by enabling legislation. Net position 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.

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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

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

Q. 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 received in the year the bonds are issued.

R. 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.

S. 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.

T. 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**

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34*. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2012 and have been implemented by the City.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 3: CHANGE IN ACCOUNTING PRINCIPLES

GASB Statement No. 66, *Technical Corrections-2012-an amendment of GASB Statement No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 GASB and AICPA Pronouncements*. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012 and have been implemented by the City.

The implementation of these GASB Statements had no impact on the City's financial statements.

NOTE 4: COMPLIANCE AND ACCOUNTABILITY

The following funds had deficits in fund balance or deficits in net position as of December 31, 2013:

<i>Governmental Funds</i>	
<i>Major</i>	
General Obligation Bond Retirement	\$ 3,458,636
 <i>Nonmajor</i>	
Community Development Block Grant	34,257
Public Building Construction	358,312
<i>Total Nonmajor</i>	<u>392,569</u>
 <i>Total Governmental Funds</i>	 <u><u>\$ 3,851,205</u></u>
 <i>Internal Service Fund</i>	
Self-Insurance	<u><u>\$ 144,334</u></u>

The deficits in the aforementioned funds 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 than when accruals occur.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(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 part of restricted, committed and assigned fund balance (GAAP basis); and
- Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget 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	\$	(131,179)
Net Adjustment for Revenue Accruals		259,453
Net Adjustment for Expenditure Accruals		(64,886)
Funds with Separate Legally Adopted Budgets		10,487
Encumbrances		(108,671)
Budget Basis	<u>\$</u>	<u>(34,796)</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 6: FUND BALANCE

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

Fund Balances	General	General Obligation Bond Retirement	Other Governmental Funds	Total
<i>Nonspendable</i>				
Prepaid Items	\$ 78,286	\$ -	\$ 21,501	\$ 99,787
Materials and Supplies Inventory	191,894	-	130,689	322,583
Unclaimed Funds	26,247	-	-	26,247
Notes Receivable	982,123	-	-	982,123
<i>Total Nonspendable</i>	<u>1,278,550</u>	<u>-</u>	<u>152,190</u>	<u>1,430,740</u>
<i>Restricted for</i>				
Transportation	-	-	356,779	356,779
Drug & Alcohol Enforcement	-	-	131,176	131,176
Municipal Court	-	-	206,647	206,647
Recreation	-	-	21,775	21,775
Neighborhood Stabilization	-	-	870,524	870,524
Other Grants	-	-	242,206	242,206
Law Enforcement	-	-	289,308	289,308
Capital Improvements	-	-	98,745	98,745
Recreation Capital	-	-	134,173	134,173
TIF Capital Projects	-	-	907,534	907,534
Other Capital Improvements	-	-	287,470	287,470
<i>Total Restricted</i>	<u>-</u>	<u>-</u>	<u>3,546,337</u>	<u>3,546,337</u>
<i>Committed to</i>				
Nuisance Abatement	60,263	-	-	60,263
Community Television	2,152	-	-	2,152
Shore Cultural Center	713	-	-	713
Animal Shelter	-	-	12,473	12,473
<i>Total Committed</i>	<u>63,128</u>	<u>-</u>	<u>12,473</u>	<u>75,601</u>
<i>Assigned to</i>				
Fiscal Year 2014 Appropriations	464,404	-	-	464,404
Purchases on Order	42,477	-	-	42,477
<i>Total Assigned</i>	<u>506,881</u>	<u>-</u>	<u>-</u>	<u>506,881</u>
<i>Unassigned (Deficit)</i>	<u>5,915,128</u>	<u>(3,458,636)</u>	<u>(392,569)</u>	<u>2,063,923</u>
Total Fund Balances	<u>\$ 7,763,687</u>	<u>\$ (3,458,636)</u>	<u>\$ 3,318,431</u>	<u>\$ 7,623,482</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 7: 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.

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;
- Bonds and other obligations of the State of Ohio;

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

- 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 (STAR Ohio).

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;
- 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 \$9,060 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 \$7,855,276 (which does not include cash in segregated accounts of \$201,207 and cash with escrow agent of \$160,947) and the bank balance was \$8,376,433. Of the bank balance, \$1,198,607 was covered by Federal depository insurance and \$7,177,826 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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

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.

Investments

Investments are reported at fair value. As of December 31, 2013, the City had the following investments:

	Fair Market Value	Credit Rating
Federal Home Loan Bank	\$ 3,999,499	AA+
Federal Farm Credit Bank	4,004,132	AA+
Commercial Paper - GE	999,169	A1+
Municipal Securities	1,493,291	N/A
STAR Ohio	714,000	AAAm
Total Investments	<u>\$ 11,210,091</u>	

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, Commercial Paper, and Municipal Debt Securities 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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

Credit Risk The City has no investment policy that would further limit its investment choices. Credit ratings, if available, are provided in the aforementioned table by Standard & Poor's. Ohio law requires that STAR Ohio 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.

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, 2013:

<u>Percentage of Total Investments</u>	
Federal Home Loan Bank	36%
Federal Farm Credit Bank	36%
Municipal Debt Securities	9%
Commercial Paper	13%
STAR Ohio	<u>6%</u>
Total	<u><u>100%</u></u>

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 \$645,868 and the bank balance was \$660,078. Of the bank balance, the full amount 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 8: **RECEIVABLES**

Receivables at December 31, 2013, 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, 2013, are \$4,679,058, with delinquent special assessments outstanding being \$1,088,490.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 8: **RECEIVABLES** (Continued)

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

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 2013 for real and public utility property taxes represents collections of 2012 taxes. Property tax payments received during 2013 for tangible personal property (other than public utility property) are for delinquent taxes from prior years.

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

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

The full tax rate for all City operations for the year ended December 31, 2013, was \$13.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2013 property tax receipts were based are as follows:

Real Property	\$ 569,885,870
Public Utility Property	17,368,880
Total Valuation	<u>\$ 587,254,750</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, 2013
(Continued)

NOTE 8: **RECEIVABLES** (Continued)

A. Property Taxes (Continued)

The Cuyahoga County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Euclid. The County Fiscal Officer 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, 2013, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2013 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 0.85 percent collected is to be split between the City and the Euclid City School District at a ratio of 0.38 percent for the City and 0.47 percent for the District. 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, 2013
(Continued)

NOTE 8: **RECEIVABLES** (Continued)

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

<i>Governmental Activities</i>	
Local Government (County & State)	\$ 591,318
Gasoline Tax	578,512
Homestead and Rollback	267,407
Estate Tax	69,856
Motor Vehicle Tax	118,138
Various Grants	46,238
Other Intergovernmental	86,859
Total Governmental Activities	<u>\$ 1,758,328</u>
 <i>Business-type Activities</i>	
Other Intergovernmental	10,121
Total Intergovernmental Receivable	<u><u>\$ 1,768,449</u></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 4.35 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 the 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 a period ranging up to 10 years.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 9: 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.

B. Litigation

The City is a party to legal proceedings seeking damages. 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.

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City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 10: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013, was as follows:

	Balance 12/30/2012	Additions	Deletions	Balance 12/31/2013
Governmental Activities				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 10,775,705	\$ 0	\$ 0	\$ 10,775,705
Construction in Progress	4,215,739	1,729,097	3,465,249	2,479,587
<i>Total Capital Assets, Not Being Depreciated</i>	<u>14,991,444</u>	<u>1,729,097</u>	<u>3,465,249</u>	<u>13,255,292</u>
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	6,748,613	427,955	0	7,176,568
Buildings and Improvements	16,605,112	249,597	0	16,854,709
Furniture, Fixtures, and Equipment	13,340,414	224,221	63,860	13,500,775
Infrastructure:				
Streets	128,081,445	2,802,668	0	130,884,113
<i>Total Capital Assets, Being Depreciated</i>	<u>164,775,584</u>	<u>3,704,441</u>	<u>63,860</u>	<u>168,416,165</u>
Less Accumulated Depreciation:				
Land Improvements	(4,924,758)	(240,352)	0	(5,165,110)
Buildings and Improvements	(7,565,022)	(365,579)	0	(7,930,601)
Furniture, Fixtures, and Equipment	(8,560,878)	(697,988)	(51,046)	(9,207,820)
Infrastructure:				
Streets	(96,497,245)	(3,370,261)	0	(99,867,506)
<i>Total Accumulated Depreciation*</i>	<u>(117,547,903)</u>	<u>(4,674,180)</u>	<u>(51,046)</u>	<u>(122,171,037)</u>
Total Capital Assets, Being Depreciated, Net	<u>47,227,681</u>	<u>(969,739)</u>	<u>12,814</u>	<u>46,245,128</u>
Governmental Activities Capital Assets, Net	<u>\$ 62,219,125</u>	<u>\$ 759,358</u>	<u>\$ 3,478,063</u>	<u>\$ 59,500,420</u>

*Depreciation Expense was charged to governmental functions as follows:

General Government	\$ 314,417
Security of Persons and Property	461,318
Leisure Time Services	213,662
Community and Economic Development	94,503
Transportation	3,590,280
	<u>\$ 4,674,180</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 10: **CAPITAL ASSETS** (Continued)

	Balance 12/30/2012	Additions	Deletions	Balance 12/31/2013
Business-Type Activities				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 7,428,126	\$ 908,840	\$ 0	\$ 8,336,966
Construction in Progress	3,490,768	2,355,693	3,568,287	2,278,174
<i>Total Capital Assets, Not Being Depreciated</i>	<u>10,918,894</u>	<u>3,264,533</u>	<u>3,568,287</u>	<u>10,615,140</u>
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	1,384,525	0	0	1,384,525
Buildings and Improvements	14,527,598	0	0	14,527,598
Furniture, Fixtures, and Equipment	7,938,595	86,723	0	8,025,318
Infrastructure:				
Sanitary Sewers	22,303,260	0	0	22,303,260
Storm Sewers	12,325,154	0	0	12,325,154
Waterlines	30,801,860	2,659,442	0	33,461,302
<i>Total Capital Assets, Being Depreciated</i>	<u>89,280,992</u>	<u>2,746,165</u>	<u>0</u>	<u>92,027,157</u>
Less Accumulated Depreciation:				
Land Improvements	(961,023)	(48,144)	0	(1,009,167)
Buildings and Improvements	(6,763,971)	(302,771)	0	(7,066,742)
Furniture, Fixtures, and Equipment	(7,011,533)	(120,534)	0	(7,132,067)
Infrastructure:				
Sanitary Sewers	(6,084,927)	(437,280)	0	(6,522,207)
Storm Sewers	(4,708,241)	(237,279)	0	(4,945,520)
Waterlines	(6,737,380)	(669,235)	0	(7,406,615)
<i>Total Accumulated Depreciation</i>	<u>(32,267,075)</u>	<u>(1,815,243)</u>	<u>0</u>	<u>(34,082,318)</u>
Total Capital Assets, Being Depreciated, Net	<u>57,013,917</u>	<u>930,922</u>	<u>0</u>	<u>57,944,839</u>
Business-Type Activities Capital Assets, Net	<u>\$ 67,932,811</u>	<u>\$ 4,195,455</u>	<u>\$ 3,568,287</u>	<u>\$ 68,559,979</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 11: 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:

Debt Issue	Interest Rate	Original Issue Date	Original Issue Amount	Date of Maturity
<i>General Obligation Bonds:</i>				
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
Various Purpose - 2011A	2.00-4.00	2011	5,437,000	2021
Various Purpose - 2011B	2.00-4.375	2011	2,341,000	2031
<i>Industrial Development Revenue Bonds</i>				
Lincoln Electric Industrial Development Refunding - 2011	4.35	2011	1,015,000	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 Refunding - 2011	2.00-3.00	2011	1,005,000	2018
<i>Enterprise General Obligation Bonds:</i>				
Various Purpose Refunding - 2004	3.80-5.125	1998	1,025,000	2018
Various Purpose Refunding - 2008	4.70-5.125	2008	2,660,000	2018
Waterline Improvement Refunding - 2011A	2.00-4.00	2011	2,488,000	2021
Sewer Improvement - 2011B	2.00-4.375	2011	748,000	2031
Waterline Improvement - 2011B	2.00-4.375	2011	6,376,000	2031
<i>Enterprise OWDA Loans*:</i>				
Wastewater Treatment and Collection System	5.20	1993	9,842,765	2014
Wastewater Treatment and Collection Systems	4.56	1994	2,397,760	2014
Land Acquisition for Wastewater Treatment Plant	3.36	2012	908,840	2038
<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	0.00	2010	439,500	2030
East 248th Street/Shoreview - 2010	0.00	2010	887,600	2040
East 214th Street/Lakeshore - 2010	0.00	2010	958,500	2030
Roadway & Utility Improvement - 2011	0.00	2011	693,360	2031

* - There are several new OWDA loans that the City entered into during 2013; however, these loans are not complete and an amortization schedule has not been provided to the City. Complete details of these loans are not available.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 11: LONG-TERM OBLIGATIONS (Continued)

	Principal Outstanding 12/31/2012	Additions	Deletions	Principal Outstanding 12/31/2013	Due Within One Year
Governmental Activities					
<i>General Obligation Bonds:</i>					
Various Purpose - 2004	\$ 6,892,000	\$ -	\$ 462,000	\$ 6,430,000	\$ 474,000
Unamortized Premium	55,125	-	4,240	50,885	-
Various Purpose Refunding - 2004	1,531,000	-	494,000	1,037,000	510,000
Unamortized Premium	12,018	-	924	11,094	-
Various Purpose Refunding - 2008	1,355,000	-	365,000	990,000	185,000
Unamortized Premium	50,078	-	9,106	40,972	-
Various Purpose - 2008	5,725,000	-	565,000	5,160,000	425,000
Unamortized Premium	96,648	-	6,236	90,412	-
Various Purpose - 2011A	1,635,000	-	355,000	1,280,000	360,000
Unamortized Premium	21,194	-	5,076	16,118	-
Various Purpose Refunding - 2011A	3,186,000	-	282,000	2,904,000	420,000
Unamortized Premium	55,716	-	6,965	48,751	-
Various Purpose - 2011B	2,253,000	-	88,000	2,165,000	92,000
Unamortized Premium	22,483	-	1,183	21,300	-
<i>Total General Obligation Bonds</i>	<u>22,890,262</u>	<u>-</u>	<u>2,644,730</u>	<u>20,245,532</u>	<u>2,466,000</u>
<i>Special Assessment Bonds</i>					
<i>with Governmental Commitment</i>					
Refunding Heritage Drive					
Improvements - 2011 Refunding	785,000	-	130,000	655,000	130,000
Unamortized Premium	7,727	-	1,288	6,439	-
<i>Total Special Assessment Bonds</i>	<u>792,727</u>	<u>-</u>	<u>131,288</u>	<u>661,439</u>	<u>130,000</u>
<i>Industrial Development Revenue Bonds</i>					
Lincoln Electric Industrial Development - 2011	695,000	-	165,000	530,000	170,000
<i>Ohio Public Works Commission</i>					
East 222nd Reconstruction -2006	1,419,818	-	83,519	1,336,299	83,519
<i>Other Obligations:</i>					
Capital Leases	271,420	292,000	188,062	375,358	114,222
Claims and Judgments Payable	146,717	565,300	163,894	548,123	135,000
Compensated Absences	7,264,820	2,003,984	2,355,430	6,913,374	408,906
<i>Total Other Obligations</i>	<u>7,682,957</u>	<u>2,861,284</u>	<u>2,707,386</u>	<u>7,836,855</u>	<u>658,128</u>
<i>Total Governmental Activities</i>	<u>\$ 33,480,764</u>	<u>\$ 2,861,284</u>	<u>\$ 5,731,923</u>	<u>\$ 30,610,125</u>	<u>\$3,507,647</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 11: LONG-TERM OBLIGATIONS (Continued)

	Principal Outstanding 12/31/2012	Additions	Deletions	Principal Outstanding 12/31/2013	Due Within One Year
Business-Type Activities					
<i>General Obligation Bonds:</i>					
Waste Water Fund:					
Various Purpose Refunding - 2008	\$ 855,000	\$ -	\$ 140,000	\$ 715,000	\$ 130,000
Unamortized Premium	24,323	-	4,423	19,900	-
Various Purpose Refunding - 2004	1,062,000	-	64,000	998,000	66,000
Unamortized Premium	7,785	-	599	7,186	-
Sewer Improvement - 2011B	720,000	-	28,000	692,000	29,000
Unamortized Premium	7,180	-	378	6,802	-
Water Line Fund:					
Various Purpose Refunding - 2008	810,000	-	120,000	690,000	130,000
Unamortized Premium	23,250	-	4,228	19,022	-
Waterline Improvement - 2011B	6,137,000	-	244,000	5,893,000	249,000
Unamortized Premium	61,230	-	3,223	58,007	-
Waterline Improvement Refunding- 2011A	2,304,000	-	188,000	2,116,000	280,000
Unamortized Premium	40,042	-	5,005	35,037	-
<i>Total General Obligation Bonds:</i>	<u>12,051,810</u>	<u>-</u>	<u>801,856</u>	<u>11,249,954</u>	<u>884,000</u>
<i>OWDA Loans:</i>					
Waste Water Fund:					
Wastewater Treatment and Collection Systems -1993	1,540,299	-	1,013,621	526,678	526,678
Wastewater Treatment and Collection Systems -1994	466,163	-	227,828	238,335	238,335
Land Acquisition for Wastewater Treatment Facilities - 2012	908,840	-	12,933	895,907	-
Wastewater Treatment Plant Headworks Complex - 2013	-	174,600	-	174,600	-
SSO 25, 26 & 27, E. 220th, E. 194th & E. 222nd Design - 2013	-	220,898	-	220,898	-
Wastewater Treatment Plant Sludge Transfer Force Main Design - 2013	-	43,822	-	43,822	-
Wastewater Treatment Plant MBR Process Planning & Design - 2013	-	143,698	-	143,698	-
SSO 28, 33, 37 & Edgecliff SSO Elimination Design - 2013	-	41,306	-	41,306	-
SSO Elimination - 2013	-	238,209	-	238,209	-
<i>Total OWDA Loans</i>	<u>2,915,302</u>	<u>862,533</u>	<u>1,254,382</u>	<u>2,523,453</u>	<u>765,013</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 11: LONG-TERM OBLIGATIONS (Continued)

	Principal Outstanding 12/31/2012	Additions	Deletions	Principal Outstanding 12/31/2013	Due Within One Year
Business-Type Activities (Continued)					
<i>OPWC Loans:</i>					
Waste Water Fund:					
Newton Avenue Improvements - 2000	\$ 514,092	\$ -	\$ 73,442	\$ 440,650	\$ 73,442
East 226th Street/Edgecliff - 2003	802,257	-	76,405	725,852	76,405
East 197th Street - 2001	303,610	-	37,951	265,659	37,951
East 255th Street - 2002	190,254	-	20,026	170,228	20,026
East 216th Street - 2004	348,678	-	29,056	319,622	29,056
Brandywine Pump Station - 2006	262,234	-	16,918	245,316	16,918
Chatworth Dr. Sanitary -2006	182,536	-	11,777	170,759	11,777
Euclid Ave/Babbit Rd -2006	393,279	-	23,835	369,444	23,835
Euclid Avenue Improvement -2008	457,840	-	23,479	434,361	23,479
Dille Road/ East 204 - 2009	691,122	-	36,374	654,748	36,374
E. 264th Street - 2010	189,025	-	9,957	179,068	9,948
Total Waste Water Fund	4,334,927	-	359,220	3,975,707	359,211
Water Line Fund					
Miller Avenue - 2001	675,960	-	84,495	591,465	84,495
East 222nd Street -2003	481,226	-	43,748	437,478	43,748
East 214th Street - 2001	105,093	-	13,137	91,956	13,137
East 222nd/Tungsten Road - 2009	49,168	250	-	49,418	-
Dille Road/ East 204 - 2009	211,378	-	11,126	200,252	11,126
E. 264th Street - 2010	20,796	-	1,086	19,710	1,095
E. 248th Street/Shoreview - 2010	640,938	-	21,727	619,211	21,727
E. 214 Street/Lake Shore - 2010	562,556	-	28,849	533,707	28,849
Roadway & Utility Improvement - 2011	693,360	-	34,668	658,692	34,668
Total Water Line Fund	3,440,475	250	238,836	3,201,889	238,845
Total OPWC Loan	7,775,402	250	598,056	7,177,596	598,056
<i>Other Obligations</i>					
Capital Leases	57,692	-	52,941	4,751	4,751
Claims Payable	35,030	30,795	15,309	50,516	-
Compensated Absences	674,420	441,750	303,511	812,659	86,099
Total Other Obligations	767,142	472,545	371,761	867,926	90,850
Total Business-Type Activities	\$ 23,509,656	\$ 1,335,328	\$ 3,026,055	\$ 21,818,929	\$ 2,337,919

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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 11: **LONG-TERM OBLIGATIONS** (Continued)

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 Treatment Fund.

Governmental capital leases will be paid from the General Fund, the Street Maintenance and Construction Fund, the Recreation Operating Fund, and the General Permanent Improvement Fund. Business-type capital leases will be paid from the Waste Water Treatment Fund and Briardale Golf Course Fund.

The City participates in the State Workers' 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. Refer to Note 13 for further information.

Compensated absences will be paid from the General Fund, the Court Computerization 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 Waste Water Treatment Fund.

The general obligation bonds for the water line improvement, OPWC water line loans, 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 one outstanding project provided through OPWC loan funding and seven outstanding projects provided through OWDA loan funding that are still in the design phase. Final amortization schedules are not provided as of year-end. As of December 31, 2013, the total loan amounts received for the outstanding projects are reported in the following amortization schedules.

The City has pledged future general revenue to repay taxable Industrial Development Revenue bonds, which were defeased during 2011. 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 0.5 percent of net revenue. Total principal and interest remaining to be paid on the debt is \$576,763. Principal and interest paid for the current year were \$195,232, and the related revenue received was \$109,336. See Note 8(D) for more information on the Industrial Development Revenue bonds.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 11: **LONG-TERM OBLIGATIONS** (Continued)

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 irrevocable 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, 2013, the amount of defeased debt outstanding but removed from the government-wide financial statements amounted to \$9,570,000.

Legal Debt Margin

The City's overall legal debt margin was \$36,138,041 and the unvoted debt margin was \$6,775,303 at December 31, 2013.

Principal and Interest Requirements

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2013 are as follows:

	Governmental Activities								
	General Obligation Bonds		Special Assessment		Industrial Development		OPWC Loan	Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2014	\$ 2,466,000	\$ 761,811	\$130,000	\$ 15,388	\$170,000	\$ 23,055	\$ 83,519	\$ 2,849,519	\$ 800,254
2015	2,552,000	686,129	130,000	12,788	175,000	15,660	83,518	2,940,518	714,577
2016	1,985,000	602,957	135,000	10,188	185,000	8,048	83,518	2,388,518	621,193
2017	1,700,000	541,030	130,000	7,150	0	0	83,518	1,913,518	548,180
2018	1,763,000	477,503	130,000	3,900	0	0	83,519	1,976,519	481,403
2019-2023	5,724,000	1,478,991	0	0	0	0	417,595	6,141,595	1,478,991
2024-2028	3,305,000	453,833	0	0	0	0	417,595	3,722,595	453,833
2029-2032	471,000	40,894	0	0	0	0	83,517	554,517	40,894
Total	<u>\$ 19,966,000</u>	<u>\$ 5,043,148</u>	<u>\$655,000</u>	<u>\$ 49,414</u>	<u>\$ 530,000</u>	<u>\$ 46,763</u>	<u>\$ 1,336,299</u>	<u>\$22,487,299</u>	<u>\$5,139,325</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 11: LONG-TERM OBLIGATIONS (Continued)

	General Obligation Bonds		Business Type Activities			Total	
	Principal	Interest	OWDA Loans		OPWC Loans	Principal	Interest
			Principal	Interest	Principal		
2014	\$ 884,000	\$ 402,709	\$ 765,013	\$ 21,856	\$ 598,056	\$ 2,247,069	\$ 424,565
2015	913,000	379,963	0	0	600,528	1,513,528	379,963
2016	935,000	354,926	0	0	600,528	1,535,528	354,926
2017	955,000	328,778	0	0	600,528	1,555,528	328,778
2018	987,000	298,103	0	0	600,528	1,587,528	298,103
2019-2023	2,761,000	1,059,884	0	0	2,233,880	4,994,880	1,059,884
2024-2028	2,240,000	571,374	0	0	1,126,044	3,366,044	571,374
2028-2032	1,429,000	124,444	0	0	630,356	2,059,356	124,444
2033-2037	0	0	0	0	111,106	111,106	0
2038-2042	0	0	0	0	76,042	76,042	0
Total	<u>\$11,104,000</u>	<u>\$3,520,181</u>	<u>\$765,013</u>	<u>\$21,856</u>	<u>\$7,177,596</u>	<u>\$19,046,609</u>	<u>\$3,542,037</u>

NOTE 12: 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:

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 12: **COMPENSATED ABSENCES** (Continued)

<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
Ove 20 Years	960

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 13: **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 includes provisions that the Council shall annually appropriate funds to cover the costs of this fund.

During 2013, the City negotiated with Love Insurance Company for commercial insurance coverage relating to property, boiler, and machinery insurance. The cost of the current coverage in affect as of December 31, 2013 was \$58,371. The City carries a commercial package property insurance policy for blanket coverage. The City's total limit of liability is \$150,000,000 as a result of any one occurrence, regardless of the number of perils, coverages or locations involved. 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 in land marine, equipment breakdown with its own \$10,000 deductible, and crime shield coverage of \$25,000 per loss with a \$250 deductible.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 13: **RISK MANAGEMENT** (Continued)

A. Property and Liability (Continued)

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 \$200,000 reported in the Self-Insurance Internal Service Fund at December 31, 2013 consists of general liability insurance 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:

<u>December 31,</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2011	\$ 253,575	\$ 46,464	\$ 98,249	\$ 201,790
2012	201,790	85,000	136,790	150,000
2013	150,000	130,263	80,263	200,000

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 \$125 for single coverage and \$150 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 \$175,000 per individual. Employee medical benefits are charged to the respective fund from which the individual's salary is paid.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 13: **RISK MANAGEMENT** (Continued)

B. Health Insurance Benefits (Continued)

The claims liability of \$409,143 reported in the General Fund at December 31, 2013, is based on the requirements of GASB 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 claims liability amount for the last three years follows:

<u>December 31,</u>	<u>Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>End of Year</u>
2011	\$ 503,002	\$ 4,403,463	\$ 3,630,976	\$ 1,275,489
2012	1,275,489	3,946,527	4,843,816	378,200
2013	378,200	4,124,230	4,093,287	409,143

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 \$348,123 reported in governmental activities and \$50,516 reported in business-type activities is based on the requirements of GASB 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 claims liability amount for the last three years follows:

<u>December 31,</u>	<u>Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>End of Year</u>
2011	\$ 1,003,029	\$ 84,404	\$ 105,061	\$ 982,372
2012	982,372	25,841	712,572	295,641
2013	295,641	486,506	383,508	398,639

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 14: **PENSION PLANS**

A. Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional 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 in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting www.opers.org/investments/cafr.shtml, by writing to OPERS, 277 E. Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2013, the members of all three plans were required to contribute 10.00 percent of their annual covered salaries. The City's contribution rate was 14.00 percent of covered payroll. The pension allocation for the Traditional and Combined Plans was 13.00 percent during calendar year 2013. The City's required pension contributions for the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were \$1,587,372, \$1,370,944, and \$1,620,267, respectively; 92.57 percent has been contributed for 2013 and 100 percent has been contributed for 2012 and 2011.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 14: **PENSION PLANS** (Continued)

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. The OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at www.op-f.org.

From January 1, 2013 thru July 1, 2013, Plan members were required to contribute 10.00 percent of their annual covered salary. From July 2, 2013 thru December 31, 2013, Plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, 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 from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively. The City's contributions for pension obligations to the OP&F for police and firefighters were \$1,101,897 and \$1,167,732 for the year ended December 31, 2013, \$864,597 and \$972,345 for the year ended December 31, 2012, and \$1,177,259 and \$1,269,215 for the year ended December 31, 2011, respectively; 92.85 percent for police and 93.03 percent for firefighters have been contributed for 2013, with the remainder being reported as a liability. The full amount has been contributed for 2012 and 2011.

NOTE 15: **POST-EMPLOYMENT BENEFITS**

A. Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans; the Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan is a defined contribution plan; and 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.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 15: **POST-EMPLOYMENT BENEFITS** (Continued)

A. Ohio Public Employees Retirement System (Continued)

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 the OPEB Plan to its eligible members and beneficiaries. Authority to establish and amend the OPEB Plan is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting www.opers.org/investments/cafr.shtml, by writing to OPERS, 277 E. Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

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 coverage. The 2013 local government employer contribution rate was 14.00 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of covered payroll for local government employers. Active members do not make contributions to the OPEB Plan.

OPERS' Post-employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 1.00 percent during calendar year 2013. The portion of employer contributions allocated to health care for members in the Combined Plan was 1.00 percent during calendar year 2013. Effective January 1, 2014, the portion of employer contributions allocated to health care was raised to 2.00 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 15: **POST-EMPLOYMENT BENEFITS** (Continued)

A. Ohio Public Employees Retirement System (Continued)

The City's actual employer contributions for December 31, 2013, 2012 and 2011 which were used to fund post-employment benefits were \$122,106, \$548,378, and \$648,107, respectively; 92.57 percent has been contributed for 2013 and 100 percent has been contributed for 2012 and 2011.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00 percent of the employer contributions toward the health care fund after the end of the transition period.

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 post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 E. Town Street, Columbus, OH 43215-5164. That report is also available on OP&F's website at www.op-f.org.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 15: **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. The portion of employer contributions allocated to health care was 4.69 percent of covered payroll from January 1, 2013 thru May 31, 2013 and 2.85 percent of covered payroll from June 1, 2013 thru December 31, 2013. 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 contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$244,357 and \$202,542 for the year ended December 31, 2013, \$457,728 and \$380,483 for the year ended December 31, 2012, and \$623,255 and \$496,649 for the year ended December 31, 2011, respectively; 92.85 percent for police and 93.03 percent for firefighters have been contributed for 2013, with the remainder being reported as a liability. The full amount has been contributed for 2012 and 2011.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 16: CAPITAL LEASES

During 2013, the City entered into leases for a new ambulance and four new police cars. As of December 31, 2013, the City has not received the ambulance. In prior years, the City entered into leases for the acquisition of Honeywell retrofits and various miscellaneous equipment. 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.

Capital assets acquired by lease have been capitalized and depreciated as follows as of December 31, 2013:

	Governmental Activities	Business-Type Activities
<i>Capital Assets being Depreciated:</i>		
Furniture, Fixtures, and Equipment	\$ 663,605	\$ 470,055
Less: Accumulated Depreciation	(107,445)	(185,235)
<i>Total Capital Assets being Depreciated</i>	\$ 556,160	\$ 284,820
Year Ending		
<u>December 31.</u>		
2014	\$ 118,881	\$ 5,142
2015	118,881	-
2016	74,462	-
2017	74,462	-
Total Minimum Lease Payments	386,686	5,142
Less: Amount Representing Interest	(11,328)	(391)
Present Value of Minimum Lease Payments	\$ 375,358	\$ 4,751

NOTE 17: CONSTRUCTION AND OTHER COMMITMENTS

A. Construction Commitments

As of December 31, 2013, the City had the following significant commitments with respect to capital projects:

Capital Projects	Remaining Construction Commitment
<i>Governmental Activities</i>	
Lakeshore/E. 222nd/Babbit Intersection	\$ 511,365
Total Governmental Activities	511,365
<i>Business-Type Activities</i>	
WWTP/WWATF Headworks	132,962
WWTP/WWATF MBR Upgrade	867,808
Sludge Forcemain Replacement	134,356
Edgecliff SSO Elimination Project	125,150
Total Business-Type Activities	1,260,276
Total	\$ 1,771,641

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 17: **CONSTRUCTION AND OTHER COMMITMENTS** (Continued)

B. Other Commitments

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of December 31, 2013, the City's commitments for encumbrances in the governmental funds were as follows:

	Outstanding Encumbrances
General	\$ 42,477
All Other Governmental Funds	482,054
Total	\$ 524,531

NOTE 18: **INTERFUND TRANSFERS AND BALANCES**

A. Transfers

Transfers made during the year ended December 31, 2013, were as follows:

	Transfers From				
	General Fund	General Obligation Bond Retirement	Nonmajor Governmental Funds	Water Line Improvement	
<u>Transfers To</u>					
Governmental Funds:					
General Fund	\$ -	\$ -	\$ 117,000	\$ -	\$ 117,000
General Permanent Improvement	111,325	1,873,125	-	-	1,984,450
Nonmajor Governmental Funds	233,100	-	-	-	233,100
Total Governmental Funds	344,425	1,873,125	117,000	-	2,334,550
Enterprise Funds:					
Waste Water Treatment	-	-	-	35,288	35,288
Internal Service Fund	75,000	-	-	-	75,000
Total	\$ 419,425	\$ 1,873,125	\$ 117,000	\$ 35,288	\$ 2,444,838

Transfers made from the General Fund to various other funds provided additional resources for current operations. The Euclid Endowment nonmajor capital project fund transferred \$117,000 to the Shore Corporation Fund for improvements to the City's Shore Cultural Center. The Shore Corporation Fund is combined with the General Fund on the governmental fund financial statements as a result of GASB Statement No. 54. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16. Transfers between governmental funds are eliminated on the governmental activities' statement of activities.

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 18: INTERFUND TRANSFERS AND BALANCES (Continued)

A. Transfers (Continued)

Three transfers were created on a GAAP basis to record the payment of debt in the fund that recorded the liability. The General Obligation Bond Retirement fund transferred \$1,873,125 to the General Permanent Improvement Fund to record the payment of the notes payable and the related interest expenditure. The General Fund transferred \$111,325 to the General Permanent Improvement Fund to record the annual repayment of interfund borrowings in the fund that originally borrowed the funds. The Water Line Improvement Fund transferred \$35,288 to the Waste Water Treatment Fund to record the OPWC loan payment.

B. Interfund Receivable and Payable

As of December 31, 2013, the \$773,313 interfund receivable in the General Obligation Bond Retirement Debt Service Fund is from manuscript notes and bonds from the General Permanent Improvement Capital Projects Fund and the Public Building Construction Capital Projects Fund.

A portion of the interfund loan, \$415,000, is used to fund various building improvements. The General Permanent Improvement Capital Projects Fund will repay this portion of the interfund loan with annual transfers from the General Fund. The other portion of the interfund loan, \$358,313, is used to fund repairs to the clubhouse located at the Briardale Greens Golf Course. The Public Building Construction Capital Projects Fund will repay this portion of the interfund loan with annual transfers from the General Fund.

NOTE 19: SHORT-TERM OBLIGATIONS

The City's short-term debt activity, including the amount outstanding and interest rate, follows:

	Maturity Date	Principal Outstanding 12/31/2012	Additions	Deletions	Principal Outstanding 12/31/2013
<i>Notes Payable:</i>					
Various Purpose - 2012, 1.25%	June 13, 2013	\$ 5,265,000	\$ -	\$ 5,265,000	\$ -
Unamortized Premium		11,969	-	11,969	-
Total Various Purpose - 2012		<u>5,276,969</u>	-	<u>5,276,969</u>	-
Various Purpose - 2013, 1.15%	June 12, 2014	-	5,265,000	-	5,265,000
Unamortized Premium		-	28,747	15,571	13,176
Total Various Purpose - 2013		<u>-</u>	<u>5,293,747</u>	<u>15,571</u>	<u>5,278,176</u>
<i>Total Notes Payable</i>		<u>\$ 5,276,969</u>	<u>\$5,293,747</u>	<u>\$ 5,292,540</u>	<u>\$ 5,278,176</u>

City of Euclid, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(Continued)

NOTE 19: **SHORT-TERM OBLIGATIONS** (Continued)

On June 12, 2013, the City issued \$5.265 million in various purpose notes at an interest rate of 1.15 percent with a maturity date of June 12, 2014. These notes were used to fully retire the 2012 various purpose notes. The original various purpose notes were issued for the purposes of equipment, vehicles, street improvements, and waterfront improvements.

The notes are backed by the full faith and credit of the City of Euclid. The note liabilities are reflected in the funds which received the proceeds. The notes were issued at a premium of \$28,747, in which the unamortized balance is reported as part of the carrying value of the notes in the respective funds.

NOTE 20: **SALE OF FUTURE REVENUES**

During the year, the City entered into an agreement with Landmark Infrastructure Holding Company, LLC. (the "Company"), under which the City relinquishes to the Company its future cell tower lease revenues over the next 35 years. In 2013, The City received a lump sum payment from the Company in the amount of \$210,000. This payment has been deferred over the next 35 years and is included under deferred inflows of resources on the City's basic financial statements.

Combining Statements

Fund Descriptions – Nonmajor Governmental Funds

Non-Major Special Revenue Funds

Special Revenue funds are established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. A description of the City's special revenue funds follows:

State Highway Fund - This fund accounts for that portion of State gasoline tax and motor vehicle registration fees restricted for the maintenance of State highways 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 has been 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. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

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 & 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. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

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.

Fund Descriptions – Nonmajor Governmental Funds

Non-Major Special Revenue Funds (continued)

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.

Neighborhood Stabilization Fund – This fund accounts for the City’s share of a Federal Grant passed through the Ohio Department of Development and Cuyahoga 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 governments.

FEMA Fund - This fund accounts for restricted funds that are used to reimburse costs incurred as a result of a natural disaster (Hurricane Sandy).

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

Shore Corporation – This fund accounts for the operating costs of the Shore Cultural Center. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

Non-Major Capital Project Funds

Capital Project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds) . A description of the City's capital project funds follows:

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 & 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.

Fund Descriptions – Nonmajor Governmental Funds

Non-Major Capital Project Funds (continued)

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 costs associated with economic development.

CMP Properties- This fund accounts for the collection of assessments for costs 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, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 1,223,272	\$ 2,057,827	\$ 3,281,099
Cash and Cash Equivalents:			
With Escrow Agents	-	160,947	160,947
Materials and Supplies Inventory	130,689	-	130,689
Accounts Receivable	13,929	-	13,929
Intergovernmental Receivable	767,311	24,962	792,273
Prepaid Items	21,501	-	21,501
Property Taxes Receivable	356,623	466,352	822,975
Payments in Lieu of Taxes Receivable	-	263,293	263,293
Assets Held for Resale	807,646	-	807,646
Total Assets	\$ 3,320,971	\$ 2,973,381	\$ 6,294,352
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 202,321	\$ 88,783	\$ 291,104
Accrued Wages and Benefits	74,300	2,137	76,437
Intergovernmental Payable	46,561	1,217	47,778
Retainage Payable	7,455	76,389	83,844
Interfund Payable	-	773,313	773,313
Total Liabilities	330,637	941,839	1,272,476
Deferred Inflows of Resources:			
Property Taxes and Payments in Lieu of Taxes	290,441	643,100	933,541
Sale of Future Revenues	-	207,500	207,500
Unavailable Revenue - Delinquent Property Taxes	66,182	86,545	152,727
Unavailable Revenue - Other	384,890	24,787	409,677
Total Deferred Inflows of Resources	741,513	961,932	1,703,445
Fund Balances:			
Nonspendable	152,190	-	152,190
Restricted	2,118,415	1,427,922	3,546,337
Committed	12,473	-	12,473
Unassigned (Deficit)	(34,257)	(358,312)	(392,569)
Total Fund Balances	2,248,821	1,069,610	3,318,431
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,320,971	\$ 2,973,381	\$ 6,294,352

City of Euclid, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Property Taxes	\$ 293,902	\$ 384,333	\$ 678,235
Payments in Lieu of Taxes	-	261,566	261,566
Intergovernmental	3,808,757	241,180	4,049,937
Interest	250	393	643
Fines and Forfeitures	469,563	-	469,563
Rentals	39,837	-	39,837
Charges for Services	394,015	-	394,015
Contributions and Donations	15,741	-	15,741
All Other Revenues	240,549	55,590	296,139
Total Revenues	5,262,614	943,062	6,205,676
EXPENDITURES			
Current:			
Security of Persons and Property	449,450	-	449,450
Leisure Time Activities	855,662	100,908	956,570
Community and Economic Development	1,421,714	-	1,421,714
Transportation	1,905,970	-	1,905,970
General Government	501,694	68,553	570,247
Capital Outlay	-	2,514,506	2,514,506
Debt Service:			
Principal Retirement	26,088	41,657	67,745
Interest and Fiscal Charges	1,097	302,643	303,740
Total Expenditures	5,161,675	3,028,267	8,189,942
Excess of Revenues Over (Under) Expenditures	100,939	(2,085,205)	(1,984,266)
OTHER FINANCING SOURCES (USES)			
Sale of Capital Assets	-	35,134	35,134
Inception of Capital Lease	-	292,000	292,000
Transfers In	233,100	1,984,450	2,217,550
Transfers Out	-	(117,000)	(117,000)
Total Other Financing Sources (Uses)	233,100	2,194,584	2,427,684
Net Change in Fund Balances	334,039	109,379	443,418
Fund Balances - Beginning of Year	1,914,782	960,231	2,875,013
Fund Balances - End of Year	\$ 2,248,821	\$ 1,069,610	\$ 3,318,431

City of Euclid, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2013

	<u>State Highway</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Court Computer- ization</u>	<u>Court Special Projects</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 32,155	\$ 104,919	\$ 102,542	\$ 101,744
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	665	6,496	6,544
Intergovernmental Receivable	50,754	-	55	271
Prepaid Items	-	-	8,458	-
Property Taxes Receivable	-	-	-	-
Assets Held for Resale	-	-	-	-
Total Assets	<u>\$ 82,909</u>	<u>\$ 105,584</u>	<u>\$ 117,551</u>	<u>\$ 108,559</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 17,975	\$ -	\$ 3,880	\$ -
Accrued Wages and Benefits	-	-	798	3,875
Intergovernmental Payable	-	-	412	2,040
Retainage Payable	-	-	-	-
Total Liabilities	<u>17,975</u>	<u>-</u>	<u>5,090</u>	<u>5,915</u>
Deferred Inflows of Resources:				
Property Taxes	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	-	-	-	-
Unavailable Revenue - Other	27,445	-	-	-
Total Deferred Inflows of Resources	<u>27,445</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	-	-	8,458	-
Restricted	37,489	105,584	104,003	102,644
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	<u>37,489</u>	<u>105,584</u>	<u>112,461</u>	<u>102,644</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 82,909</u>	<u>\$ 105,584</u>	<u>\$ 117,551</u>	<u>\$ 108,559</u>

(Continued)

City of Euclid, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2013
(Continued)

	Animal Shelter	Indigent Drivers Interlock and Alcohol Monitoring	Street Maintenance & Construction
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 17,729	\$ 25,592	\$ 131,551
Materials and Supplies Inventory	-	-	127,926
Accounts Receivable	-	-	-
Intergovernmental Receivable	125	-	648,460
Prepaid Items	628	-	-
Property Taxes Receivable	-	-	-
Assets Held for Resale	-	-	-
Total Assets	\$ 18,482	\$ 25,592	\$ 907,937
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ 62,461
Accrued Wages and Benefits	1,611	-	38,368
Intergovernmental Payable	3,770	-	21,402
Retainage Payable	-	-	-
Total Liabilities	5,381	-	122,231
Deferred Inflows of Resources:			
Property Taxes	-	-	-
Unavailable Revenue - Delinq. Property Taxes	-	-	-
Unavailable Revenue - Other	-	-	338,490
Total Deferred Inflows of Resources	-	-	338,490
Fund Balances:			
Nonspendable	628	-	127,926
Restricted	-	25,592	319,290
Committed	12,473	-	-
Assigned	-	-	-
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	13,101	25,592	447,216
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 18,482	\$ 25,592	\$ 907,937

Recreation Operating	Community Development Block Grant	Neighborhood Stabilization Program	Other Grants	Law Enforcement Trust	Total Nonmajor Special Revenue Funds
\$ 78,493	\$ -	\$ 97,287	\$ 226,020	\$ 305,240	\$ 1,223,272
2,763	-	-	-	-	130,689
-	-	-	224	-	13,929
20,038	1,086	178	46,344	-	767,311
5,382	-	-	-	7,033	21,501
356,623	-	-	-	-	356,623
-	-	807,646	-	-	807,646
<u>\$ 463,299</u>	<u>\$ 1,086</u>	<u>\$ 905,111</u>	<u>\$ 272,588</u>	<u>\$ 312,273</u>	<u>\$ 3,320,971</u>
\$ 41,197	\$ 13,064	\$ 25,949	\$ 22,262	\$ 15,533	\$ 202,321
9,871	14,213	-	5,172	392	74,300
6,733	8,066	1,183	2,948	7	46,561
-	-	7,455	-	-	7,455
<u>57,801</u>	<u>35,343</u>	<u>34,587</u>	<u>30,382</u>	<u>15,932</u>	<u>330,637</u>
290,441	-	-	-	-	290,441
66,182	-	-	-	-	66,182
18,955	-	-	-	-	384,890
<u>375,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>741,513</u>
8,145	-	-	-	7,033	152,190
21,775	-	870,524	242,206	289,308	2,118,415
-	-	-	-	-	12,473
-	-	-	-	-	-
-	(34,257)	-	-	-	(34,257)
<u>29,920</u>	<u>(34,257)</u>	<u>870,524</u>	<u>242,206</u>	<u>296,341</u>	<u>2,248,821</u>
<u>\$ 463,299</u>	<u>\$ 1,086</u>	<u>\$ 905,111</u>	<u>\$ 272,588</u>	<u>\$ 312,273</u>	<u>\$ 3,320,971</u>

City of Euclid, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013

	<u>State Highway</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Court Computer- ization</u>	<u>Court Special Projects</u>	<u>Animal Shelter</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	108,918	-	-	-	-
Interest	-	-	-	-	-
Fines and Forfeitures	-	14,979	97,908	98,303	-
Rentals	-	-	-	-	-
Charges for Services	-	-	-	-	29,534
Contributions and Donations	-	-	-	-	-
All Other Revenues	-	-	345	914	652
Total Revenues	<u>108,918</u>	<u>14,979</u>	<u>98,253</u>	<u>99,217</u>	<u>30,186</u>
EXPENDITURES					
Security of Persons and Property	-	20,200	84,336	115,725	75,262
Leisure Time Activities	-	-	-	-	-
Community and Economic Development	-	-	-	-	-
Transportation	145,897	-	-	-	-
General Government	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>145,897</u>	<u>20,200</u>	<u>84,336</u>	<u>115,725</u>	<u>75,262</u>
Excess of Revenues Over (Under) Expenditures	<u>(36,979)</u>	<u>(5,221)</u>	<u>13,917</u>	<u>(16,508)</u>	<u>(45,076)</u>
OTHER FINANCING SOURCES					
Transfers In	-	-	-	-	57,100
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,100</u>
Net Change in Fund Balances	<u>(36,979)</u>	<u>(5,221)</u>	<u>13,917</u>	<u>(16,508)</u>	<u>12,024</u>
Fund Balances - Beginning of Year	74,468	110,805	98,544	119,152	1,077
Fund Balances - End of Year	<u>\$ 37,489</u>	<u>\$ 105,584</u>	<u>\$ 112,461</u>	<u>\$102,644</u>	<u>\$ 13,101</u>

Indigent Drivers Interlock and Alcohol Monitoring	Street Maintenance & Construction	Recreation Operating	Community Development Block Grant	Neighborhood Stabilization Program	Other Grants	Law Enforcement Trust	FEMA	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 293,902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 293,902
-	1,598,881	34,813	746,922	570,867	699,224	-	49,132	3,808,757
-	-	-	-	-	-	250	-	250
7,740	-	-	-	-	4,466	246,167	-	469,563
-	-	39,837	-	-	-	-	-	39,837
-	2,024	362,457	-	-	-	-	-	394,015
-	-	368	-	-	15,373	-	-	15,741
-	221,529	5,932	-	8,061	3,116	-	-	240,549
<u>7,740</u>	<u>1,822,434</u>	<u>737,309</u>	<u>746,922</u>	<u>578,928</u>	<u>722,179</u>	<u>246,417</u>	<u>49,132</u>	<u>5,262,614</u>
796	-	-	-	-	-	153,131	-	449,450
-	-	855,662	-	-	-	-	-	855,662
-	-	-	749,479	672,235	-	-	-	1,421,714
-	1,760,073	-	-	-	-	-	-	1,905,970
-	-	-	-	-	452,562	-	49,132	501,694
-	8,061	18,027	-	-	-	-	-	26,088
-	319	778	-	-	-	-	-	1,097
<u>796</u>	<u>1,768,453</u>	<u>874,467</u>	<u>749,479</u>	<u>672,235</u>	<u>452,562</u>	<u>153,131</u>	<u>49,132</u>	<u>5,161,675</u>
<u>6,944</u>	<u>53,981</u>	<u>(137,158)</u>	<u>(2,557)</u>	<u>(93,307)</u>	<u>269,617</u>	<u>93,286</u>	<u>-</u>	<u>100,939</u>
-	-	176,000	-	-	-	-	-	233,100
-	-	176,000	-	-	-	-	-	233,100
<u>6,944</u>	<u>53,981</u>	<u>38,842</u>	<u>(2,557)</u>	<u>(93,307)</u>	<u>269,617</u>	<u>93,286</u>	<u>-</u>	<u>334,039</u>
<u>18,648</u>	<u>393,235</u>	<u>(8,922)</u>	<u>(31,700)</u>	<u>963,831</u>	<u>(27,411)</u>	<u>203,055</u>	<u>-</u>	<u>1,914,782</u>
<u>\$ 25,592</u>	<u>\$ 447,216</u>	<u>\$ 29,920</u>	<u>\$ (34,257)</u>	<u>\$ 870,524</u>	<u>\$ 242,206</u>	<u>\$ 296,341</u>	<u>\$ -</u>	<u>\$2,248,821</u>

City of Euclid, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2013

	General Permanent Improvement	Recreation Capital	Sidewalk Repair & Replacement	Public Building Construction
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 708,725	\$ 137,352	\$ 29,085	\$ 1
Cash and Cash Equivalents:				
With Escrow Agents	160,947	-	-	-
Intergovernmental Receivable	14,581	10,381	-	-
Property Taxes Receivable	274,325	192,027	-	-
Payments in Lieu of Taxes Receivable	-	-	-	-
Total Assets	\$ 1,158,578	\$ 339,760	\$ 29,085	\$ 1
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 72,038	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	2,137	-	-
Intergovernmental Payable	-	1,217	-	-
Retainage Payable	76,389	-	-	-
Interfund Payable	415,000	-	-	358,313
Total Liabilities	563,427	3,354	-	358,313
Deferred Inflows of Resources:				
Property Taxes and Payments in Lieu of Taxes	223,416	156,391	-	-
Sale of Future Revenues	207,500	-	-	-
Unavailable Revenue - Delinquent Property Taxes	50,909	35,636	-	-
Unavailable Revenue - Other	14,581	10,206	-	-
Total Deferred Inflows of Resources	496,406	202,233	-	-
Fund Balances:				
Restricted	98,745	134,173	29,085	-
Unassigned (Deficit)	-	-	-	(358,312)
Total Fund Balances (Deficit)	98,745	134,173	29,085	(358,312)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,158,578	\$ 339,760	\$ 29,085	\$ 1

Euclid Endowment	Sims Park	Bennington Hamlet	CMP Properties	Harbor Town TIF	Downtown District A TIF	Total Nonmajor Capital Projects Funds
\$ 195,222	\$ 79,908	\$ 103,073	\$ 140,612	\$ 434,024	\$ 229,825	\$ 2,057,827
-	-	-	-	-	-	160,947
-	-	-	-	-	-	24,962
-	-	-	-	-	-	466,352
-	-	14,873	58,253	100,574	89,593	263,293
<u>\$ 195,222</u>	<u>\$ 79,908</u>	<u>\$ 117,946</u>	<u>\$ 198,865</u>	<u>\$ 534,598</u>	<u>\$ 319,418</u>	<u>\$ 2,973,381</u>
\$ 16,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,783
-	-	-	-	-	-	2,137
-	-	-	-	-	-	1,217
-	-	-	-	-	-	76,389
-	-	-	-	-	-	773,313
<u>16,745</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>941,839</u>
-	-	14,873	58,253	100,574	89,593	643,100
-	-	-	-	-	-	207,500
-	-	-	-	-	-	86,545
-	-	-	-	-	-	24,787
<u>-</u>	<u>-</u>	<u>14,873</u>	<u>58,253</u>	<u>100,574</u>	<u>89,593</u>	<u>961,932</u>
178,477	79,908	103,073	140,612	434,024	229,825	1,427,922
-	-	-	-	-	-	(358,312)
<u>178,477</u>	<u>79,908</u>	<u>103,073</u>	<u>140,612</u>	<u>434,024</u>	<u>229,825</u>	<u>1,069,610</u>
<u>\$ 195,222</u>	<u>\$ 79,908</u>	<u>\$ 117,946</u>	<u>\$ 198,865</u>	<u>\$ 534,598</u>	<u>\$ 319,418</u>	<u>\$ 2,973,381</u>

City of Euclid, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013

	General Permanent Improvement	Recreation Capital	Sidewalk Repair & Replacement	Public Building Construction
REVENUES				
Property Taxes	\$ 226,078	\$ 158,255	\$ -	\$ -
Payment in Lieu of Taxes	-	-	-	-
Intergovernmental	222,084	19,096	-	-
Interest	50	-	-	-
All Other Revenues	22,944	566	-	-
Total Revenues	<u>471,156</u>	<u>177,917</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Leisure Time Activities	-	100,908	-	-
General Government	68,553	-	-	-
Capital Outlay	2,390,227	37,454	-	165
Debt Service:				
Principal Retirement	41,657	-	-	-
Interest and Fiscal Charges	239,368	-	-	-
Total Expenditures	<u>2,739,805</u>	<u>138,362</u>	<u>-</u>	<u>165</u>
Excess of Revenues (Under) Expenditures	<u>(2,268,649)</u>	<u>39,555</u>	<u>-</u>	<u>(165)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	25,481	-	-	-
Inception of Capital Lease	292,000	-	-	-
Transfer In	1,984,450	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>2,301,931</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	33,282	39,555	-	(165)
Fund Balances - Beginning of Year	65,463	94,618	29,085	(358,147)
Fund Balances - End of Year	<u>\$ 98,745</u>	<u>\$ 134,173</u>	<u>\$ 29,085</u>	<u>\$ (358,312)</u>

<u>Euclid Endowment</u>	<u>Sims Park</u>	<u>Bennington Hamlet</u>	<u>CMP Properties</u>	<u>Harbor Town TIF</u>	<u>Downtown District A TIF</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 384,333
-	-	13,691	58,253	102,717	86,905	261,566
-	-	-	-	-	-	241,180
343	-	-	-	-	-	393
32,080	-	-	-	-	-	55,590
<u>32,423</u>	<u>-</u>	<u>13,691</u>	<u>58,253</u>	<u>102,717</u>	<u>86,905</u>	<u>943,062</u>
-	-	-	-	-	-	100,908
-	-	-	-	-	-	68,553
34,465	-	8,554	41,750	1,816	75	2,514,506
-	-	-	-	-	-	41,657
-	-	-	45,587	17,688	-	302,643
<u>34,465</u>	<u>-</u>	<u>8,554</u>	<u>87,337</u>	<u>19,504</u>	<u>75</u>	<u>3,028,267</u>
<u>(2,042)</u>	<u>-</u>	<u>5,137</u>	<u>(29,084)</u>	<u>83,213</u>	<u>86,830</u>	<u>(2,085,205)</u>
9,653	-	-	-	-	-	35,134
-	-	-	-	-	-	292,000
-	-	-	-	-	-	1,984,450
<u>(117,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(117,000)</u>
<u>(107,347)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,194,584</u>
<u>(109,389)</u>	<u>-</u>	<u>5,137</u>	<u>(29,084)</u>	<u>83,213</u>	<u>86,830</u>	<u>109,379</u>
287,866	79,908	97,936	169,696	350,811	142,995	960,231
<u>\$ 178,477</u>	<u>\$ 79,908</u>	<u>\$ 103,073</u>	<u>\$ 140,612</u>	<u>\$ 434,024</u>	<u>\$ 229,825</u>	<u>\$ 1,069,610</u>

Fund Descriptions – Fiduciary Funds

Fiduciary Funds

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

Agency Funds

Municipal Court and Jail Commissary Fund - This fund accounts for funds that flow through the Municipal Court office. In addition, this account includes funds received and expended from the City's Jail Commissary fund.

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.

City of Euclid, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2013

	Balance 12/31/2012	Additions	Deletions	Balance 12/31/2013
<u>Municipal Court and Jail Commissary</u>				
Assets				
Cash and Cash Equivalents: in Segregated Accounts	\$ 171,833	\$ 5,009,688	\$ 5,026,679	\$ 154,842
Liabilities				
Deposits Held and Due to Others	\$ 171,833	\$ 5,009,688	\$ 5,026,679	\$ 154,842
<u>Employee Flex Spending</u>				
Assets				
Cash and Cash Equivalents: in Segregated Accounts	\$ 34,559	\$ 245,576	\$ 241,918	\$ 38,217
Liabilities				
Deposits Held and Due to Others	\$ 34,559	\$ 245,576	\$ 241,918	\$ 38,217
<u>Retirees Insurance Payments</u>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 1,080	\$ 22,205	\$ 15,790	\$ 7,495
Liabilities				
Deposits Held and Due to Others	\$ 1,080	\$ 22,205	\$ 15,790	\$ 7,495
<u>Building Deposits</u>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 132,976	\$ 16,560	\$ 71,640	\$ 77,896
Liabilities				
Deposits Held and Due to Others	\$ 132,976	\$ 16,560	\$ 71,640	\$ 77,896
<u>Street Opening</u>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 59,375	\$ 5,000	\$ 1,000	\$ 63,375
Liabilities				
Deposits Held and Due to Others	\$ 59,375	\$ 5,000	\$ 1,000	\$ 63,375
<u>Revolving</u>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 882,218	\$30,805,780	\$30,926,606	\$ 761,392
Liabilities				
Deposits Held and Due to Others	\$ 882,218	\$30,805,780	\$30,926,606	\$ 761,392
<u>Total - All Agency Funds</u>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,075,649	\$30,849,545	\$31,015,036	\$ 910,158
Cash and Cash Equivalents: in Segregated Accounts	206,392	5,255,264	5,268,597	193,059
Total Assets	<u>\$1,282,041</u>	<u>\$36,104,809</u>	<u>\$36,283,633</u>	<u>\$1,103,217</u>
Liabilities				
Deposits Held and Due to Others	<u>\$1,282,041</u>	<u>\$36,104,809</u>	<u>\$36,283,633</u>	<u>\$1,103,217</u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses
And Changes in Fund Balances/Fund 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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 1,502,183	\$ 1,519,249	\$ 17,066
Income Taxes	24,906,384	24,149,428	(756,956)
Other Local Taxes	700,200	653,704	(46,496)
Intergovernmental	1,913,719	1,861,809	(51,910)
Interest	40,000	71,285	31,285
Licenses and Permits	468,115	556,302	88,187
Fines and Forfeitures	1,695,285	1,821,555	126,270
Rentals	75,000	60,905	(14,095)
Charges for Services	5,958,161	5,123,599	(834,562)
Contributions and Donations	-	300	300
Special Assessments	925,000	957,496	32,496
All Other Revenues	40,775	1,050,732	1,009,957
Total Revenues	38,224,822	37,826,364	(398,458)
Expenditures:			
Current:			
Security of Persons and Property			
Police			
Personal Services	11,131,756	10,822,437	309,319
Other	231,697	229,695	2,002
Total Police	11,363,453	11,052,132	311,321
Fire			
Personal Services	8,112,905	8,054,892	58,013
Other	78,088	61,144	16,944
Total Fire	8,190,993	8,116,036	74,957
Corrections			
Personal Services	1,063,379	1,039,367	24,012
Other	396,829	314,992	81,837
Total Corrections	1,460,208	1,354,359	105,849
Total Security of Persons and Property	21,014,654	20,522,527	492,127

(Continued)

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, 2013
 (Continued)*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Public Health			
Health			
Personal Services	45,055	44,958	97
Other	233,813	233,191	622
Total Public Health	278,868	278,149	719
Leisure Time Activities			
Leisure Time Activities			
Personal Services	536,151	528,463	7,688
Other	27,829	17,788	10,041
Total Leisure Time Activities	563,980	546,251	17,729
Community and Economic Development			
Protective Inspection			
Personal Services	682,050	662,067	19,983
Other	156,475	103,025	53,450
Total Protective Inspection	838,525	765,092	73,433
Economic Development and Assistance			
Personal Services	242,300	239,362	2,938
Other	4,130	3,752	378
Total Economic Development and Assistance	246,430	243,114	3,316
Economic Opportunity			
Personal Services	202,520	198,648	3,872
Other	86,600	77,450	9,150
Total Economic Opportunity	289,120	276,098	13,022
Total Community and Economic Development	1,374,075	1,284,304	89,771
Sanitation			
Sanitation Department			
Personal Services	102,400	92,577	9,823
Other	2,222,900	2,211,077	11,823
Total Sanitation	2,325,300	2,303,654	21,646
General Government			
Legislative			
Personal Services	178,840	170,752	8,088
Other	4,330	2,378	1,952
Total Legislative	183,170	173,130	10,040

(Continued)

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, 2013
 (Continued)*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Judicial			
Personal Services	816,400	766,255	50,145
Other	90,183	80,870	9,313
Total Judicial	906,583	847,125	59,458
Executive			
Personal Services	312,910	307,738	5,172
Other	2,800	2,043	757
Total Executive	315,710	309,781	5,929
Finance			
Personal Services	859,964	848,699	11,265
Other	187,387	170,141	17,246
Total Finance	1,047,351	1,018,840	28,511
Law			
Personal Services	461,200	448,637	12,563
Other	120,147	105,104	15,043
Total Law	581,347	553,741	27,606
Administration			
Personal Services	262,450	258,438	4,012
Other	179,196	175,650	3,546
Total Administration	441,646	434,088	7,558
Other Department			
Personal Services	5,023,699	4,707,996	315,703
Other	2,420,729	2,306,798	113,931
Total Other Department	7,444,428	7,014,794	429,634
General Government Buildings			
Personal Services	1,314,760	1,258,566	56,194
Other	778,805	778,138	667
Total General Governmental Buildings	2,093,565	2,036,704	56,861
Total General Government	13,013,800	12,388,203	625,597

(Continued)

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, 2013
 (Continued)*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Debt Service:			
Principal	270,200	255,000	15,200
Interest & Fiscal Charges	60,150	54,095	6,055
Total Debt Service	330,350	309,095	21,255
Total Expenditures	38,901,027	37,632,183	1,268,844
Excess of Revenues Over (Under) Expenditures	(676,205)	194,181	870,386
Other Financing Sources (Uses)			
Sale of Capital Assets	500	991	491
General Obligation Bonds Issued	-	-	-
Transfers In	159,132	159,132	-
Transfers Out	(389,100)	(389,100)	-
Total Other Financing Sources (Uses)	(229,468)	(228,977)	491
Net Change in Fund Balance	(905,673)	(34,796)	870,877
Fund Balance - Beginning of Year	4,008,977	4,008,977	-
Prior Year Encumbrances Appropriated	60,329	60,329	-
Fund Balance - End of Year	\$ 3,163,633	\$ 4,034,510	\$ 870,877

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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 2,948,364	\$ 1,914,232	\$ (1,034,132)
Intergovernmental	503,541	593,998	90,457
Interest	-	25,970	25,970
Rentals	41,500	41,500	-
Special Assessments	142,000	116,470	(25,530)
All Other Revenues	5,000	3,258	(1,742)
Total Revenues	<u>3,640,405</u>	<u>2,695,428</u>	<u>(944,977)</u>
Expenditures:			
Current:			
General Government			
Personal Services	55,489	49,789	5,700
Other	92,758	43,681	49,077
Total General Government	<u>148,247</u>	<u>93,470</u>	<u>54,777</u>
Debt Service:			
Principal	8,094,644	8,089,519	5,125
Interest & Fiscal Charges	909,865	663,627	246,238
Bond Issuance Costs	18,000	-	18,000
Total Debt Service	<u>9,022,509</u>	<u>8,753,146</u>	<u>269,363</u>
Total Expenditures	<u>9,170,756</u>	<u>8,846,616</u>	<u>324,140</u>
Excess of Revenues Over (Under) Expenditures	(5,530,351)	(6,151,188)	(620,837)
Other Financing Source			
Notes Issued	5,265,000	5,365,000	100,000
Premium on Note Issuance	-	28,747	28,747
Advances In	-	850,000	850,000
Total Other Financing Sources	<u>5,265,000</u>	<u>6,243,747</u>	<u>978,747</u>
Net Change in Fund Balance	(265,351)	92,559	357,910
Fund Balance - Beginning of Year	989,690	989,690	-
Fund Balance - End of Year	<u>\$ 724,339</u>	<u>\$ 1,082,249</u>	<u>\$ 357,910</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Charges for Services	\$ 13,362,280	\$ 14,184,188	\$ 821,908
Tap-in Fees	9,000	90,430	81,430
Intergovernmental	6,714,000	1,525,210	(5,188,790)
Other Services	-	180,093	180,093
Total Revenues	<u>20,085,280</u>	<u>15,979,921</u>	<u>(4,105,359)</u>
Expenses:			
Current:			
Personal Services	4,732,020	4,540,018	192,002
Other	13,362,850	7,816,805	5,546,045
Debt Service:			
Principal Retirement	1,838,125	1,814,199	23,926
Interest and Fiscal Charges	233,882	202,334	31,548
Bond Issuance Costs	6,479	-	6,479
Total Expenses	<u>20,173,356</u>	<u>14,373,356</u>	<u>5,800,000</u>
Excess of Revenues Over (Under) Expenses	(88,076)	1,606,565	1,694,641
Other Financing Sources (Uses)			
Transfer In	1,495,000	1,495,000	-
Transfer Out	(1,495,000)	(1,495,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Equity	(88,076)	1,606,565	1,694,641
Fund Equity - Beginning of Year	3,554,760	3,554,760	-
Prior Year Encumbrances Appropriated	458,772	458,772	-
Fund Equity - End of Year	<u>\$ 3,925,456</u>	<u>\$ 5,620,097</u>	<u>\$ 1,694,641</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Charges for Services	\$ 1,781,723	\$ 1,838,368	\$ 56,645
Interest	-	146	146
Intergovernmental	727,500	250	(727,250)
Total Revenues	<u>2,509,223</u>	<u>1,838,764</u>	<u>(670,459)</u>
Expenses:			
Current:			
Other	2,901,483	701,107	2,200,376
Debt Service:			
Principal Retirement	872,991	826,123	46,868
Interest and Fiscal Charges	318,974	318,971	3
Total Expenses	<u>4,093,448</u>	<u>1,846,201</u>	<u>2,247,247</u>
Net Change in Fund Equity	(1,584,225)	(7,437)	1,576,788
Fund Equity - Beginning of Year	1,514,933	1,514,933	-
Prior Year Encumbrances Appropriated	470,882	470,882	-
Fund Equity - End of Year	<u>\$ 401,590</u>	<u>\$ 1,978,378</u>	<u>\$ 1,576,788</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, 2013*

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Expenses:			
Current:			
Other	\$ 2,724	\$ 161	\$ 2,563
Total Expenses	<u>2,724</u>	<u>161</u>	<u>2,563</u>
 Net Change in Fund Equity	 (2,724)	 (161)	 2,563
 Fund Equity - Beginning of Year	 <u>2,812</u>	 <u>2,812</u>	 <u>-</u>
Fund Equity - End of Year	<u><u>\$ 88</u></u>	<u><u>\$ 2,651</u></u>	<u><u>\$ 2,563</u></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, 2013*

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Expenses:			
Current:			
Other	\$ 150,000	\$ 113,758	\$ 36,242
Total Expenses	<u>150,000</u>	<u>113,758</u>	<u>36,242</u>
Excess of Revenues Over (Under) Expenses	(150,000)	(113,758)	36,242
Other Financing Sources			
Transfer In	75,000	75,000	-
Total Other Financings Sources	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net Change in Fund Equity	(75,000)	(38,758)	36,242
Fund Equity - Beginning of Year	100,704	100,704	-
Fund Equity - End of Year	<u>\$ 25,704</u>	<u>\$ 61,946</u>	<u>\$ 36,242</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Intergovernmental	\$ 105,927	\$ 101,509	\$ (4,418)
Total Revenues	<u>105,927</u>	<u>101,509</u>	<u>(4,418)</u>
Expenditures:			
Current:			
Transportation			
Other	146,778	145,897	881
Total Expenditures	<u>146,778</u>	<u>145,897</u>	<u>881</u>
Net Change in Fund Balance	(40,851)	(44,388)	(3,537)
Fund Balance - Beginning of Year	21,068	21,068	-
Prior Year Encumbrances Appropriated	37,500	37,500	-
Fund Balance - End of Year	<u>\$ 17,717</u>	<u>\$ 14,180</u>	<u>\$ (3,537)</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Fines and Forfeitures	\$ 13,000	\$ 15,193	\$ 2,193
Total Revenues	<u>13,000</u>	<u>15,193</u>	<u>2,193</u>
Expenditures:			
Current:			
Security of Persons and Property			
Other	30,000	20,200	9,800
Total Expenditures	<u>30,000</u>	<u>20,200</u>	<u>9,800</u>
Net Change in Fund Balance	(17,000)	(5,007)	11,993
Fund Balance - Beginning of Year	109,926	109,926	-
Fund Balance - End of Year	<u>\$ 92,926</u>	<u>\$ 104,919</u>	<u>\$ 11,993</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, 2013*

	Budgeted Amounts <u>Final</u>	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 85,000	\$ 98,392	\$ 13,392
All Other Revenues	-	345	345
Total Revenues	<u>85,000</u>	<u>98,737</u>	<u>13,737</u>
Expenditures:			
Current:			
Security of Persons and Property			
Personal Services	28,313	26,809	1,504
Other	77,000	55,271	21,729
Total Expenditures	<u>105,313</u>	<u>82,080</u>	<u>23,233</u>
Net Change in Fund Balance	(20,313)	16,657	36,970
Fund Balance - Beginning of Year	85,885	85,885	-
Fund Balance - End of Year	<u>\$ 65,572</u>	<u>\$ 102,542</u>	<u>\$ 36,970</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Fines and Forfeitures	\$ 80,000	\$ 98,752	\$ 18,752
All Other Revenues	-	914	914
Total Revenues	<u>80,000</u>	<u>99,666</u>	<u>19,666</u>
Expenditures:			
Current:			
Security of Persons and Property			
Personal Services	109,855	102,161	7,694
Other	19,045	14,069	4,976
Total Expenditures	<u>128,900</u>	<u>116,230</u>	<u>12,670</u>
Net Change in Fund Balance	(48,900)	(16,564)	32,336
Fund Balance - Beginning of Year	118,308	118,308	-
Fund Balance - End of Year	<u>\$ 69,408</u>	<u>\$ 101,744</u>	<u>\$ 32,336</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Charges for Services	\$ 23,000	\$ 29,534	\$ 6,534
All Other Revenues	-	652	652
Total Revenues	<u>23,000</u>	<u>30,186</u>	<u>7,186</u>
Expenditures:			
Current:			
Security of Persons and Property			
Personal Services	63,030	60,416	2,614
Other	17,825	15,825	2,000
Total Expenditures	<u>80,855</u>	<u>76,241</u>	<u>4,614</u>
Excess of Revenues Over (Under) Expenditures	(57,855)	(46,055)	11,800
Other Financing Sources			
Transfers In	57,100	57,100	-
Total Other Financing Sources	<u>57,100</u>	<u>57,100</u>	<u>-</u>
Net Change in Fund Balance	(755)	11,045	11,800
Fund Balance - Beginning of Year	6,434	6,434	-
Prior Year Encumbrances Appropriated	200	200	-
Fund Balance - End of Year	<u>\$ 5,879</u>	<u>\$ 17,679</u>	<u>\$ 11,800</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, 2013*

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 26,000	\$ 26,140	\$ 140
Special Assessments	135,000	162,309	27,309
Total Revenues	<u>161,000</u>	<u>188,449</u>	<u>27,449</u>
Expenditures:			
Current:			
Community and Economic Development			
Other	75,200	74,868	332
Total Expenditures	<u>75,200</u>	<u>74,868</u>	<u>332</u>
Excess of Revenues Over (Under) Expenditures	85,800	113,581	27,781
Other Financing Uses			
Transfers Out	(110,000)	(110,000)	-
Total Other Financing Uses	<u>(110,000)</u>	<u>(110,000)</u>	<u>-</u>
Net Change in Fund Balance	(24,200)	3,581	27,781
Fund Balance - Beginning of Year	55,482	55,482	-
Prior Year Encumbrances Appropriated	1,200	1,200	-
Fund Balance - End of Year	<u>\$ 32,482</u>	<u>\$ 60,263</u>	<u>\$ 27,781</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Fines and Forfeitures	\$ 6,000	\$ 7,740	\$ 1,740
Total Revenues	<u>6,000</u>	<u>7,740</u>	<u>1,740</u>
Expenditures:			
Current:			
Security of Persons and Property			
Police and Others:			
Other	6,000	796	5,204
Total Expenditures	<u>6,000</u>	<u>796</u>	<u>5,204</u>
Net Change in Fund Balance	-	6,944	6,944
Fund Balance - Beginning of Year	18,648	18,648	-
Fund Balance - End of Year	<u>\$ 18,648</u>	<u>\$ 25,592</u>	<u>\$ 6,944</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, 2013*

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 1,623,000	\$ 1,506,329	\$ (116,671)
Charges for Services	-	2,024	2,024
All Other Revenues	153,000	221,529	68,529
Total Revenues	<u>1,776,000</u>	<u>1,729,882</u>	<u>(46,118)</u>
Expenditures:			
Current:			
Transportation			
Personal Services	1,174,673	1,151,896	22,777
Other	660,769	642,089	18,680
Total Expenditures	<u>1,835,442</u>	<u>1,793,985</u>	<u>41,457</u>
Net Change in Fund Balance	(59,442)	(64,103)	(4,661)
Fund Balance - Beginning of Year	61,385	61,385	-
Prior Year Encumbrances Appropriated	45,770	45,770	-
Fund Balance - End of Year	<u>\$ 47,713</u>	<u>\$ 43,052</u>	<u>\$ (4,661)</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, 2013*

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 200	\$ 694	\$ 494
Contributions and Donations	-	160	160
Total Revenues	<u>200</u>	<u>854</u>	<u>654</u>
Expenditures:			
Current:			
Community and Economic Development			
Personal Services	69,783	67,907	1,876
Other	1,200	599	601
Total Expenditures	<u>70,983</u>	<u>68,506</u>	<u>2,477</u>
Excess of Revenues Over (Under) Expenditures	(70,783)	(67,652)	3,131
Other Financing Sources			
Transfers In	65,000	65,000	-
Total Other Financing Sources	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Net Change in Fund Balance	(5,783)	(2,652)	3,131
Fund Balance - Beginning of Year	8,111	8,111	-
Fund Balance - End of Year	<u>\$ 2,328</u>	<u>\$ 5,459</u>	<u>\$ 3,131</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 290,000	\$ 293,902	\$ 3,902
Intergovernmental	19,506	34,813	15,307
Rentals	53,000	39,837	(13,163)
Charges for Services	349,600	362,457	12,857
Contributions and Donations	1,000	368	(632)
All Other Revenues	-	5,932	5,932
Total Revenues	<u>713,106</u>	<u>737,309</u>	<u>24,203</u>
Expenditures:			
Current:			
Leisure Time Activities			
Personal Services	485,099	455,596	29,503
Other	409,052	406,410	2,642
Total Expenditures	<u>894,151</u>	<u>862,006</u>	<u>32,145</u>
Excess of Revenues Over (Under) Expenditures	(181,045)	(124,697)	56,348
Other Financing Sources			
Transfers In	176,000	176,000	-
Total Other Financing Sources	<u>176,000</u>	<u>176,000</u>	<u>-</u>
Net Change in Fund Balance	(5,045)	51,303	56,348
Fund Balance - Beginning of Year	25,809	25,809	-
Prior Year Encumbrances Appropriated	665	665	-
Fund Balance - End of Year	<u>\$ 21,429</u>	<u>\$ 77,777</u>	<u>\$ 56,348</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Intergovernmental	\$ 1,300,000	\$ 746,922	\$ (553,078)
Total Revenues	<u>1,300,000</u>	<u>746,922</u>	<u>(553,078)</u>
Expenditures:			
Current:			
Community and Economic Development			
Personal Services	619,847	534,112	85,735
Other	680,153	212,811	467,342
Total Expenditures	<u>1,300,000</u>	<u>746,923</u>	<u>553,077</u>
Net Change in Fund Balance	-	(1)	(1)
Fund Balance - Beginning of Year	1	1	-
Fund Balance - End of Year	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (1)</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Intergovernmental	\$ 930,015	\$ 570,867	\$ (359,148)
All Other Revenues	2,069,985	164,266	(1,905,719)
Total Revenues	<u>3,000,000</u>	<u>735,133</u>	<u>(2,264,867)</u>
Expenditures:			
Current:			
Community and Economic Development			
Personal Services	160,264	83,465	76,799
Other	2,839,736	556,082	2,283,654
Total Expenditures	<u>3,000,000</u>	<u>639,547</u>	<u>2,360,453</u>
Net Change in Fund Balance	-	95,586	95,586
Fund Balance - Beginning of Year	1,701	1,701	-
Fund Balance - End of Year	<u>\$ 1,701</u>	<u>\$ 97,287</u>	<u>\$ 95,586</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Intergovernmental	\$ 1,314,492	\$ 784,516	\$ (529,976)
Fines and Forfeitures	4,800	4,595	(205)
Contributions and Donations	52,000	15,373	(36,627)
All Other Revenues	628,708	3,116	(625,592)
Total Revenues	<u>2,000,000</u>	<u>807,600</u>	<u>(1,192,400)</u>
Expenditures:			
Current:			
General Government			
Personal Services	208,000	118,471	89,529
Other	1,800,638	500,020	1,300,618
Total Expenditures	<u>2,008,638</u>	<u>618,491</u>	<u>1,390,147</u>
Net Change in Fund Balance	(8,638)	189,109	197,747
Fund Balance - Beginning of Year	16,903	16,903	-
Prior Year Encumbrances Appropriated	8,638	8,638	-
Fund Balance - End of Year	<u>\$ 16,903</u>	<u>\$ 214,650</u>	<u>\$ 197,747</u>

City of Euclid, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 FEMA Fund
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Intergovernmental	\$ 49,132	\$ 49,132	\$ -
Total Revenues	<u>49,132</u>	<u>49,132</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>49,132</u>	<u>49,132</u>	<u>-</u>
Other Financing Uses			
Transfers Out	(49,132)	(49,132)	-
Total Other Financing Uses	<u>(49,132)</u>	<u>(49,132)</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Interest	182	250	68
Fines and Forfeitures	76,955	246,167	169,212
Total Revenues	<u>77,137</u>	<u>246,417</u>	<u>169,280</u>
Expenditures:			
Current:			
Security of Persons and Property			
Personal Services	20,650	14,794	5,856
Other	203,264	148,329	54,935
Total Expenditures	<u>223,914</u>	<u>163,123</u>	<u>60,791</u>
Net Change in Fund Balance	(146,777)	83,294	230,071
Fund Balance - Beginning of Year	205,141	205,141	-
Fund Balance - End of Year	<u>\$ 58,364</u>	<u>\$ 288,435</u>	<u>\$ 230,071</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, 2013*

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 28,718	\$ 17,222	\$ (11,496)
Total Revenues	<u>28,718</u>	<u>17,222</u>	<u>(11,496)</u>
Expenditures:			
Current:			
Leisure Time Activities			
Other	145,708	145,708	-
Total Expenditures	<u>145,708</u>	<u>145,708</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(116,990)	(128,486)	(11,496)
Other Financing Sources			
Transfers In	117,000	117,000	-
Total Other Financing Sources	<u>117,000</u>	<u>117,000</u>	<u>-</u>
Net Change in Fund Balance	10	(11,486)	(11,496)
Fund Balance - Beginning of Year	12,199	12,199	-
Fund Balance - End of Year	<u>\$ 12,209</u>	<u>\$ 713</u>	<u>\$ (11,496)</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 225,000	\$ 226,078	\$ 1,078
Intergovernmental	15,005	30,147	15,142
Interest	-	50	50
All Other Revenues	-	422,381	422,381
Total Revenues	<u>240,005</u>	<u>678,656</u>	<u>438,651</u>
Expenditures:			
Current:			
General Government			
Other	99,631	68,553	31,078
Capital Outlay:			
Other	3,652,791	3,262,096	390,695
Debt Service:			
Principal	41,659	41,657	2
Interest & Fiscal Charges	207,652	207,652	-
Total Debt Service	<u>249,311</u>	<u>249,309</u>	<u>2</u>
Total Expenditures	<u>4,001,733</u>	<u>3,579,958</u>	<u>421,775</u>
Excess of Revenues Over (Under) Expenditures	(3,761,728)	(2,901,302)	860,426
Other Financing Sources			
Sale of Capital Assets	-	25,481	25,481
Notes Issued	700,000	-	(700,000)
Total Other Financing Sources	<u>700,000</u>	<u>25,481</u>	<u>(674,519)</u>
Net Change in Fund Balance	(3,061,728)	(2,875,821)	185,907
Fund Balance - Beginning of Year	593,114	593,114	-
Prior Year Encumbrances Appropriated	2,701,445	2,701,445	-
Fund Balance - End of Year	<u>\$ 232,831</u>	<u>\$ 418,738</u>	<u>\$ 185,907</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 158,457	\$ 158,255	\$ (202)
Intergovernmental	16,104	19,096	2,992
All Other Revenues	20,000	566	(19,434)
Total Revenues	<u>194,561</u>	<u>177,917</u>	<u>(16,644)</u>
Expenditures:			
Current:			
Leisure Time Activities			
Recreation Center			
Personal Services	89,713	78,518	11,195
Other	25,845	23,510	2,335
Total Leisure Time Activities	<u>115,558</u>	<u>102,028</u>	<u>13,530</u>
Capital Outlay:			
Other	53,000	38,054	14,946
Total Expenditures	<u>168,558</u>	<u>140,082</u>	<u>28,476</u>
Net Change in Fund Balance	26,003	37,835	11,832
Fund Balance - Beginning of Year	82,282	82,282	-
Prior Year Encumbrances Appropriated	16,635	16,635	-
Fund Balance - End of Year	<u>\$ 124,920</u>	<u>\$ 136,752</u>	<u>\$ 11,832</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Expenditures:			
Capital Outlay:			
Other	\$ 29,084	\$ -	\$ 29,084
Total Expenditures	<u>29,084</u>	<u>-</u>	<u>29,084</u>
 Net Change in Fund Balance	 (29,084)	 -	 29,084
 Fund Balance - Beginning of Year	 29,085	 29,085	 -
Fund Balance - End of Year	<u><u>\$ 1</u></u>	<u><u>\$ 29,085</u></u>	<u><u>\$ 29,084</u></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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Contributions and Donations	\$ 3,200	\$ -	\$ (3,200)
Total Revenues	<u>3,200</u>	<u>-</u>	<u>(3,200)</u>
Expenditures:			
Capital Outlay:			
Other	4,703,333	165	4,703,168
Total Expenditures	<u>4,703,333</u>	<u>165</u>	<u>4,703,168</u>
Excess of Revenues Over (Under) Expenditures	(4,700,133)	(165)	4,699,968
Other Financing Sources			
Notes Issued	4,700,000	-	(4,700,000)
Total Other Financing Sources	<u>4,700,000</u>	<u>-</u>	<u>(4,700,000)</u>
Net Change in Fund Balance	(133)	(165)	(32)
Fund Balance - Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	166	166	-
Fund Balance - End of Year	<u>\$ 33</u>	<u>\$ 1</u>	<u>\$ (32)</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Interest	\$ -	\$ 343	\$ 343
All Other Revenues	-	32,080	32,080
Total Revenues	<u>-</u>	<u>32,423</u>	<u>32,423</u>
Expenditures:			
Capital Outlay:			
Other	51,950	29,703	22,247
Total Expenditures	<u>51,950</u>	<u>29,703</u>	<u>22,247</u>
Excess of Revenues Over (Under) Expenditures	(51,950)	2,720	54,670
Other Financing Sources (Uses)			
Sale of Capital Assets	-	9,653	9,653
Transfers Out	(117,000)	(117,000)	-
Total Other Financing Sources (Uses)	<u>(117,000)</u>	<u>(107,347)</u>	<u>9,653</u>
Net Change in Fund Balance	(168,950)	(104,627)	64,323
Fund Balance - Beginning of Year	285,916	285,916	-
Prior Year Encumbrances Appropriated	1,950	1,950	-
Fund Balance - End of Year	<u>\$ 118,916</u>	<u>\$ 183,239</u>	<u>\$ 64,323</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, 2013*

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget Positive (Negative)</u>
	<u>Final</u>	<u>Actual</u>	
Expenditures:			
Capital Outlay:			
Other	\$ 79,907	\$ -	\$ 79,907
Total Expenditures	<u>79,907</u>	<u>-</u>	<u>79,907</u>
Net Change in Fund Balance	(79,907)	-	79,907
Fund Balance - Beginning of Year	79,908	79,908	-
Fund Balance - End of Year	<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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Payments in Lieu of Taxes	\$ 16,891	\$ 13,691	\$ (3,200)
Total Revenues	<u>16,891</u>	<u>13,691</u>	<u>(3,200)</u>
Expenditures:			
Capital Outlay:			
Other	69,335	52,623	16,712
Total Expenditures	<u>69,335</u>	<u>52,623</u>	<u>16,712</u>
Net Change in Fund Balance	(52,444)	(38,932)	13,512
Fund Balance - Beginning of Year	97,936	97,936	-
Fund Balance - End of Year	<u>\$ 45,492</u>	<u>\$ 59,004</u>	<u>\$ 13,512</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, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Payments in Lieu of Taxes	\$ 56,742	\$ 58,253	\$ 1,511
Total Revenues	<u>56,742</u>	<u>58,253</u>	<u>1,511</u>
Expenditures:			
Capital Outlay:			
Other	133,121	41,750	91,371
Debt Service:			
Interest & Fiscal Charges	45,587	45,587	-
Total Expenditures	<u>178,708</u>	<u>87,337</u>	<u>91,371</u>
Net Change in Fund Balance	(121,966)	(29,084)	92,882
Fund Balance - Beginning of Year	169,696	169,696	-
Fund Balance - End of Year	<u>\$ 47,730</u>	<u>\$ 140,612</u>	<u>\$ 92,882</u>

City of Euclid, Ohio
*Schedule of Revenues, Expenses and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Harbor Town TIF Fund
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Payments in Lieu of Taxes	\$ 43,990	\$ 102,717	\$ 58,727
Total Revenues	<u>43,990</u>	<u>102,717</u>	<u>58,727</u>
Expenditures:			
Capital Outlay:			
Other	135,800	1,816	133,984
Debt Service:			
Interest & Fiscal Charges	17,688	17,688	-
Total Expenditures	<u>153,488</u>	<u>19,504</u>	<u>133,984</u>
Net Change in Fund Balance	(109,498)	83,213	192,711
Fund Balance - Beginning of Year	350,811	350,811	-
Fund Balance - End of Year	<u>\$ 241,313</u>	<u>\$ 434,024</u>	<u>\$ 192,711</u>

City of Euclid, Ohio
*Schedule of Revenues, Expenses and Changes in Fund Equity -
 Budget (Non-GAAP Basis) and Actual
 Downtown District A TIF Fund
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Payments in Lieu of Taxes	\$ 51,000	\$ 86,905	\$ 35,905
Total Revenues	<u>51,000</u>	<u>86,905</u>	<u>35,905</u>
Expenditures:			
Capital Outlay:			
Other	110,000	75	109,925
Total Expenditures	<u>110,000</u>	<u>75</u>	<u>109,925</u>
Net Change in Fund Balance	(59,000)	86,830	145,830
Fund Balance - Beginning of Year	142,995	142,995	-
Fund Balance - End of Year	<u>\$ 83,995</u>	<u>\$ 229,825</u>	<u>\$ 145,830</u>



STATISTICAL SECTION

City of Euclid, Ohio

Statistical Section

This part of City'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.

<u>Contents</u>	<u>Page(s)</u>
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 - S8
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and municipal income taxes.	S9 – S14
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.	S15 – S20
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S21 – S22
Operating Information These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S23 – S28

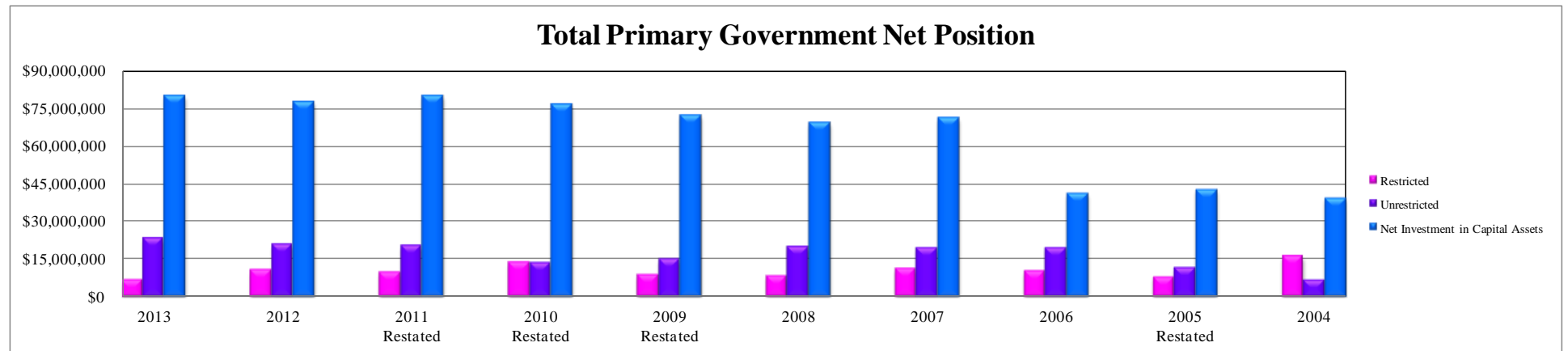
Sources: Unless otherwise noted, the information in these schedules is derived from the basic financial statements for the relevant year.

City of Euclid, Ohio

Net Position by Component Accrual Basis of Accounting Last Ten Years

Table 1

	2013	2012	2011 Restated	2010 Restated	2009 Restated	2008	2007	2006	2005 Restated	2004
Governmental Activities										
Net Investment in Capital Assets	\$ 32,235,958	\$ 32,146,243	\$ 36,430,785	\$ 36,290,780	\$ 37,644,890	\$39,956,632	\$ 41,151,610	\$12,190,259	\$ 13,335,911	\$ 9,441,514
Restricted	6,761,817	10,219,167	9,671,191	13,342,663	8,307,210	8,179,008	11,000,386	10,020,313	7,732,966	14,394,303
Unrestricted	10,896,260	12,076,435	11,807,492	5,052,623	3,360,059	5,636,227	4,075,405	6,065,273	2,959,733	2,339,507
Total Governmental Activities Net Position	\$ 49,894,035	\$ 54,441,845	\$ 57,909,468	\$ 54,686,066	\$ 49,312,159	\$53,771,867	\$ 56,227,401	\$28,275,845	\$ 24,028,610	\$26,175,324
Business Type - Activities										
Net Investment in Capital Assets	\$ 47,755,727	\$ 45,310,310	\$ 43,523,835	\$ 40,280,422	\$ 34,567,361	\$29,214,805	\$ 29,982,118	\$28,971,722	\$ 29,207,199	\$29,795,176
Restricted	0	0	0	0	0	0	0	0	0	1,200,000
Unrestricted	12,108,558	8,658,820	8,144,885	8,285,405	11,352,949	13,829,216	11,908,239	13,304,043	8,390,986	4,378,060
Total Business-Type Activities Net Position	\$ 59,864,285	\$ 53,969,130	\$ 51,668,720	\$ 48,565,827	\$ 45,920,310	\$43,044,021	\$ 41,890,357	\$42,275,765	\$ 37,598,185	\$35,373,236
Primary Government										
Net Investment in Capital Assets	\$ 79,991,685	\$ 77,456,553	\$ 79,954,620	\$ 76,571,202	\$ 72,212,251	\$69,171,437	\$ 71,133,728	\$41,161,981	\$ 42,543,110	\$39,236,690
Restricted	6,761,817	10,219,167	9,671,191	13,342,663	8,307,210	8,179,008	11,000,386	10,020,313	7,732,966	15,594,303
Unrestricted	23,004,818	20,735,255	19,952,377	13,338,028	14,713,008	19,465,443	19,369,316	19,369,316	11,350,719	6,717,567
Total Primary Government Net Position	\$109,758,320	\$108,410,975	\$109,578,188	\$103,251,893	\$ 95,232,469	\$96,815,888	\$101,503,430	\$70,551,610	\$ 61,626,795	\$61,548,560



City of Euclid, Ohio

Changes in Net Position Accrual Basis of Accounting Last Ten Years

Table 2

	2013	2012	2011 Restated	2010 Restated	2009 Restated	2008	2007	2006	2005 Restated	2004
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,615,417	\$ 2,066,689	\$ 2,507,033	\$ 4,317,024	\$ 2,301,388	\$ 564,303	\$ 1,031,766	\$ 1,019,146	\$ 1,630,952	\$ 2,101,899
Security of Persons and Property	3,643,071	3,919,272	3,448,103	3,732,402	2,845,690	4,073,600	4,999,375	4,975,827	2,897,560	2,150,294
Public Health	84,625	76,651	77,382	82,068	78,398	83,793	91,602	92,922	33,424	85,666
Leisure Time Activities	403,594	394,730	450,554	433,648	590,597	730,006	883,285	796,916	615,674	755,333
Community and Economic Development	1,965,204	1,779,151	1,702,985	1,512,112	1,413,183	1,554,640	542,492	236,343	532,403	323,664
Sanitation	1,592,590	2,378,857	1,797,856	1,337,454	0	0	0	0	231,521	942,743
Transportation	2,024	600	0	0	114,156	39,637	207,307	88,588	191,361	459,799
Subtotal - Charges for Services	9,306,525	10,615,950	9,983,913	11,414,708	7,343,412	7,045,979	7,755,827	7,209,742	6,132,895	6,819,398
Operating Grants and Contributions:										
General Government	47,626	0	550,724	587,960	137,338	0	498,055	428,589	243,965	0
Security of Persons and Property	398,529	617,370	667,415	1,084,936	491,637	487,231	18,906	139,422	1,400	91,319
Public Health	14,569	0	0	0	0	0	0	0	0	0
Leisure Time Activities	368	6,741	51,895	3,766	10,039	4,327	5,947	43,084	36,744	0
Community and Economic Development	1,317,949	1,365,971	1,770,441	2,738,366	1,215,829	1,247,025	889,458	1,123,011	1,116,634	87,740
Sanitation	5,000	4,000	0	0	0	0	0	0	0	0
Transportation	1,576,336	1,691,509	1,707,991	1,819,510	1,699,535	1,861,667	1,935,960	1,835,670	1,927,988	0
Subtotal - Operating Grants and Contributions	3,360,377	3,685,591	4,748,466	6,234,538	3,554,378	3,600,250	3,348,326	3,569,776	3,326,731	179,059
Capital Grants and Contributions:										
General Government	0	18,354	65,527	350,000	0	279,401	0	18,690	31,219	0
Security of Persons and Property	21,561	124,372	25,511	0	0	0	0	0	0	0
Public Health	30,844	0	0	0	0	0	0	0	0	0
Transportation	125,587	34,227	1,514,633	0	0	0	0	0	0	0
Community and Economic Development	67,200	13,047	0	0	0	0	0	0	0	1,320,553
Leisure Time Activities	252,489	548,313	67,597	0	0	0	0	11,170	19,767	0
Subtotal - Capital Grants and Contributions	497,681	738,313	1,673,268	350,000	0	279,401	0	29,860	50,986	1,320,553
Total Governmental Activities Program Revenues	13,164,583	15,039,854	16,405,647	17,999,246	10,897,790	10,925,630	11,104,153	10,809,378	9,510,612	8,319,010
Business-Type Activities										
Charges for Services:										
Briardale Greens Golf Course	0	0	0	8,746	939,058	1,035,336	1,019,279	987,636	795,003	786,232
Waste Water Treatment	14,615,480	11,112,883	11,068,529	9,238,260	10,663,957	10,887,935	10,876,879	11,498,677	9,396,074	9,730,420
Water Line Improvement	1,682,000	2,895,931	1,606,374	1,551,174	1,967,426	1,623,543	1,671,736	1,605,235	840,218	0
Operating Grants and Contributions:										
Wastewater Treatment	0	0	0	184,648	227,712	52,675	39,479	814,589	0	0
Capital Grants and Contributions:										
Briardale Golf Course	86,723	9,300	0	98,794	0	0	0	121,449	0	0
Waste Water Treatment	850,622	0	0	321,351	94,932	276,000	0	0	0	0
Water Line Improvement	0	0	1,053,139	464,161	1,042,281	65,348	0	0	0	0
Total Business-Type Activities Program Revenues	17,234,825	14,018,114	13,728,042	11,867,134	14,935,366	13,940,837	13,607,373	15,027,586	11,031,295	10,516,652
Total Primary Government Program Revenues	\$ 30,399,408	\$ 29,057,968	\$ 30,133,689	\$ 29,866,380	\$ 25,833,156	\$ 24,866,467	\$ 24,711,526	\$ 25,836,964	\$ 20,541,907	\$ 18,835,662

City of Euclid, Ohio

Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Years

Table 2

	2013	2012	2011	2010 Restated	2009 Restated	2008	2007	2006	2005 Restated	2004
Expenses										
Governmental Activities:										
General Government	\$ 13,381,458	\$ 11,879,530	\$ 14,070,597	\$ 13,105,802	\$ 13,389,365	\$ 12,894,864	\$ 14,000,128	\$ 12,352,031	\$ 11,114,592	\$ 11,965,470
Security of Persons and Property:	21,090,420	20,602,865	19,892,646	20,607,153	21,052,721	23,445,910	22,884,517	21,466,024	21,544,601	21,147,901
Sanitation	2,310,771	2,063,996	2,185,892	1,916,687	2,251,317	2,506,683	2,219,004	2,013,501	1,777,289	1,912,089
Public Health	273,361	275,393	285,793	273,641	280,112	260,044	277,425	257,280	256,582	234,887
Leisure Time Activities	1,878,910	1,709,689	1,667,298	1,766,298	2,095,133	2,423,707	1,706,870	2,109,410	1,924,054	4,077,885
Community and Economic Development	3,004,987	2,991,518	2,884,982	2,873,059	2,846,921	3,201,584	2,955,795	3,173,312	2,619,435	478,828
Transportation	6,026,874	9,489,789	6,057,526	6,647,276	7,382,963	6,343,637	7,396,063	2,695,350	4,446,355	1,489,045
Interest and Fiscal Charges	993,111	1,210,537	846,954	1,418,378	1,406,102	1,505,395	1,553,302	1,546,588	1,566,775	2,069,348
Total Governmental Activities Expenses	48,959,892	50,223,317	47,891,688	48,608,294	50,704,634	52,581,824	52,993,104	45,613,496	45,249,683	43,375,453
Business-Type Activities										
Briardale Golf Course	88,397	92,343	80,540	131,602	894,060	988,166	1,059,840	996,359	1,206,580	770,115
Wastewater Treatment	9,997,445	10,203,983	9,601,656	9,938,574	10,920,206	11,061,437	10,109,869	9,438,610	10,732,693	10,313,927
Water Line Improvement	1,253,974	1,433,806	800,228	965,870	1,033,398	792,165	765,993	915,675	557,637	0
Total Business-Type Activities Expenses	11,339,816	11,730,132	10,482,424	11,036,046	12,847,664	12,841,768	11,935,702	11,350,644	12,496,910	11,084,042
Total Primary Government Program Expenses	60,299,708	61,953,449	58,374,112	59,644,340	63,552,298	65,423,592	64,928,806	56,964,140	57,746,593	54,459,495
Net (Expense)/Revenue										
Governmental Activities	(35,795,309)	(35,183,463)	(31,486,041)	(30,609,048)	(39,806,844)	(41,656,194)	(41,888,951)	(34,804,118)	(35,739,071)	(35,056,443)
Business-Type Activities	5,895,009	2,287,982	3,245,618	831,088	2,087,702	1,099,069	1,671,671	3,676,942	(1,465,615)	(567,390)
Total Primary Government Net Expense	(29,900,300)	(32,895,481)	(28,240,423)	(29,777,960)	(37,719,142)	(40,557,125)	(40,217,280)	(31,127,176)	(37,204,686)	(35,623,833)

City of Euclid, Ohio

Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Years

Table 2

	2013	2012	2011	2010 Restated	2009 Restated	2008	2007	2006	2005 Restated	2004
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property and Other Local Taxes	4,765,637	4,898,836	4,940,319	5,162,960	5,069,206	5,158,520	5,839,560	7,391,165	5,471,671	9,724,482
Municipal Income Taxes	23,090,347	22,359,573	24,315,337	22,994,810	22,527,179	24,124,792	24,286,649	26,227,696	22,004,837	20,213,175
Grants and Entitlements not Restricted to										
Specific Programs	2,189,349	3,061,866	4,458,718	6,874,711	5,885,372	6,460,923	5,647,600	3,846,566	5,745,954	3,208,030
Payments in Lieu of Taxes	261,567	304,822	179,400	174,801	172,310	123,164	72,269	68,730	59,293	0
Investment Income	90,253	107,136	94,986	173,483	451,410	921,534	1,303,442	1,163,865	663,536	398,378
Gain/Loss on Sale of Capital Assets	23,311	0	0	128,453	45,431	0	176,305	0	0	0
Miscellaneous	827,035	983,607	1,082,783	478,952	1,196,228	1,743,907	18,771	66,875	10,827	53,367
Transfers	0	0	420,923	(5,215)	0	667,820	286,456	286,456	(625,806)	286,456
Total Governmental Activities	<u>31,247,499</u>	<u>31,715,840</u>	<u>35,492,466</u>	<u>35,982,955</u>	<u>35,347,136</u>	<u>39,200,660</u>	<u>37,631,052</u>	<u>39,051,353</u>	<u>33,330,312</u>	<u>33,883,888</u>
Business-Type Activities										
Property Taxes	0	0	11,475	365,166	465,667	639,606	626,240	767,977	670,778	609,316
Grants and Entitlements not Restricted to										
Specific Programs	0	0	0	0	0	0	0	0	614,188	183,912
Investment Income	146	196	41,651	9,856	4,339	56,180	63,583	48,163	351	1,018
Miscellaneous	0	12,232	483,293	1,434,192	318,581	26,629	294	0	0	0
Transfers	0	0	(420,923)	5,215	0	(667,820)	(286,456)	(286,456)	625,806	(286,456)
Total Business-Type Activities	<u>146</u>	<u>12,428</u>	<u>115,496</u>	<u>1,814,429</u>	<u>788,587</u>	<u>54,595</u>	<u>403,661</u>	<u>529,684</u>	<u>1,911,123</u>	<u>507,790</u>
Total Primary Government General Revenues and Other Changes in Net Position	<u>31,247,645</u>	<u>31,728,268</u>	<u>35,607,962</u>	<u>37,797,384</u>	<u>36,135,723</u>	<u>39,255,255</u>	<u>38,034,713</u>	<u>39,581,037</u>	<u>35,241,435</u>	<u>34,391,678</u>
Change in Net Position										
Governmental Activities	(4,547,810)	(3,467,623)	4,006,425	5,373,907	(4,459,708)	(2,455,534)	(4,257,899)	4,247,235	(2,408,759)	(1,172,555)
Business-Type Activities	5,895,155	2,300,410	3,361,114	2,645,517	2,876,289	1,153,664	2,075,332	4,206,626	445,508	(59,600)
Total Primary Government Change in Net Position	<u>\$ 1,347,345</u>	<u>\$ (1,167,213)</u>	<u>\$ 7,367,539</u>	<u>\$ 8,019,424</u>	<u>\$ (1,583,419)</u>	<u>\$ (1,301,870)</u>	<u>\$ (2,182,567)</u>	<u>\$ 8,453,861</u>	<u>\$ (1,963,251)</u>	<u>\$ (1,232,155)</u>

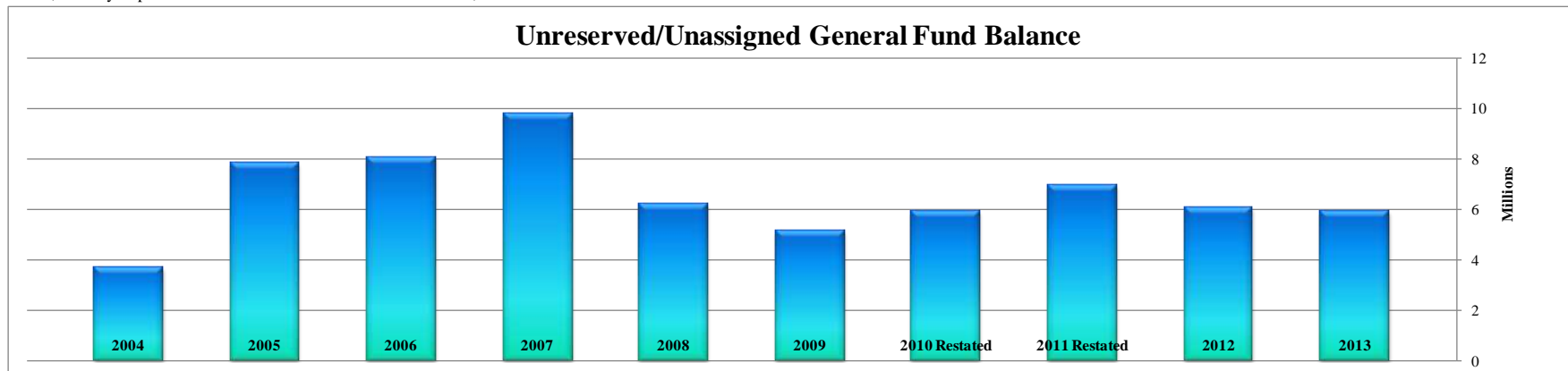
City of Euclid, Ohio

Fund Balances, Governmental Funds Modified Accrual Basis of Accounting Last Ten Years

Table 3

	2013	2012	2011 Restated	2010 Restated	2009	2008	2007	2006	2005	2004
General Fund										
Nonspendable	\$ 1,278,550	\$ 1,323,212	\$ 1,367,748	\$ 1,460,576	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Committed	63,128	73,615	183,472	216,334	0	0	0	0	0	0
Assigned	506,881	451,520	36,008	28,105	0	0	0	0	0	0
Unassigned	5,915,128	6,046,519	6,954,074	5,938,091	0	0	0	0	0	0
Reserved	0	0	0	0	1,389,906	1,529,833	97,896	99,257	37,934	3,837,679
Unreserved	0	0	0	0	5,143,251	6,220,960	9,782,186	8,076,295	7,821,849	3,678,477
Total General Fund	7,763,687	7,894,866	8,541,302	7,643,106	6,533,157	7,750,793	9,880,082	8,175,552	7,859,783	7,516,156
All Other Governmental Funds										
Nonspendable	152,190	159,191	95,779	71,887	0	0	0	0	0	0
Restricted	3,546,337	3,144,566	6,093,620	8,028,597	0	0	0	0	0	0
Committed	12,473	1,077	0	0	0	0	0	0	0	0
Unassigned	(3,851,205)	(1,170,048)	(1,542,936)	(438,584)	0	0	0	0	0	0
Reserved	0	0	0	0	498,970	728,790	1,257,678	346,199	522,175	5,739,842
Unreserved, Undesignated, Reported in:										
Special Revenue funds	0	0	0	0	1,281,141	1,425,191	1,787,192	1,684,898	1,520,080	1,180,356
Debt Service funds	0	0	0	0	2,767,975	2,708,149	3,775,688	2,947,437	3,056,034	3,008,900
Capital Projects funds	0	0	0	0	2,095,459	2,081,323	2,131,623	2,499,812	401,209	2,558,005
Total All Other Governmental Funds	(140,205)	2,134,786	4,646,463	7,661,900	6,643,545	6,943,453	8,952,181	7,478,346	5,499,498	12,487,103
Total Governmental Funds	\$ 7,623,482	\$ 10,029,652	\$ 13,187,765	\$ 15,305,006	\$ 13,176,702	\$ 14,694,246	\$ 18,832,263	\$ 15,653,898	\$ 13,359,281	\$ 20,003,259

Note: In 2011, the City implemented GASB Statement No. 54. As a result, the 2010 fund balances were reclassified to reflect the effects of GASB Statement No. 54.



City of Euclid, Ohio

Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

Last Ten Years

Table 4

	2013	2012	2011 Restated	2010	2009	2008	2007	2006	2005	2004
Revenues										
Property and Other Local Taxes	\$ 4,758,699	\$ 5,223,856	\$ 5,014,254	\$ 4,908,989	\$ 4,863,732	\$ 5,317,922	\$ 6,511,494	\$ 6,213,540	\$ 5,893,239	\$ 29,815,540
Municipal Income Taxes	24,043,014	20,599,919	23,868,290	22,165,312	22,295,312	23,949,387	25,508,186	23,084,613	23,029,224	0
Charges for Services	5,376,589	6,912,556	6,048,437	6,120,126	4,396,344	4,468,421	5,011,318	4,357,413	4,201,706	4,709,566
Fees, Licenses and Permits	556,302	161,302	180,020	148,341	136,019	119,297	131,568	45,638	241,899	572,019
Fines and Forfeitures	2,294,990	1,975,305	1,607,230	1,778,448	1,849,083	2,115,947	1,843,132	1,760,313	1,350,888	1,488,128
Payments in Lieu of Taxes	261,566	304,822	179,400	174,801	172,310	123,164	72,269	68,730	59,293	0
Intergovernmental	6,638,542	7,468,739	9,113,247	13,061,780	9,702,823	10,781,759	8,544,675	8,123,702	8,401,874	4,725,839
Special Assessments	1,236,275	1,229,316	1,223,194	335,115	320,199	505,921	84,684	190,634	88,111	270,469
Rentals	142,242	136,385	220,757	205,560	928,741	378,566	438,302	370,186	329,315	300,078
Contributions and Donations	18,780	79,483	1,610,147	57,741	51,034	35,658	27,517	144,696	35,280	0
Interest	90,253	107,376	97,802	256,825	500,049	862,215	1,286,011	1,162,032	663,536	397,135
Miscellaneous	1,304,261	982,197	1,082,783	478,952	1,196,228	891,394	18,771	66,875	10,827	186,241
Total Revenues	46,721,513	45,181,256	50,245,561	49,691,990	46,411,874	49,549,651	49,477,927	45,588,372	44,305,192	42,465,015
Expenditures										
Current:										
General Government	12,871,946	12,087,105	13,489,522	13,904,635	12,846,810	13,255,819	12,389,735	11,367,827	10,527,754	12,064,453
Security of Persons and Property	20,885,109	20,379,045	20,598,229	20,337,564	20,493,264	22,504,755	20,876,789	20,107,626	18,582,973	20,605,101
Public Health	277,146	275,451	289,293	272,263	272,496	260,044	277,809	257,651	257,846	235,365
Leisure Time Activities	1,651,776	1,517,664	1,519,385	1,568,545	1,826,333	2,142,829	1,998,691	1,836,370	1,662,926	3,858,686
Community and Economic Development	2,830,876	2,999,577	2,908,927	2,863,379	2,728,006	3,084,899	2,613,273	2,743,472	2,277,566	2,039,604
Sanitation	2,303,563	2,067,356	2,180,946	1,916,687	2,251,317	2,506,683	2,204,171	1,857,975	1,786,082	1,912,089
Transportation	1,905,970	1,909,461	1,862,722	2,109,236	2,232,410	2,596,559	2,242,299	2,096,922	1,587,855	1,589,464
Capital Outlay	2,514,506	2,658,188	4,967,119	2,547,975	3,015,982	5,376,523	3,579,883	2,780,690	3,227,405	0
Debt Service:										
Principal Retirement	3,177,581	3,077,574	7,151,780	5,240,760	3,305,944	9,590,395	6,419,365	2,927,010	8,711,529	6,861,073
Interest and Fiscal Charges	964,494	1,151,530	1,070,780	1,311,229	1,367,743	1,492,737	1,529,377	1,518,668	1,568,293	2,086,281
Bond Issuance Costs	0	17,592	179,065	0	0	275,697	0	0	0	0
Advance Refund Escrow	0	0	123,978	0	0	0	0	0	0	0
Total Expenditures	49,382,967	48,140,543	56,341,746	52,072,273	50,340,305	63,086,940	54,131,392	47,494,211	50,190,229	51,252,116
Excess of Revenues Over (Under) Expenditures	(2,661,454)	(2,959,287)	(6,096,185)	(2,380,283)	(3,928,431)	(13,537,289)	(4,653,465)	(1,905,839)	(5,885,037)	(8,787,101)

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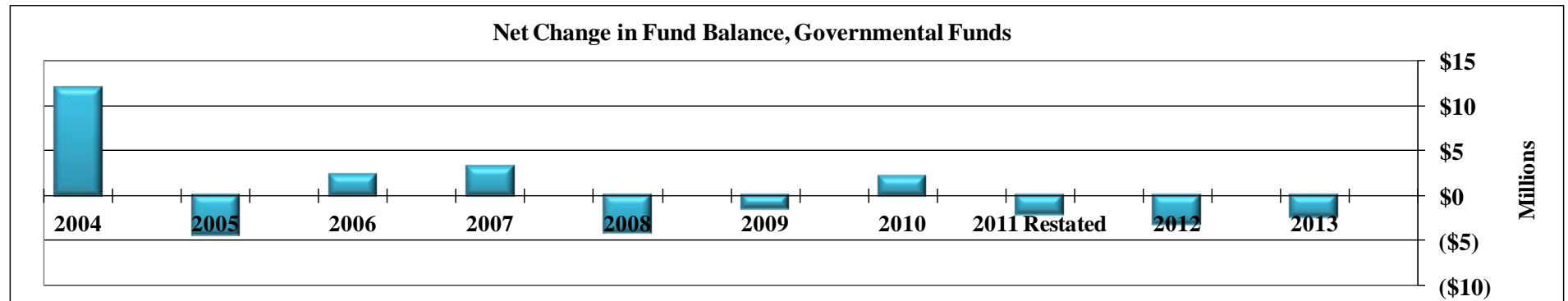
City of Euclid, Ohio

Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting (continued)

Last Ten Years

Table 4

	2013	2012	2011 Restated	2010	2009	2008	2007	2006	2005	2004
Other Financing Sources (Uses)										
Sale of Capital Assets	36,125	26,174	62,028	197,309	52,620	55,191	224,113	0	0	2,800
General Obligation Bonds Issued	0	0	4,316,000	0	0	10,625,000	0	0	0	13,097,000
Refunding Bonds Issued	0	0	5,482,000	0	0	0	0	0	0	0
Premium on Debt Issued	0	0	121,632	21,278	0	215,765	40,280	0	0	0
OPWC Loan	0	0	0	0	18,267	1,119,127	434,981	98,000	0	0
Notes Issued	0	0	0	4,290,000	2,340,000	0	6,846,000	3,816,000	100,000	5,981,000
Inception of Capital Lease	292,000	0	0	0	0	205,758	0	0	1,077,689	1,583,897
Insurance Recoveries	2,159	0	35,500	0	0	0	0	0	0	0
Transfers In	2,334,550	4,234,675	342,300	553,800	1,061,859	1,195,820	825,300	1,085,900	918,056	689,115
Transfers Out	(2,409,550)	(4,459,675)	(912,300)	(553,800)	(1,061,859)	(528,000)	(538,844)	(799,444)	(631,600)	(602,659)
Payment to Refunded Bond Escrow Agent	0	0	(5,468,216)	0	0	(3,489,389)	0	0	0	0
Total Other Financing Sources (Uses)	255,284	(198,826)	3,978,944	4,508,587	2,410,887	9,399,272	7,831,830	4,200,456	1,464,145	20,751,153
Net Change in Fund Balances	\$ (2,406,170)	\$ (3,158,113)	\$ (2,117,241)	\$ 2,128,304	\$ (1,517,544)	\$ (4,138,017)	\$ 3,178,365	\$ 2,294,617	\$ (4,420,892)	\$ 11,964,052
Debt Service as a Percentage of Noncapital Expenditures	9.26%	9.28%	16.20%	13.48%	9.70%	19.68%	15.38%	9.79%	20.63%	18.47%



City of Euclid, Ohio

Property Tax Rates – Direct and Overlapping Governments (Per \$1,000 of Assessed Valuation)

Last Ten Years

Table 5

	Collection Year 2013	Collection Year 2012	Collection Year 2011	Collection Year 2010	Collection Year 2009	Collection Year 2008	Collection Year 2007	Collection Year 2006	Collection Year 2005	Collection Year 2004
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	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88
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	0.00	0.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Voted Millage	9.72	9.72	11.72	11.72	11.72	11.72	11.72	11.72	11.72	11.72
Total Millage	13.60	13.60	15.60	15.60	15.60	15.60	15.60	15.60	15.60	15.60
Overlapping Rates by Taxing District										
City of Euclid										
Residential/Agricultural Effective Rate	7.2595	6.3749	6.3560	6.8571	6.5566	6.5540	6.5523	6.8792	6.8787	6.8790
Commerical/Industrial and Public Utility Effective Rate	9.9577	9.5791	9.4690	10.6120	10.3296	10.3634	10.3668	10.3549	9.9554	9.7881
General Business and Public Utility Personal Property	13.6000	13.6000	13.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000
Euclid City Schools										
Residential/Agricultural Effective Rate	72.2593	53.3148	54.4667	54.4664	46.1446	39.1132	39.0934	43.0313	37.5124	35.0153
Commerical/Industrial and Public Utility Effective Rate	84.0823	71.9537	72.7342	72.8014	66.1743	59.4467	59.4747	59.3941	51.2261	47.5742
General Business and Public Utility Personal Property	98.4000	88.4000	89.8000	89.9000	85.2000	78.2000	78.2000	78.2000	72.8000	70.3000
Cuyahoga County										
Residential/Agricultural Effective Rate	13.2200	13.1182	13.1866	13.1789	12.6607	11.8688	11.8655	11.7227	10.9754	10.9899
Commerical/Industrial and Public Utility Effective Rate	12.9968	12.7846	12.8412	12.8457	12.8153	12.4535	12.4941	12.5881	11.9846	12.0433
General Business and Public Utility Personal Property	13.2200	13.2200	13.3200	13.3200	13.3200	13.4200	13.4200	13.5200	13.5200	13.5200
Special Taxing Districts (1)										
Residential/Agricultural Effective Rate	9.0635	9.0041	8.9900	7.9811	7.2832	7.2794	7.2761	7.7965	6.3793	5.7037
Commerical/Industrial and Public Utility Effective Rate	8.9621	8.8649	8.8450	7.9119	7.8711	7.8782	7.8962	8.0597	6.7804	6.2102
General Business and Public Utility Personal Property	9.0800	9.0800	9.0800	8.2800	8.2800	8.2800	8.2800	8.2800	7.2800	6.9800

Source: Cuyahoga County Fiscal Officer

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 (0.13 mills), Euclid Library (4.00 mills), Community College (3.10 mills)

City of Euclid, Ohio

Assessed Valuations 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
2013	\$ 401,745,490	\$ 168,140,380	\$ 1,628,245,343	\$ 17,368,880	\$ 19,737,364
2012	\$ 546,762,120	\$ 175,905,170	\$ 2,064,763,686	\$ 16,043,950	\$ 18,231,761
2011	\$ 551,393,850	\$ 179,899,430	\$ 2,089,409,371	\$ 15,476,470	\$ 17,586,898
2010	\$ 553,341,120	\$ 181,540,130	\$ 2,099,660,714	\$ 15,108,400	\$ 17,168,636
2009	\$ 615,910,790	\$ 183,124,340	\$ 2,282,957,514	\$ 13,964,270	\$ 15,868,489
2008	\$ 617,695,210	\$ 184,247,970	\$ 2,291,266,229	\$ 21,020,000	\$ 23,886,364
2007	\$ 549,090,850	\$ 185,048,420	\$ 2,097,540,771	\$ 22,108,400	\$ 25,123,182
2006	\$ 549,066,990	\$ 196,770,870	\$ 2,130,965,314	\$ 24,167,100	\$ 27,462,614
2005	\$ 549,167,830	\$ 202,727,320	\$ 2,148,271,857	\$ 24,947,560	\$ 28,349,500
2004	\$ 502,349,750	\$ 199,443,630	\$ 2,005,123,943	\$ 24,563,360	\$ 27,912,909

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

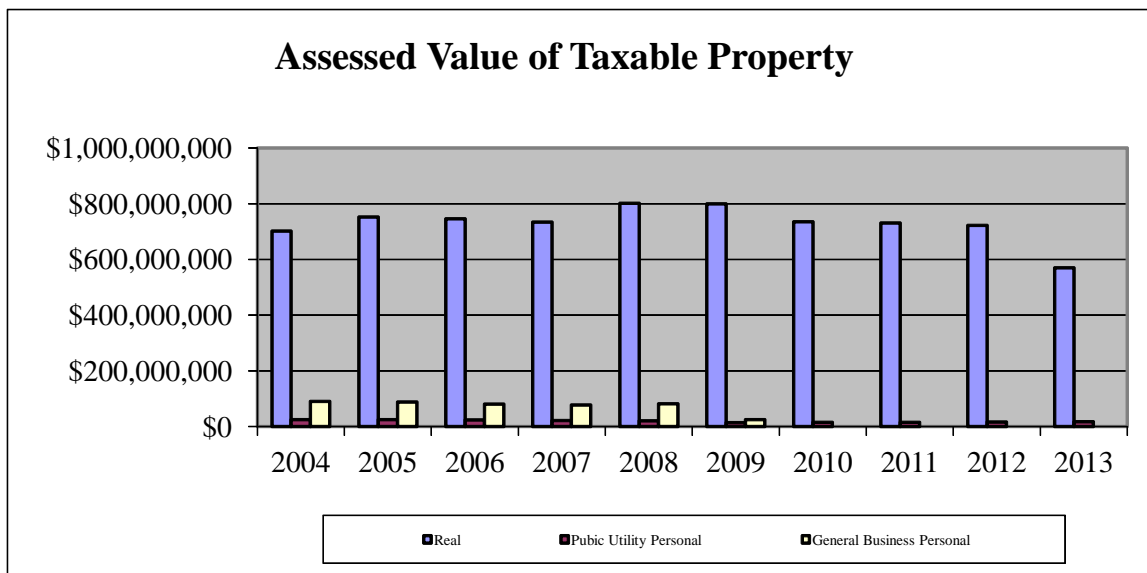
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General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

Table 6

Tangible Personal Property		Total		Ratio	Weighted Average Tax Rate
General Business		Assessed Value	Estimated Actual Value		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ -	\$ -	\$ 587,254,750	\$ 1,647,982,707	35.63%	8.2196
\$ -	\$ -	\$ 738,711,240	\$ 2,082,995,447	35.46%	7.2948
\$ -	\$ -	\$ 746,769,750	\$ 2,106,996,269	35.44%	7.2561
\$ -	\$ -	\$ 749,989,650	\$ 2,116,829,351	35.43%	7.9421
\$ 24,916,620	\$ 132,888,640	\$ 837,916,020	\$ 2,431,714,643	34.46%	7.8008
\$ 81,771,053	\$ 436,112,283	\$ 904,734,233	\$ 2,751,264,875	32.88%	8.3575
\$ 77,001,463	\$ 410,674,469	\$ 833,249,133	\$ 2,533,338,423	32.89%	8.4756
\$ 80,320,200	\$ 321,280,800	\$ 850,325,160	\$ 2,479,708,728	34.29%	8.7551
\$ 88,592,903	\$ 354,371,612	\$ 865,435,613	\$ 2,530,992,969	34.19%	8.7436
\$ 90,128,261	\$ 360,513,044	\$ 816,485,001	\$ 2,393,549,896	34.11%	8.8146



City of Euclid, Ohio

Property Tax Levies and Collections

Last Ten Years

Table 7

Year	Current 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 Current Tax Levy
2013	\$ 5,176,102	\$ 4,667,849	90.18%	\$ 281,672	\$ 4,949,521	95.62%	\$ 933,666	18.04%
2012	\$ 5,752,944	\$ 5,173,294	89.92%	\$ 376,418	\$ 5,549,712	96.47%	\$ 926,729	16.11%
2011	\$ 6,884,315	\$ 5,171,119	75.11%	\$ 316,071	\$ 5,487,190	79.71%	\$ 433,724	6.30%
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%

Source: Cuyahoga County Fiscal Officer

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

Note: The County is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. The County's current computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. The County is looking at options to provide this information in the future.

City of Euclid, Ohio

Principal Taxpayers – Real Estate Tax

2013 and 2004

Table 8

Taxpayer	2013	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Cleveland Electric Illum Co.	\$ 14,414,620	2.53 %
Niederst Indian Hills, LLC	10,967,880	1.92 %
Lincoln Electric Co	6,782,730	1.19 %
Northpointe Towers LTD	6,579,900	1.15 %
Harbor Crest LTD.	5,593,740	0.98 %
Euclid Leasing Housing Associates 1, Ltd.	5,047,360	0.89 %
AE Portfolio, LLC	3,185,840	0.56 %
Horizon House LTD	2,967,580	0.52 %
Normandy Towers East I & II, LLC	2,552,350	0.45 %
Dowel MCB Euclid, LLC	2,400,900	0.42 %
Total	<u>\$ 60,492,900</u>	<u>10.61 %</u>
Total Assessed Valuation	<u>\$ 569,885,870</u>	

Taxpayer	2004	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Lincoln Electric Co.	\$ 12,244,630	1.74 %
Cleveland Electric Illum Co.	9,992,040	1.42 %
Ohio Bell Telephone Co.	9,238,010	1.32 %
Indian Hills Senior Community, Inc.	8,263,500	1.18 %
Aerc-Watergate, Inc	7,971,600	1.14 %
Harbor Crest Ltd.	5,511,100	0.79 %
Euclid Commerce One, LLC	4,657,980	0.66 %
Horizon House, Ltd.	3,642,630	0.52 %
Willo Arms Associates, Ltd.	3,300,500	0.47 %
Depot Land Co., Ltd.	3,163,030	0.45 %
Total	<u>\$ 67,985,020</u>	<u>9.69 %</u>
Total Assessed Valuation	<u>\$ 701,793,380</u>	

Source: Cuyahoga County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2013 and 2004 collections were based.

City of Euclid, Ohio

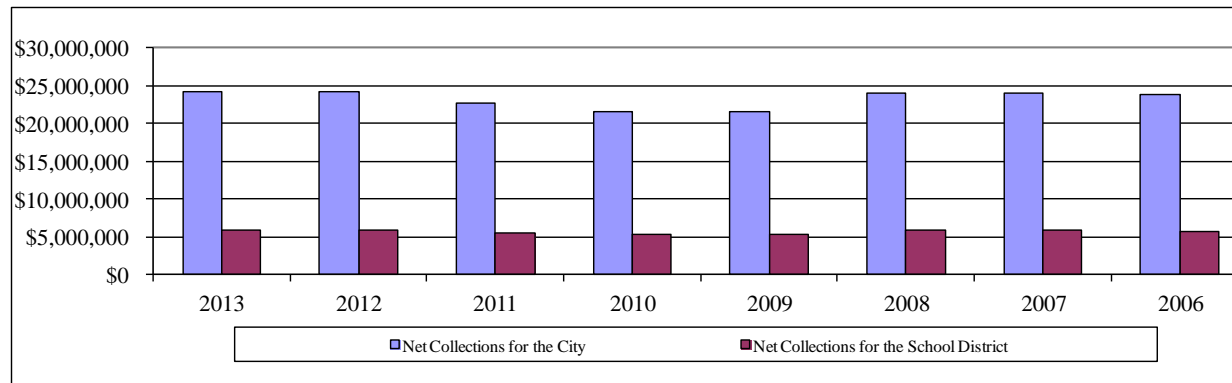
Income Tax Collection

Last Eight Years

Table 9

Year	Tax Rate	Individual	Net Profit	Payroll Withholding	Penalty and Interest	Miscellaneous Revenue	Gross Collections	Refunds and Adjustments	Net Collections	Net Collections for the City	Net Collections for the School District
2013	2.85%	\$4,730,185	\$3,149,071	\$22,024,374	\$535,721	\$177,761	\$30,617,112	(\$607,558)	\$30,009,554	\$24,145,781	\$5,863,773
2012	2.85%	\$4,791,973	\$3,880,111	\$21,381,656	\$595,097	\$199,002	\$30,847,839	(\$791,291)	\$30,056,548	\$24,163,169	\$5,893,379
2011	2.85%	\$5,024,705	\$3,148,360	\$19,758,688	\$625,900	\$187,785	\$28,745,438	(\$465,598)	\$28,279,840	\$22,732,211	\$5,547,629
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

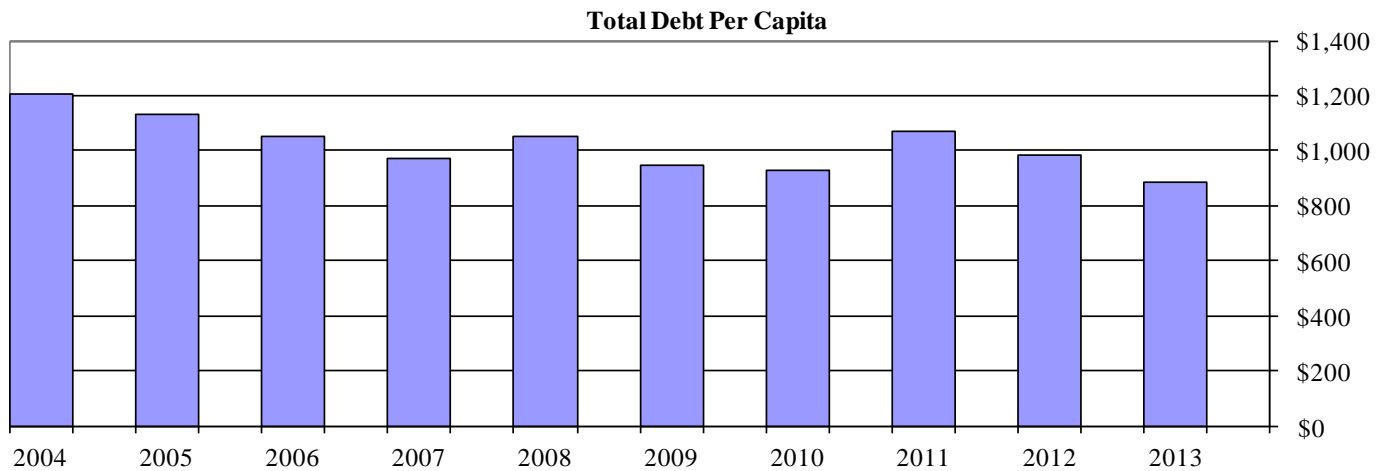
Last Ten Years

Table 10

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			
2013	\$ 19,975,891	\$ 570,111	\$ 1,336,299	\$ 375,358	\$ 419,000	\$ 11,098,452	\$ 4,751	\$ 2,523,453	\$ 7,177,596	\$ 43,480,911	4.17%	\$ 889
2012	\$ 22,581,511	\$ 683,133	\$ 1,419,818	\$ 271,420	\$ 547,000	\$ 11,874,105	\$ 57,692	\$ 2,915,302	\$ 7,775,402	\$ 48,125,383	4.61%	\$ 984
2011	\$ 25,114,131	\$ 786,155	\$ 1,503,337	\$ 286,628	\$ 665,000	\$ 12,612,758	\$ 108,395	\$ 3,184,851	\$ 8,134,229	\$ 52,395,484	5.02%	\$ 1,071
2010	\$ 23,114,489	\$ 995,000	\$ 1,586,856	\$ 473,890	\$ 995,000	\$ 5,945,106	\$ 246,279	\$ 4,790,889	\$ 7,372,374	\$ 45,519,883	4.36%	\$ 930
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

(1) Amounts include associated premiums and deferrals on refunding

Note: Population and Personal Income data are presented on Demographic and Economic Statistics



City of Euclid, Ohio

*Ratio of Net General Bonded Debt to Assessed
Value and Net Bonded Debt Per Capita
Last Ten Years*

Table 11

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Net 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>
2013	48,920	\$ 1,647,982,706	\$31,074,343	1.89 %	\$ 635
2012	48,920	\$ 2,082,995,447	\$34,455,616	1.65 %	\$ 704
2011	48,920	\$ 2,106,996,269	\$34,936,226	1.66 %	\$ 714
2010	48,920	\$ 2,116,829,351	\$25,814,059	1.22 %	\$ 528
2009	52,717	\$ 2,431,714,643	\$28,608,582	1.18 %	\$ 543
2008	52,717	\$ 2,751,264,875	\$31,720,374	1.15 %	\$ 602
2007	52,717	\$ 2,533,338,423	\$25,778,362	1.02 %	\$ 489
2006	52,717	\$ 2,479,708,728	\$28,959,411	1.17 %	\$ 549
2005	52,717	\$ 2,530,992,969	\$31,373,614	1.24 %	\$ 595
2004	52,717	\$ 2,393,549,896	\$33,966,100	1.42 %	\$ 644

Sources:

(1) Source: U. S. Census

(a) Years 2003 through 2009 - 2000 Federal Census

(b) Year 2010 - 2012 Federal Census

(2) Cuyahoga County Fiscal Officer

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt minus the debt service fund balance available to pay the general obligation debt.

City of Euclid, Ohio

Computation of Direct and Overlapping Governmental Activities Debt

December 31, 2013

Table 12

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of Euclid			
General Obligation Bonds, net	\$ 19,975,891	100.00%	\$ 19,975,891
Special Assessment Bonds, net	570,111	100.00%	570,111
OPWC Loans	1,336,299	100.00%	1,336,299
Capital Leases	375,358	100.00%	375,358
Development Revenue Bonds, net	419,000	100.00%	419,000
Total Direct Debt	<u>22,676,659</u>		<u>22,676,659</u>
Overlapping			
Euclid City School District	43,726,628	100.00%	43,726,628
Cuyahoga County	314,245,000	2.12%	6,658,690
Regional Transit Authority	116,450,000	2.12%	2,467,516
Total Overlapping Debt	<u>474,421,628</u>		<u>52,852,834</u>
Total	<u>\$ 497,098,287</u>		<u>\$ 75,529,493</u>

Source: Cuyahoga County Fiscal Officer

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

City of Euclid, Ohio

Legal Debt Margin

Last Ten Years

	2013	2012	2011	2010	2009
Total Assessed Property Value	<u>\$ 587,254,750</u>	<u>\$ 738,711,240</u>	<u>\$ 746,769,750</u>	<u>\$ 749,989,650</u>	<u>\$ 837,916,020</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>61,661,749</u>	<u>77,564,680</u>	<u>78,410,824</u>	<u>78,748,913</u>	<u>87,981,182</u>
Debt Outstanding:					
General Obligation Bonds	\$ 20,245,532	\$ 22,890,262	\$ 25,114,131	\$ 23,114,489	\$ 25,481,000
General Obligation Bonds - Enterprise	11,249,954	12,051,810	12,612,758	5,945,106	6,454,000
Special Assessment Bonds	661,439	792,727	786,155	995,000	1,080,000
Notes	5,278,176	5,276,969	3,432,049	4,290,000	2,340,000
Notes - Enterprise	0	0	0	7,040,000	7,040,000
OPWC Loans	1,336,299	1,419,818	1,503,337	1,586,856	1,670,375
OPWC Loans - Enterprise	7,177,596	7,775,402	8,134,229	7,372,374	5,971,616
OWDA Loans	2,523,453	2,915,302	3,184,851	4,790,889	6,779,135
Industrial Development Revenue Bonds	<u>530,000</u>	<u>695,000</u>	<u>665,000</u>	<u>995,000</u>	<u>1,120,000</u>
Total Gross Indebtedness	<u>49,002,449</u>	<u>53,817,290</u>	<u>55,432,510</u>	<u>56,129,714</u>	<u>57,936,126</u>
Less:					
General Obligation Bonds - Enterprise	(11,249,954)	(12,051,810)	(12,612,758)	(5,945,106)	(6,454,000)
Special Assessment Bonds	(661,439)	(792,727)	(786,155)	(995,000)	(1,080,000)
Notes	0	0	0	(4,290,000)	(2,340,000)
Notes - Enterprise	0	0	0	(7,040,000)	(7,040,000)
OPWC Loans	(1,336,299)	(1,419,818)	(1,503,337)	(1,586,856)	(1,670,375)
OPWC Loans - Enterprise	(7,177,596)	(7,775,402)	(8,134,229)	(7,372,374)	(5,971,616)
OWDA Loans	(2,523,453)	(2,915,302)	(3,184,851)	(4,790,889)	(6,779,135)
Industrial Development Revenue Bonds	(530,000)	(695,000)	(665,000)	(995,000)	(1,120,000)
General Obligation Bond Retirement Fund Balance	<u>0</u>	<u>0</u>	<u>(2,790,663)</u>	<u>(3,245,536)</u>	<u>(3,596,149)</u>
Total Net Debt Applicable to Debt Limit	<u>25,523,708</u>	<u>28,167,231</u>	<u>25,755,517</u>	<u>19,868,953</u>	<u>21,884,851</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 36,138,041</u>	<u>\$ 49,397,449</u>	<u>\$ 52,655,307</u>	<u>\$ 58,879,960</u>	<u>\$ 66,096,331</u>
Legal Debt Margin as a Percentage of the Debt Limit	58.61%	63.69%	67.15%	74.77%	75.13%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$ 32,299,011</u>	<u>\$ 40,629,118</u>	<u>\$ 41,072,336</u>	<u>\$ 41,249,431</u>	<u>\$ 46,085,381</u>
Total Gross Indebtedness	<u>\$ 49,002,449</u>	<u>\$ 53,817,290</u>	<u>\$ 55,432,510</u>	<u>\$ 56,129,714</u>	<u>\$ 57,936,126</u>
Less:					
General Obligation Bonds - Enterprise	(11,249,954)	(12,051,810)	(12,612,758)	(5,945,106)	(6,454,000)
Special Assessment Bonds	(661,439)	(792,727)	(786,155)	(995,000)	(1,080,000)
Notes	0	0	0	(4,290,000)	(2,340,000)
Notes - Enterprise	0	0	0	(7,040,000)	(7,040,000)
OPWC Loans	(1,336,299)	(1,419,818)	(1,503,337)	(1,586,856)	(1,670,375)
OPWC Loans - Enterprise	(7,177,596)	(7,775,402)	(8,134,229)	(7,372,374)	(5,971,616)
OWDA Loans	(2,523,453)	(2,915,302)	(3,184,851)	(4,790,889)	(6,779,135)
Industrial Development Revenue Bonds	(530,000)	(695,000)	(665,000)	(995,000)	(1,120,000)
General Obligation Bond Retirement Fund Balance	<u>0</u>	<u>0</u>	<u>(2,790,663)</u>	<u>(3,245,536)</u>	<u>(3,596,149)</u>
Net Debt Within 5 ½ % Limitations	<u>25,523,708</u>	<u>28,167,231</u>	<u>25,755,517</u>	<u>19,868,953</u>	<u>21,884,851</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$ 6,775,303</u>	<u>\$ 12,461,887</u>	<u>\$ 15,316,819</u>	<u>\$ 21,380,478</u>	<u>\$ 24,200,530</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	20.98%	30.67%	37.29%	51.83%	52.51%

Source: City Financial Records

Table 13

	2008	2007	2006	2005	2004
Total Assessed Property Value	<u>\$ 904,734,233</u>	<u>\$ 833,249,133</u>	<u>\$ 850,325,160</u>	<u>\$ 865,435,613</u>	<u>\$ 816,485,001</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>94,997,094</u>	<u>87,491,159</u>	<u>89,284,142</u>	<u>90,870,739</u>	<u>85,730,925</u>
Debt Outstanding:					
General Obligation Bonds	\$ 28,160,000	\$ 23,029,000	\$ 25,073,000	\$ 27,302,000	\$ 34,057,000
General Obligation Bonds - Enterprise	6,870,000	6,536,000	6,852,000	7,153,000	2,918,000
Special Assessment Bonds	1,160,000	1,235,000	1,305,000	1,375,000	1,440,000
Notes	0	6,846,000	3,816,000	100,000	5,981,000
Notes - Enterprise	5,600,000	3,000,000	3,000,000	1,000,000	1,200,000
OPWC Loans	1,652,108	532,981	98,000	0	2,393,316
OPWC Loans - Enterprise	6,079,837	6,352,551	6,515,556	6,069,001	4,080,513
OWDA Loans	8,620,444	10,328,970	11,915,515	13,389,914	14,765,846
Industrial Development Revenue Bonds	1,235,000	1,340,000	1,440,000	1,530,000	1,615,000
Total Gross Indebtedness	<u>59,377,389</u>	<u>59,200,502</u>	<u>60,015,071</u>	<u>57,918,915</u>	<u>68,450,675</u>
Less:					
General Obligation Bonds - Enterprise	(6,870,000)	(6,536,000)	(6,852,000)	(7,153,000)	(2,918,000)
Special Assessment Bonds	(1,160,000)	(1,235,000)	(1,305,000)	(1,375,000)	0
Notes	0	(6,846,000)	(3,816,000)	(100,000)	(5,981,000)
Notes - Enterprise	(5,600,000)	(3,000,000)	(3,000,000)	(1,000,000)	(1,200,000)
OPWC Loans	(1,652,108)	(532,981)	(98,000)	0	(2,393,316)
OPWC Loans - Enterprise	(6,079,837)	(6,352,551)	(6,515,556)	(6,069,001)	(4,080,513)
OWDA Loans	(8,620,444)	(10,328,970)	(11,915,515)	(13,389,914)	(14,765,846)
Industrial Development Revenue Bonds	(1,235,000)	(1,340,000)	(1,440,000)	(1,530,000)	0
General Obligation Bond Retirement Fund Balance	(3,596,149)	(3,775,688)	(2,947,437)	(3,056,034)	(3,008,900)
Total Net Debt Applicable to Debt Limit	<u>24,563,851</u>	<u>19,253,312</u>	<u>22,125,563</u>	<u>24,245,966</u>	<u>34,103,100</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 70,433,243</u>	<u>\$ 68,237,847</u>	<u>\$ 67,158,579</u>	<u>\$ 66,624,773</u>	<u>\$ 51,627,825</u>
Legal Debt Margin as a Percentage of the Debt Limit	74.14%	77.99%	75.22%	73.32%	60.22%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$ 49,760,383</u>	<u>\$ 45,828,702</u>	<u>\$ 46,767,884</u>	<u>\$ 47,598,959</u>	<u>\$ 44,906,675</u>
Total Gross Indebtedness	<u>\$ 59,377,389</u>	<u>\$ 59,200,502</u>	<u>\$ 60,015,071</u>	<u>\$ 57,918,915</u>	<u>\$ 68,450,675</u>
Less:					
General Obligation Bonds - Enterprise	(6,870,000)	(6,536,000)	(6,852,000)	(7,153,000)	(2,918,000)
Special Assessment Bonds	(1,160,000)	(1,235,000)	(1,305,000)	(1,375,000)	0
Notes	0	(6,846,000)	(3,816,000)	(100,000)	(5,981,000)
Notes - Enterprise	(5,600,000)	(3,000,000)	(3,000,000)	(1,000,000)	(1,200,000)
OPWC Loans	(1,652,108)	(532,981)	(98,000)	0	(2,393,316)
OPWC Loans - Enterprise	(6,079,837)	(6,352,551)	(6,515,556)	(6,069,001)	(4,080,513)
OWDA Loans	(8,620,444)	(10,328,970)	(11,915,515)	(13,389,914)	(14,765,846)
Industrial Development Revenue Bonds	(1,235,000)	(1,340,000)	(1,440,000)	(1,530,000)	0
General Obligation Bond Retirement Fund Balance	(3,596,149)	(3,775,688)	(2,947,437)	(3,056,034)	(3,008,900)
Net Debt Within 5 ½ % Limitations	<u>24,563,851</u>	<u>19,253,312</u>	<u>22,125,563</u>	<u>24,245,966</u>	<u>34,103,100</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$ 25,196,532</u>	<u>\$ 26,575,390</u>	<u>\$ 24,642,321</u>	<u>\$ 23,352,993</u>	<u>\$ 10,803,575</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	50.64%	57.99%	52.69%	49.06%	24.06%

City of Euclid, Ohio

Pledged Revenue Coverage
Industrial Development Revenue Bonds – General Fund
Last Ten Years

Table 14

Year	Net Revenues (1)	Net Revenue Available for Debt Service	Debt Service			Coverage
			Principal	Interest	Total	
2013	\$ 109,336	\$ 109,336	\$ 165,000	\$ 30,233	\$ 195,233	0.56
2012	\$ 109,336	\$ 109,336	\$ 155,000	\$ 36,975	\$ 191,975	0.57
2011	\$ 109,336	\$ 109,336	\$ 165,000	\$ 33,114	\$ 198,114	0.55
2010	\$ 109,336	\$ 109,336	\$ 125,000	\$ 92,400	\$ 217,400	0.50
2009	\$ 109,336	\$ 109,336	\$ 115,000	\$ 101,888	\$ 216,888	0.50
2008	\$ 109,336	\$ 109,336	\$ 105,000	\$ 110,550	\$ 215,550	0.51
2007	\$ 109,335	\$ 109,335	\$ 100,000	\$ 118,800	\$ 218,800	0.50
2006	\$ 109,336	\$ 109,336	\$ 90,000	\$ 126,225	\$ 216,225	0.51
2005	\$ 109,336	\$ 109,336	\$ 85,000	\$ 133,238	\$ 218,238	0.50
2004	\$ 109,336	\$ 109,336	\$ 80,000	\$ 139,838	\$ 219,838	0.50

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

City of Euclid, Ohio

Principal Employers

2013 and 2006

Table 15

2013		
Employer	Number of W-2 Issued	Percentage of Total City Employment
Lincoln Electric	2,563	10.20%
Cleveland Clinic	1,552	6.18%
Euclid Board of Education	1,148	4.57%
University Hospital Health System	752	2.99%
City of Euclid	603	2.40%
Cuyahoga County	477	1.90%
Eaton Industrial Corporation	414	1.65%
Hose Masters	338	1.35%
Babcock & Wilcox Nuclear Operations	310	1.23%
HC Starck Incorporated	202	0.79%
Total	8,359	33.26%
Total Estimated Employment within the City	<u>25,130</u>	
2006 (1)		
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	<u>25,025</u>	

Source: City Income Tax Department

(1) Information prior to 2006 is not available

City of Euclid, Ohio

Demographic and Economic Statistics

Last Ten Years

Table 16

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)
2013	48,920	\$ 1,043,365,760	\$ 21,328	\$ 36,263	41	19.6%	5,381	7.2%	\$ 56,716	\$ 587,254,750
2012	48,920	\$ 1,043,365,760	\$ 21,328	\$ 36,263	41	19.6%	5,580	6.6%	\$ 54,872	\$ 738,711,240
2011	48,920	\$ 1,043,365,760	\$ 21,328	\$ 36,263	41	19.6%	5,793	7.1%	\$ 50,265	\$ 746,769,750
2010	48,920	\$ 1,043,365,760	\$ 21,328	\$ 36,263	41	19.6%	6,168	9.5%	\$ 71,632	\$ 749,989,650
2009	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,040	9.0%	\$ 69,136	\$ 837,916,020
2008	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,042	7.1%	\$ 81,777	\$ 904,734,233
2007	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,303	6.3%	\$ 99,664	\$ 833,249,133
2006	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,414	5.7%	\$ 107,011	\$ 850,325,160
2005	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,301	6.0%	\$ 111,934	\$ 865,435,613
2004	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,021	6.7%	\$ 105,056	\$ 816,485,001

(1) Source: U. S. Census

(a) Years 2004 through 2009 - 2000 Federal Census

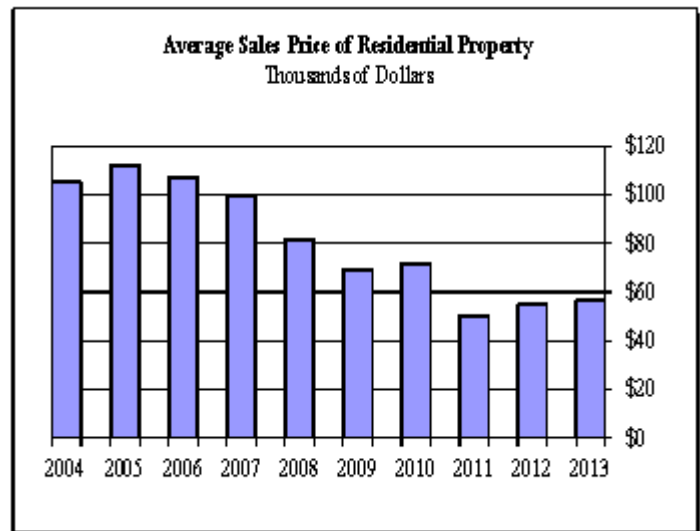
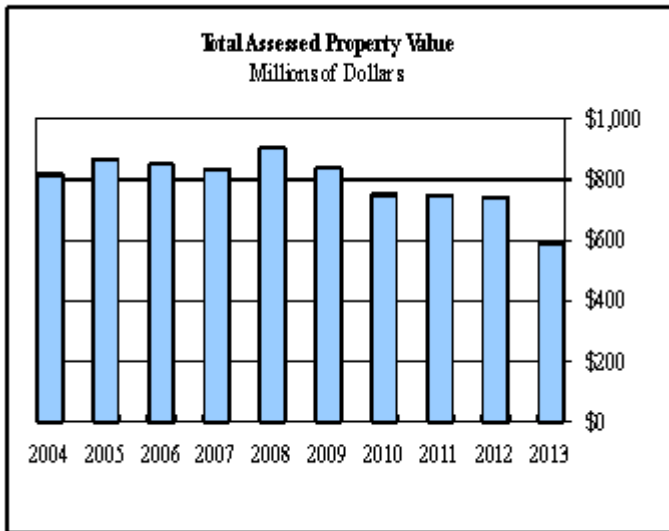
(b) Years 2010 through 2013 - 2010 Federal Census

(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 Employees by Function/Program

Last Ten Years

Table 17

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Government										
Council	11	10	10	10	11	11	11	11	11	11
Finance	11	11	12	14	15	16	15	13	13	13
Tax	8	8	8	8	10	10	10	7	7	0
Mayor	24	22	22	22	22	24	24	24	24	25
Law	10	9	11	11	10	9	9	10	8	8
Municipal Court	28	27	26	28	28	26	26	23	27	26
Public Service Administration	3	4	5	6	7	6	6	6	6	6
Engineer	7	6	6	6	2	3	3	3	3	3
Public Building	8	8	8	8	10	10	10	9	10	10
Security of Persons and Property										
Police	93	92	93	97	96	99	95	95	95	95
Police - Administration	11	11	11	11	11	9	7	7	7	7
Police - Records Room	4	5	5	6	6	6	6	6	5	5
Police - School Guards	11	11	11	11	11	10	10	10	10	10
Police - Communications	18	18	17	16	16	17	16	15	14	16
Police - Corrections	13	29	28	28	28	38	38	36	32	38
Police - Animal Control	1	2	2	2	2	3	2	2	2	3
Fire	76	80	81	79	79	82	82	80	77	78
Leisure Time Activities										
Recreation - Administration	5	4	4	4	4	5	4	4	4	4
Parks & Rec Maintenance	12	12	12	13	14	15	14	17	16	16
Recreation - Programs	56	56	56	75	75	75	75	75	75	88
Shore Cultural Center	0	0	0	0	0	4	4	4	4	4
Golf Course	0	0	0	0	27	34	34	34	33	31
Community Development										
Economic Development	7	6	7	6	6	8	7	6	5	7
Building	2	3	4	4	5	4	4	3	2	2
Housing	10	11	11	10	12	13	11	10	10	7
Weatherization	5	4	4	5	5	6	6	6	7	6
Senior Programs	11	12	11	8	15	23	21	20	21	22
Transportation										
Motor Maintenance	9	8	8	8	12	12	12	12	12	12
Traffic Maintenance	1	1	1	0	4	4	4	4	4	4
Street M&R	25	25	25	26	29	27	25	23	23	24
Basic Utility Services										
Wastewater	43	43	42	43	43	43	43	44	44	42
Totals:	<u>523</u>	<u>538</u>	<u>541</u>	<u>565</u>	<u>615</u>	<u>652</u>	<u>634</u>	<u>619</u>	<u>611</u>	<u>623</u>

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

City of Euclid, Ohio

Operating Indicators by Function/Program

Last Ten Years

Table 18

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Government										
<i>Council and Clerk</i>										
Number of Ordinances & Resolutions Passed	150	198	183	178	218	250	258	220	202	229
<i>Finance Department</i>										
Number of checks/ vouchers issued	4,123	4,312	4,785	4,781	6,492	6,966	6,839	6,292	5,258	5,459
Amount of checks written	\$ 16,606,930	\$ 16,785,380	\$ 19,158,227	\$ 22,146,777	\$ 21,145,225	\$ 21,301,660	\$ 20,765,198	\$ 18,347,965	\$ 20,341,425	\$ 22,292,434
Interest earnings for fiscal year (cash basis)	\$ 97,847	\$ 91,462	\$ 114,879	\$ 261,703	\$ 578,273	\$ 970,513	\$ 1,393,041	\$ 968,963	\$ 488,302	\$ 323,793
Agency Ratings - Moody's Financial Services	Aa2	Aa2	A1	A1	A1	A1	A1	A1	A1	Aa3
Health Insurance Costs vs General Fund Expenditures %	13.68%	12.45%	11.90%	11.96%	9.89%	8.96%	8.81%	9.19%	9.04%	9.04%
General Fund Receipts (cash basis)	\$ 37,981,989	\$ 39,828,625	\$ 38,435,617	\$ 37,792,896	\$ 36,206,654	\$ 38,721,325	\$ 38,573,561	\$ 37,147,964	\$ 34,784,647	\$ 34,633,913
General Fund Expenditures (cash basis)	\$ 37,912,194	\$ 38,430,772	\$ 38,582,867	\$ 36,685,422	\$ 38,143,278	\$ 39,123,349	\$ 37,588,519	\$ 36,015,179	\$ 33,973,504	\$ 34,146,031
General Fund Cash Balances	\$ 4,116,934	\$ 4,047,139	\$ 2,591,536	\$ 2,796,536	\$ 1,689,062	\$ 3,625,687	\$ 4,027,711	\$ 3,042,669	\$ 1,909,884	\$ 1,098,740
<i>Income Tax Department</i>										
Number of Individual Returns	29,203	25,844	25,125	24,552	25,487	32,180	28,916	34,128	n/a	n/a
Number of Business Returns	4,362	3,214	3,168	2,950	2,958	2,928	2,638	2,853	n/a	n/a
Number of Business Withholding Accounts	3,800	3,050	3,022	2,979	3,043	3,050	3,117	3,131	n/a	n/a
Amount of Penalties and Interest Collected	\$ 535,721	\$ 595,147	\$ 625,900	\$ 586,113	\$ 501,077	\$ 658,185	\$ 562,411	\$ 533,448	n/a	n/a
Annual number of Corporate withholding forms processed	14,759	16,193	16,720	17,045	17,746	18,434	18,448	17,992	n/a	n/a
Annual number of balance due statements forms processed	22,180	21,563	10,926	7,471	6,484	7,779	6,914	7,033	n/a	n/a
Annual number of estimated payment forms processed	19,331	21,818	22,123	12,844	14,883	15,916	15,512	20,167	n/a	n/a
Annual number of reconciliations of withholdings processed	2,281	2,205	2,391	2,188	3,112	2,230	1,643	2,325	n/a	n/a
<i>Municipal Court</i>										
Number of Civil Cases	3,975	4,009	3,671	3,614	4,234	4,937	4,670	4,041	3,246	2,723
Number of Traffic/Criminal cases	7,862	7,643	6,720	7,430	7,510	8,718	7,573	6,398	5,908	7,801
<i>Vital Statistics</i>										
<i>Certificates Filed</i>										
Number of Births	5	2	0	4	2	1	2	2	4	0
Number of Deaths	414	368	366	404	430	491	406	440	512	529
<i>Certificates Issued</i>										
Number of Births	1,782	1,559	1,616	1,482	1,724	1,855	2,401	2,458	2,518	2,469
Number of Deaths	1,477	1,398	1,391	1,703	1,830	2,128	2,080	2,218	2,684	2,769
Burial Permits Issued	884	763	639	625	675	601	579	456	478	550
<i>Civil Service</i>										
Number of police entry tests administered	1	0	0	1	0	0	0	1	1	(a)
Number of fire entry tests administered	1	0	0	1	0	0	1	(a)	1	(a)
Number of police promotional tests administered	1	0	2	3	0	0	4	1	(a)	(a)
Number of fire promotional tests administered	0	4	0	3	0	3	0	4	(a)	1
Number of hires of Police Officers from certified lists	6	0	6	4	0	0	3	2	6	(a)
Number of hires of Fire/Medics from certified lists	5	5	10	0	0	0	5	(a)	12	(a)
Number of promotions from police certified lists	0	0	18	0	1	0	4	1	(a)	(a)
Number of promotions from fire certified lists	0	7	3	3	0	3	1	11	(a)	1
Number of Police Lateral Hires	1	6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(Continued)

City of Euclid, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Table 18

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Government										
<i>Building Department Indicators</i>										
Estimated Value of Construction	\$ 22,572,868	\$ 14,571,894	\$ 10,879,053	\$ 22,004,556	\$ 17,632,080	\$ 19,829,373	\$ 19,199,769	\$ 14,337,881	\$ 12,461,795	\$ 12,927,470
Number of permits issued	2,909	3,667	2,978	2,504	2,964	2,430	2,194	2,294	2,291	2,713
Amount of Revenue generated from permits	\$ 430,184	\$ 421,875	\$ 1,271,562	\$ 325,992	\$ 231,664	\$ 221,555	\$ 268,817	\$ 218,779	\$ 203,544	\$ 239,570
Number of contractor registrations issued	3,863	1,056	989	794	969	919	910	808	785	930
<i>Housing Department Indicators</i>										
Total dwelling / housing units	26,111	26,153	26,181	26,205	26,235	26,235	26,265	26,284	26,284	26,304
Number of point of sale inspections	937	840	654	748	859	1,218	1,153	1,288	1,229	1,161
Number of rental inspections performed	11,845	11,129	11,126	11,138	10,890	10,435	9,482	9,761	9,017	7,636
Revenue generated from Housing Fees	\$ 846,802	\$ 799,942	\$ 729,035	\$ 735,200	\$ 839,055	\$ 876,234	\$ 732,683	\$ 720,042	\$ 579,290	\$ 562,178
Security of Persons & Property										
<i>Police</i>										
Total Crimes/Offenses	11,288	12,594	13,956	18,130	15,592	17,187	19,789	21,446	16,677	18,320
Motor Vehicle Accidents	1,218	1,282	1,269	1,223	1,149	1,315	1,428	1,456	1,516	1,488
Fatalities from Motor Vehicle Accidents	2	2	3	2	1	3	3	1	2	4
Number of criminal arrests	2,874	3,249	2,665	2,988	2,654	3,201	2,942	2,883	2,566	2,986
Number of traffic citations issued	10,785	11,080	8,983	10,712	12,373	12,023	10,094	8,498	7,719	10,001
Number of parking citations issued	2,511	2,686	3,389	3,208	3,596	5,133	6,311	3,980	3,997	5,430
Narcotics & Vice Criminal Charges	2,043	2,060	1,457	1,760	1,798	2,524	2,277	2,710	2,252	1,969
Warrants Processed	3,953	2,466	2,390	1,926	2,669	3,351	4,247	3,335	3,465	4,280
Emergency Response Team (ERT) calls for service	19	14	7	13	29	25	14	6	10	6
Police Dept. Auxiliary hours worked	1,590.00	2,014.00	2,573.00	1,912.75	2,088.00	2,330.00	2,818.75	2,976.50	3,068.50	3,216.00
Grant Awards	\$ 106,584	\$ 548,842	\$ 585,689	\$ 1,807,491	\$ 1,665,907	\$ 296,910	\$ 238,261	\$ 296,860	\$ 265,784	\$ 103,627
Prisoners (Total Jail Days)	10,090	17,390	14,482	20,957	19,166	30,364	29,591	29,339	25,416	25,991
Prisoner revenue	\$ 292,111	\$ 399,663	\$ 385,031	\$ 719,895	\$ 469,059	\$ 678,661	\$ 997,818	\$ 519,437	\$ 666,896	\$ 467,210
Juvenile Diversion Program - referred	243	362	240	264	255	165	557	363	347	159
Juvenile Diversion Program - accepted	118	170	205	114	203	82	456	324	181	115
<i>Fire</i>										
EMS Calls	7,164	6,796	6,670	6,208	5,636	5,575	5,466	5,544	5,452	5,397
Ambulance Billing Collections (net)	\$ 1,310,616	\$ 1,475,553	\$ 1,370,438	\$ 1,231,380	\$ 1,228,840	\$ 1,178,278	\$ 1,175,599	\$ 1,174,427	\$ 1,124,218	\$ 979,105
Fire Calls	1,262	1,389	1,212	1,225	1,152	1,403	1,259	1,236	1,165	1,086
Fire Losses	\$ 1,427,400	\$ 1,756,825	\$ 3,409,405	\$ 1,256,000	\$ 380,450	\$ 1,585,500	\$ 1,119,925	\$ 917,200	\$ 1,219,400	\$ 1,867,400
Fire Safety Company Inspections	1,060	1,650	1,452	1,460	1,462	1,355	1,433	1,664	2,273	3,142
Fire Prevention Bureau Inspections	1,455	2,850	2,691	2,704	2,978	2,614	2,841	2,616	2,763	2,920
EMS Training (Man Hours)	1,920.00	1,500.00	1,450.00	1,255.00	1,452.75	1,334.50	1,996.75	1,917.75	1,071.50	1,919.75
Fire Training (Man Hours)	3,556.00	7,215.00	6,223.00	6,381.00	7,001.25	8,591.00	7,028.00	6,939.75	6,784.00	8,742.25
Public Health and Welfare										
Cemetery burials	3	2	5	1	3	1	0	0	3	5
Cemetery cremations	2	2	2	3	2	4	0	1	1	1
Cemetery sale of lots	0	0	0	0	0	0	0	0	0	0
Cemetery receipts	\$ 1,300	\$ 875	\$ 2,475	\$ 600	\$ 1,000	\$ 1,000	\$ 400	\$ 400	\$ 1,415	\$ 2,300

(Continued)

City of Euclid, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Table 18

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Leisure Time Activities										
<i>Recreation</i>										
Swimming pool receipts	\$ 82,524	\$ 85,166	\$ 91,655	\$ 96,334	\$ 98,348	\$ 98,716	\$ 102,644	\$ 98,214	\$ 100,703	\$ 96,681
Ice Arena receipts	\$ 129,006	\$ 124,809	\$ 141,293	\$ 115,074	\$ 141,666	\$ 178,106	\$ 173,572	\$ 174,213	\$ 134,925	\$ 183,108
Youth & Adult Sports receipts	\$ 146,593	\$ 142,412	\$ 159,667	\$ 177,020	\$ 179,836	\$ 210,318	\$ 222,765	\$ 231,549	\$ 232,096	\$ 225,916
Shore Cultural Facility rentals*	\$ 254,085	\$ 306,324	\$ 360,401	\$ 290,623	\$ 117,887	\$ 211,921	\$ 229,676	\$ 195,479	\$ 178,188	\$ 194,067
<i>Golf</i>										
Rounds of Golf	30,800	38,691	31,169	31,856	35,118	40,486	44,636	44,742	46,776	50,003
Golf/Pro-shop receipts	\$ 642,322	\$ 701,977	\$ 569,643	\$ 601,983	\$ 623,533	\$ 679,953	\$ 658,739	\$ 673,323	\$ 624,760	\$ 674,592
Food & Beverage receipts	\$ 334,121	\$ 348,439	\$ 295,821	\$ 244,397	\$ 318,844	\$ 359,389	\$ 326,050	\$ 305,959	\$ 153,072	\$ 111,636
Community Development										
Grant amounts received due to Economic Development Dept.	\$ 1,850,449	\$ 1,260,262	\$ 2,292,241	\$ 3,157,430	\$ 1,245,302	\$ 1,244,705	\$ 1,663,793	\$ 1,165,922	\$ 1,567,271	\$ 1,279,625
Transportation										
Motor Maintenance - Number of vehicles & equip. maintained	499	493	512	542	544	513	509	501	554	552
Motor Maintenance - Repair Orders	2,026	1,277	1,777	1,905	2,151	2,332	2,437	3,031	2,994	3,271
Traffic Maintenance - No. of responses to EPD Signals/Signs	150	105	N/A	N/A	N/A	239	271	248	265	236
Snow & Ice Removal - Salt (tons)	7,259.00	4,451.00	4,483.51	6,763.83	5,261.25	9,572.00	8,902.30	4,404.69	9,758.94	6,220.75
Snow & Ice Removal - Salt (cost)	\$ 366,548	\$ 210,164	\$ 202,215	\$ 311,652	\$ 221,330	\$ 354,225	\$ 313,080	\$ 152,509	\$ 329,886	\$ 236,840
Street Repair Maintenance - Cold Patch (tons)	184.00	182.00	357.20	291.27	296.97	577.00	477.43	425.55	382.11	352.46
Street Repair Maintenance - Cold Patch (cost)	\$ 15,917	\$ 15,295	\$ 30,716	\$ 25,807	\$ 29,714	\$ 43,432	\$ 24,349	\$ 21,704	\$ 16,813	\$ 15,508
Street Repair Maintenance - Hot Mix (tons)	715.00	744.00	468.46	904.07	741.38	657.00	1,036.73	1,072.37	781.30	762.05
Street Repair Maintenance - Hot Mix (cost)	\$ 42,171	\$ 42,400	\$ 26,307	\$ 49,451	\$ 41,493	\$ 29,550	\$ 31,450	\$ 31,163	\$ 18,907	\$ 18,402
Street Repair Maintenance - Emulsion/Crack Sealer (gallons)	1,945	1,018	909	1,898	1,766	1,815	2,442	2,637	1,428	1,714
Street Repair Maintenance - Emulsion/Crack Sealer (cost)	\$ 4,863	\$ 2,545	\$ 2,518	\$ 5,542	\$ 4,681	\$ 3,936	\$ 4,533	\$ 4,199	\$ 1,572	\$ 1,650
Sewer Jet Cleaning - Sanitary Sewers (feet)	118,082	121,878	172,530	250,510	193,475	213,225	223,435	169,100	6,345	3,100
Sewer Jet Cleaning - Storm Sewers (feet)	0	0	2,000	20,390	2,100	5,225	4,635	4,320	2,500	1,450
Sewer Repairs (includes Water Department damage)	39	33	36	47	76	71	78	61	68	41
House Call Sewer Jobs/Residential & Business	1,361	1,006	1,431	1,058	1,185	1,139	1,195	1,595	1,492	1,327
Catch Basin Repairs	23	42	62	49	55	66	39	54	45	37
Catch Basin Cleaning	409	488	576	1,134	1,194	849	569	623	320	75
Man Hole Repairs	6	4	20	20	23	13	30	13	5	11
Sidewalk Repairs	11	10	16	14	16	9	25	12	19	5
Curb & Apron Repairs	53	88	40	52	80	31	50	17	25	23
Leaf Collection - Number of Loads	784	815	845	754	750	691	774	1,139	734	840
Street Sweeping - Number of Loads (dirt & debris)	352	401	248	381	386	471	321	582	352	301
Street Sweeping - Number of times whole city sweep	4	4	3	3	4	8	5	6	3	3
Water Hole Maintenance - New Water Openings	171	197	259	213	250	264	312	190	229	165
Water Hole Maintenance - Completed (cemented/asphalted)	250	314	265	326	288	265	195	221	279	265
Water Hole Maintenance - Total not completed	40	130	361	363	538	493	480	355	388	432
Fire Hydrants Painted	0	0	0	0	0	2,034	103	58	80	634

(Continued)

City of Euclid, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Table 18

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Wastewater Department										
Wastewater Rates for Water Consumption Based Customers (per 1000 MCF)										
Euclid	\$ 52.20	\$ 48.17	\$ 35.17	\$ 33.01	\$ 31.01	\$ 29.01	\$ 29.01	\$ 29.01	\$ 29.01	\$ 28.71
Cuyahoga County (So.Euclid, Highland Hts, Richmond Hts)	34.19	33.49	29.21	29.05	29.05	29.05	29.05	29.49	26.05	25.75
Willoughby Hills	30.38	30.38	24.16	24.16	24.16	24.16	24.16	24.16	24.16	24.16
Waste Water Flow MGD (Million Gallons per Day)										
Euclid	\$ 13.88	\$ 12.86	\$ 15.50	\$ 11.70	\$ 10.59	\$ 13.80	\$ 16.74	\$ 15.58	\$ 14.09	\$ 15.19
Wickliffe	2.46	2.36	2.93	1.93	1.92	2.14	2.36	2.60	2.51	2.38
Willowick	1.82	1.72	2.25	1.70	1.88	2.08	1.85	2.00	1.49	1.26
Total	<u>18.16</u>	<u>16.94</u>	<u>20.68</u>	<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>
Water Line Construction Fund										
Euclid (charges included with wastewater billing) (per 1000 MCF)	\$ 10.00	\$ 10.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 8.00	\$ 7.00	\$ 6.00	\$ 5.50	\$ 4.50
Wastewater Rates										
Wickliffe & Willowick (master metered per 1,000 GA)										
Operating, Maintenance & Repairs	\$ 1.70	\$ 1.70	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39	\$ 1.39
Capital Costs	0.39	0.39	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28
Lakeshore Trunk Sewer Line maintenance	0.00	0.00	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total	<u>2.09</u>	<u>2.09</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	\$ 24.60	\$ 24.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60
Capital Costs	5.78	5.78	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08
Satellite Sewer Discharge Program services	0.00	0.00	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Total	<u>30.38</u>	<u>30.38</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	\$ 24.60	\$ 24.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60
Capital Costs	5.78	5.78	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08
Satellite Sewer Discharge Program services	0.00	0.00	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Equalization under billing (2nd quarter 2000)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.44	0.44	0.44
Equalization under billing (3rd quarter 2000)	0.00	0.00	1.94	1.94	1.94	1.94	1.94	1.94	0.00	0.00
Meter Reading/Billing Charges (City of Cleveland)	2.31	1.61	1.61	1.45	1.45	1.45	1.45	1.45	1.45	1.15
Administrative Expenses (City of Euclid)	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	0.00	0.00
Total	<u>34.19</u>	<u>33.49</u>	<u>29.21</u>	<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>
Euclid										
Operating, Maintenance & Repairs	\$ 24.60	\$ 24.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60	\$ 19.60
Capital Costs	9.41	8.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08
Peterson Construction Fund	15.88	13.88	9.88	7.88	5.88	3.88	3.88	3.88	3.88	3.88
Meter Reading/Billing Charges	2.31	1.61	1.61	1.61	1.61	1.45	1.45	1.45	1.45	1.15
Total	<u>52.20</u>	<u>48.17</u>	<u>35.17</u>	<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>

Source: City Departments
(a) Test not administered
n/a Information not available

City of Euclid, Ohio

Capital Assets Statistics by Function/Program

Last Ten Years

Table 19

Function/Program	2013	2012	2011	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	11,392	11,392	11,392
Administrative Vehicles	2	2	3	2	1	1	17	21	20	20
Inspection Vehicles	15	14	14	11	12	14	14	13	13	13
Municipal Court Vehicles	1	1	1	1	1	1	1	1	1	1
Lands & Buildings Vehicles	11	12	14	11	11	11	10	9	9	9
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Mini-stations	2	2	2	2	2	2	2	2	1	0
Square Footage of Buildings	58,384	58,384	58,384	58,384	58,384	58,384	58,384	58,384	51,194	49,094
Vehicles	65	64	63	63	64	64	66	69	59	60
Fire										
Stations	3	3	3	3	3	3	3	3	4	4
Square Footage of Buildings	27,389	27,389	27,389	27,389	27,389	27,389	27,389	27,389	34,579	34,579
Vehicles	18	18	18	13	16	18	18	18	18	21
Recreation										
Number of Parks	6	6	6	3	3	3	3	3	3	3
Acres of Parks	106	106	106	106	106	106	106	106	106	106
Acres of Playgrounds/Recreation	254	254	254	254	254	254	254	254	254	254
Number of Playgrounds	14	14	14	14	14	14	14	14	14	14
Number of Tennis Courts	6	6	6	6	6	6	6	6	6	6
Number of Skateboarding Areas	1	1	1	1	1	1	1	1	1	1
Number of Baseball Diamonds	9	9	9	9	9	9	9	9	9	9
Number of Soccer Fields	7	7	7	7	7	7	7	7	7	7
Number of Swimming Pools	4	4	4	5	6	6	6	6	6	6
Number of Spray Parks	1	0	0	0	0	0	0	0	0	0
Number of Ice Rinks	1	1	1	1	1	1	1	1	1	1
Acres of Golf Course	126	126	126	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	153,525	153,525	153,525
Vehicles	17	16	16	n/a	n/a	n/a	n/a	18	17	18
Other Public Works										
Streets (miles)	143.065	143.065	143.065	143.065	143.065	143.065	143.065	143.065	143.065	143.065
Service Vehicles	57	58	54	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	262.38	262.38	262.38
Vehicles	10	10	10	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	139.65	139.65	139.65

Source: City Departments

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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 25, 2014**