

**Mary Taylor, CPA**  
Auditor of State



CITY OF EUCLID  
CUYAHOGA COUNTY

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**CITY OF EUCLID  
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Disbursements
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>		
Direct Program:		
Community Development Block Grants/Entitlement Grants	14.218	\$ 1,244,705
Total U.S. Department of Housing and Urban Development		1,244,705
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>		
Direct Program:		
Bulletproof Vest Program	16.607	2,929
Justice Assistance Grant	16.738	26,000
Weed and Seed	16.595	196,071
Total U.S. Department of Justice		225,000
<b><u>Federal Emergency Management Agency</u></b>		
Assistance to Firefighters Grant - Fire Prevention and Safety Program	97.044	79,423
Total Federal Emergency Management Agency		79,423
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>		
Pass Through the Western Reserve Area Agency on Aging Special Program for the Aging Title III, Part C - Nutrition Services	93.045	66,543
Total U.S. Department of Health and Human Services		66,543
<b>Total Expenditures of Federal Awards</b>		<b>\$ 1,615,671</b>

*The accompanying notes to this schedule are an integral part of this schedule.*

**CITY OF EUCLID  
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FISCAL YEAR ENDED DECEMBER 31, 2008**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

CFDA – Catalog of Federal Domestic Assistance



# Mary Taylor, CPA

## Auditor of State

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

City of Euclid  
Cuyahoga County  
585 East 222<sup>nd</sup> Street  
Euclid, Ohio 44123

To the City Council:

We have audited the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Euclid, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 15, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

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

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

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

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

### **Compliance and Other Matters**

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

We intend this report solely for the information and use of the audit committee, management, City Council, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

July 15, 2009





# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

City of Euclid  
Cuyahoga County  
585 East 222<sup>nd</sup> Street  
Euclid, Ohio 44123

To the City Council:

#### Compliance

We have audited the compliance of the City of Euclid, Cuyahoga County, Ohio, (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2008. The summary of auditor's results section of the accompanying schedule of findings identifies the City's major federal program. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City of Euclid complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2008.

#### Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that the entity's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the City's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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

#### **Federal Awards Receipts and Expenditures Schedule**

We have also audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid as of and for the year ended December 31, 2008, and have issued our report thereon dated July 15, 2009. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, City Council, and federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

July 15, 2009

CITY OF EUCLID  
CUYAHOGA COUNTY

SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2008

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CDBG #14.218 Community Development Block Grant
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

**3. FINDINGS FOR FEDERAL AWARDS**

None

CITY OF EUCLID  
CUYAHOGA COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
DECEMBER 31, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2007-001	ORC 9.38 Timely Deposit	Yes	Finding No Longer Valid

# Comprehensive Annual Financial Report

For the fiscal year ended December



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## Euclid, Ohio



# **CITY OF EUCLID, OHIO**

**EUCLID, OHIO**

## **Comprehensive Annual Financial Report**

**For the Year ended December 31, 2008**

**Issued By: Finance Department  
Jack Johnson, Director of Finance**

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# **INTRODUCTORY SECTION**



**CITY OF EUCLID, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

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**CITY OF EUCLID, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008**

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**CITY OF EUCLID, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008**

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585 East 222nd Street, Euclid, OH 44123-2099

[www.cityofeuclid.com](http://www.cityofeuclid.com)

July 15, 2009

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, 2008, 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 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 of Euclid, which covers 10.3 square miles, is situated in the industrial Midwest and is bounded on the west by the City of Cleveland, on the north by Lake Erie, and on the south and east by other smaller cities.

### **City Government**

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

### **City Services**

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

The City operates three enterprises, the Waste Water Treatment Plant, the Water Line Construction, and the Briardale Greens Golf Course. All are accounted for in the City's enterprise funds. 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 DMG-Maximus, Inc. determines annually and independently, the amount of required revenues to provide waste water services and recommends a rate structure that would equitably generate these revenues from the system users.

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

### **Reporting Entity**

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

The Euclid City School District has not been included in the accompanying financial statement. 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 the 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, an action that should continue to draw new businesses and home buyers to the City.

The City currently maintains an “A 1” long-term bond rating with Moody’s Investor Service. This rating demonstrates the City’s high level of performance as it relates to the management and administration of government resources, effective debt management with moderately low levels, a vibrant and diverse local economy, and strong finances.

The City has a large, defined industrial corridor with many of the businesses serving worldwide cliental. During 2008, there was over \$55 million of new investment in machinery, equipment, and real property improvements within the City’s industrial belt. In addition, 106 new jobs were created with a corresponding payroll of \$6.2 million.

The following businesses undertook or completed expansion projects in 2008:

**The Lincoln Electric Machine/Robotics Welding Center** The City is the location of the world headquarters and main plant of The Lincoln Electric Company. The Company serves as the world leader in the design, development and manufacture of arc welding products, robotic arc welding systems, and plasma and oxyfuel cutting equipment, and holds the leading global position in the brazing and soldering alloys market.

Since 1990, The Lincoln Electric Company, with the help of the City of Euclid, Cuyahoga County, and the State of Ohio, has undertaken four (4) major expansions within the City. As a result, the most recent expansion, which was completed in 2008, Lincoln acquired the adjacent vacant Hitachi building for the retention and expansion of its Machine/Robotics Division.

The 115,000 square-foot Hitachi Construction Truck Manufacturing, Ltd. building was renovated to become a state-of-the-art Machine/Robotics Welding Center. The building will showcase the advanced robotic welding technology developed at The Lincoln Electric Company’s Euclid Headquarters Campus and will be marketed to customers worldwide. Total capital expenditures for renovating the facility and other related Campus improvements was in the area of \$40 million. The project will retain over 80 highly skilled employment positions and 800 related plant employees.

**H.C. Starck, Inc.** purchased the former vacant Tri-Turn/Motch building on East 222<sup>nd</sup> Street with the help of an Enterprise Zone tax abatement. As a result, H.C. Starck, Inc. invested \$17.5 million in the project, which includes \$2.1 million in building renovations and \$14.3 million in new machinery and equipment to expand its manufacturing operations.

H.C. Starck is a global organization providing solutions to manage thermal, electrical, radiation, and chemical challenges facing today’s industry through the use of high performance refractory metals.

The Company retained 113 positions and relocated to the City an additional 182 jobs from both the states of New Jersey and Pennsylvania. The new jobs have generated an additional \$8.145 million in new payroll.

**Hose Master, Inc.** expanded by purchasing a vacant building adjacent to their facility. The facility was then upgraded to accommodate their “Expansion Joint Department”. The expansion created 40 new jobs and a payroll of \$1.2 million.

**Ray Fogg Building Methods** applied for and received a \$4.3 million Ohio Job Ready Sites Grant for the creation of a light industrial park on the former PMX site. In addition to the State grant, Fogg received a \$1 million Brownfield Redevelopment Grant from Cuyahoga County which, when combined, will lead to the development of 13 sites and an estimated 1,000 to 1,200 jobs.

**Jalousies Restaurant** will occupy the former Fairway Lounge property at 830 Babbitt Road upon the spring 2009 completion of an ambitious total renovation. The new owner is investing nearly \$60,000 in exterior renovations.

**Abston's Restaurant** is converting the former Nazzbar property at 317 East 200<sup>th</sup> Street into the family-oriented Abston's Restaurant. The owners are working with an architect to completely remodel the building and have entered in a Special Storefront Agreement with the City. Improvements to the exterior will include the application of a new fiber-cement panel system, new windows and doors, lighting, and signage. The exterior improvements are estimated to cost \$70,000. When completed, the building will be a tremendous asset to the community. Abston's Restaurant is expected to open in late spring 2009.

**First Merit Bank** opened their first branch in the City at the corner of Lake Shore Boulevard and Sunnycliff Drive. First Merit and the property's developers worked closely with the City in order to prepare the site for First Merit's building. The site was the former home of the Crobaugh-Danaher Funeral Home and required parcels to be consolidated, the rezoning of a portion of the property, and the repeal of a restrictive covenant on the deed.

**East 222<sup>nd</sup> Industrial Corridor** - During the 2008 construction season, Phase One of the East 222<sup>nd</sup> Street Industrial Corridor Realignment Project extending from Lakeland Boulevard to the Norfolk Southern Rail-line was completed. The roadway was completely repaved and striped, utilities were installed, and new signage erected at Lincoln Electric, H.C. Starck, Inc., and Hose Master, Inc.

The nearly \$3 million modernization of the East 222<sup>nd</sup> Street Industrial Corridor included the lowering of the pavement under the CSX railroad bridge, the widening and addition of a turning lane on the southeast side of East 222<sup>nd</sup> Street and St. Clair Avenue, and the alignment of traffic lanes for better truck and commuter traffic flow. All overhead utility lines were relocated to the west side of the roadway. New mast arms were installed to carry the new traffic signalization system.

## **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 and internal service funds is on the flow of total economic resources. The accrual basis of accounting is utilized for the proprietary and internal service funds. Revenues are recognized when earned and expenses are recognized when incurred.

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

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

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

The City employs an encumbrance system documenting purchase commitment amounts prior to generation and release of official City purchase orders. Purchasing practices within the City require departmental review and authorization of all purchase requisitions. Where applicable, proposed purchases in excess of administrative approval limits are subject to competitive bid requirements of Council and are awarded subsequent to approved legislation authorizing the procurement of goods or services. The Finance Director certifies all purchase orders for availability of funds and the estimated expenditure is encumbered against the appropriate departmental or fund appropriation. These encumbrances are reported as a reservation of fund balance at December 31, 2008. 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.

The City receives federal financial assistance through various federal grant programs. An audit in accordance with U.S. Office of Management and Budget (OMB) Circular A133, *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, 2008. The required reports on supplementary information, compliance, and internal controls, along with various supplementary schedules are included in a separate report.

### **Cash Management**

The City believes that appropriate cash management activities are integral to the City's overall financial well being. Forecasting of receipts and expenditures, cash budgeting and on-going variance analysis allow prudent optimization of investment maturities and interest income.

The primary objective of the City's investment activity is the protection of investment principal. With that in mind, the City's investment practice attempts to maximize earnings while maintaining liquidity necessary to meet day to day financial obligations. In addition to the security of the investment, a major consideration is the timing of needed cash to pay City liabilities. Cash resources of all City funds are combined for maximum return and invested in accordance with the Ohio Revised Code. Allowable deposits and investments include certificates of deposit, savings accounts, State Treasurer's Investment Pool (STAROhio), manuscript bonds, U.S. Treasury Notes, federal agency securities, and repurchase agreements.

### **Risk Management**

In 1988, the City undertook and implemented its own self-funded insurance plan that covers all areas of Risk Management, including general liability and vehicle coverage. The City has traditional premium-based coverage on property and large equipment. The City instituted a medical self-insurance program in 1989 designed to provide City employees with maximum health care benefits while controlling the increasing cost of health insurance. Individual funds are charged for the per-capita cost of specific claims and administration. The level of risk assumed is limited by the City's purchase of specific stop-loss coverage per employee. City employees share in the cost of their health care.

The City participates in a retrospective rating program for workers' compensation insurance. The program was initiated in conjunction with various safety and loss control programs designed to reduce the level of risk. Under the retrospective rating program, the City agrees to pay an administrative premium based on a percentage of gross payroll from the previous year, which is a fraction of the premium it would normally pay, while accepting the responsibility of reimbursing workers' compensation claims as they come due. The City expects to realize a reduction in workers' compensation costs through this plan, not only through lower initial premiums, but also from the cash flow accumulation the City realizes. The level of risk assumed by the City is limited to a maximum of two times the actual annual premium.

### **Pension Obligations**

The employees of the City belong to one of two state sponsored pension systems. Police and Fire are members of the Ohio Police and Fire Pension Fund ("OP&F"). All other employees are members of the Public Employees Retirement System of Ohio ("OPERS"). Both OPERS and OP&F are cost-sharing, multiple-employer public retirement systems. More detailed information on both pension systems can be found in the notes to the basic financial statements in the Financial Section of this report.

### **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 performed the 2008 audit. The independent accountants' unqualified opinion has been included in this report. The administration plans to continue this audit procedure as required by law as part of the preparation of a Comprehensive Annual Financial Report. The annual audit and management letter submitted by the Auditor of State of Ohio provides information to the City to enable it to maintain and strengthen the City's accounting and budgeting controls.

#### **Certificate of Achievement for Excellence in Financial Reporting**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Euclid for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2007. 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.

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

Respectfully submitted,



**Jack Johnson**  
Director of Finance

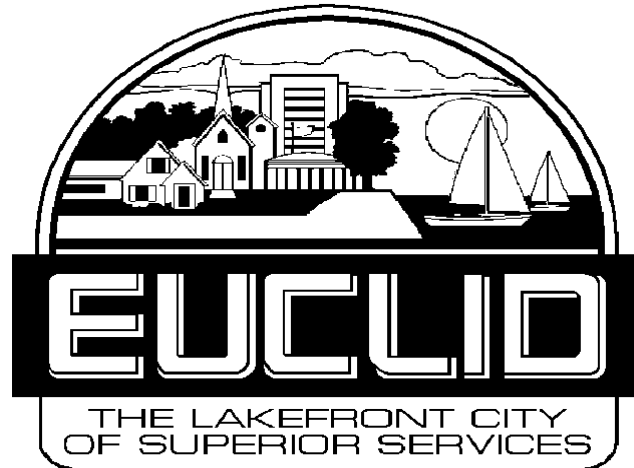


**Bill Cervenik**  
Mayor

# CITY OF EUCLID, OHIO

## "A City of Superior Services"

Mayor  
**BILL CERVENIK**



### **Directors & Chiefs**

CHRIS FREY - *Law*

HENRY E. GULICH - *Public Service*

JACK JOHNSON - *Finance & Administration*

KATHY WILL - *Recreation*

FRANK PIETRAVOIA - *Community Services  
& Economic Development*

CHIEF JAMES REPICKY - *Police*

CHIEF THOMAS COSGRIFF - *Fire*

DEBORAH LEBARRON - *Judge Municipal Court*

### **Euclid City Council**

KIRSTEN HOLZHEIMER-GAIL - *President of Council*

CHRISTOPHER GRUBER - *Ward I*

MICHAEL F. O'NEILL - *Ward V*

MADLINE SCARNIENCH - *Ward II*

JOHN M. WOJTILA - *Ward VI*

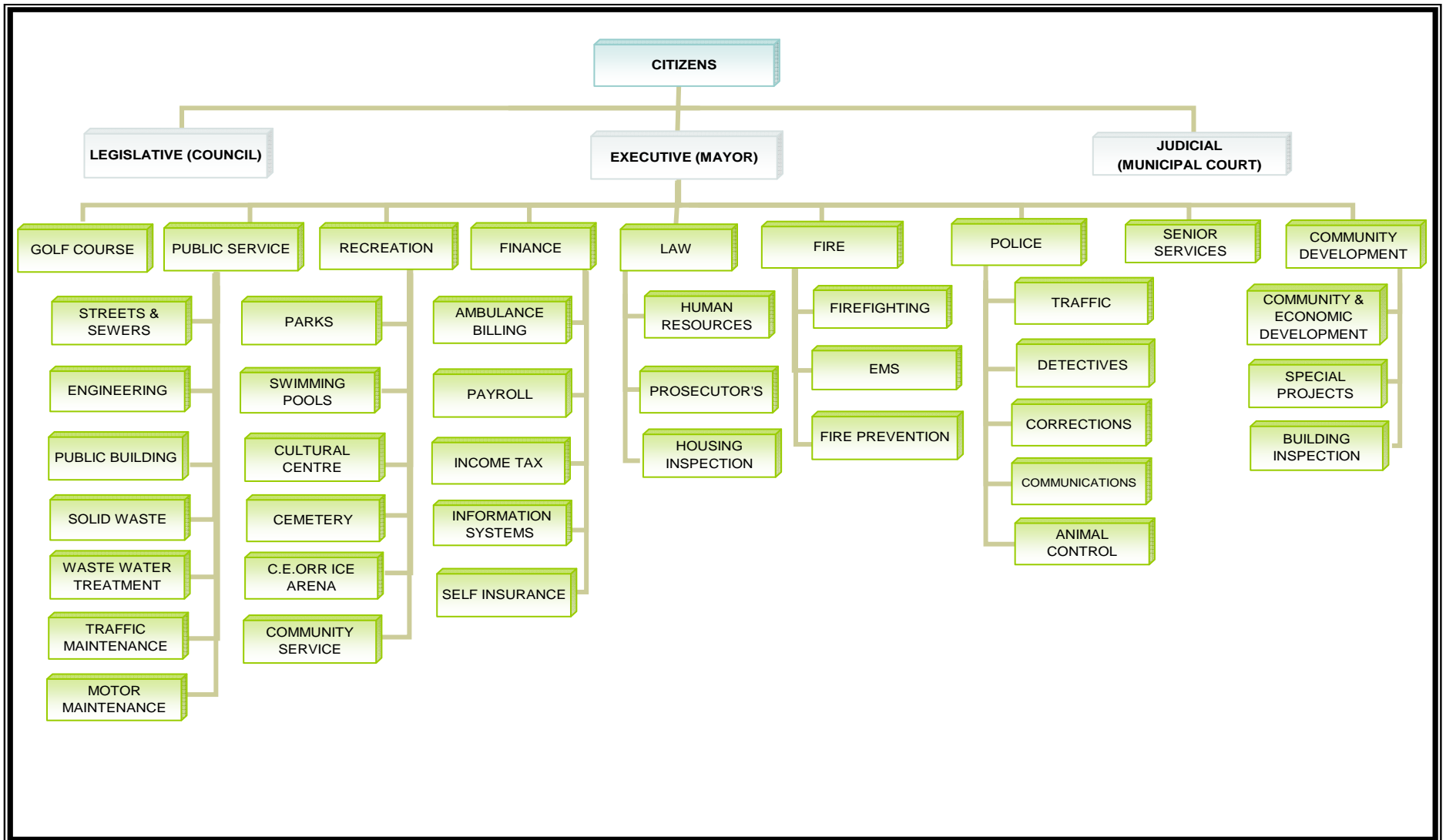
KANDACE JONES - *Ward III*

DARYL LANGMAN - *Ward VII*

MARY JO MINARIK - *Ward IV*

GREG VAN HO - *Ward VIII*

**CITY OF EUCLID, OHIO  
ORGANIZATIONAL CHART  
DECEMBER 31, 2008**



# 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, 2007

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



A handwritten signature in black ink, appearing to read "M. L. R.", is written over the printed name.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer", is written over the printed name.

Executive Director





# **FINANCIAL SECTION**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Euclid  
Cuyahoga County  
585 East 222<sup>nd</sup> Street  
Euclid, Ohio 44123

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Euclid, Cuyahoga County, Ohio, as of December 31, 2008, and the respective changes in financial position, and where applicable, cash flows, thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

July 15, 2009

**CITY OF EUCLID, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**Unaudited**

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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, 2008. 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 2008 are as follows:

- Total assets of the City exceeded liabilities at the close of 2008 by \$96,815,888 compared to \$98,117,758 at the end of 2007, a decrease of \$1,301,870 or 1.33 percent. Of this amount, \$19,456,391 (2008) and \$15,983,644 (2007) may be used to meet the City's ongoing obligations to its citizens and creditors, provided it is expended or transferred according to the Charter of the City and/or the general laws of the State of Ohio.
- Total assets increased by \$165,930 with governmental activities decreasing by \$2,503,139 and business-type activities increasing by \$2,669,069. This is reflected primarily in equity in pooled cash and cash equivalents.
- Municipal income tax revenue for 2008 was \$24,124,792 versus \$24,286,649 in 2007 a decrease of \$161,857 or 0.67 percent.
- Property taxes for governmental activities decreased by \$681,040, or 11.66 percent, to \$5,158,520.
- Together, municipal income taxes and property taxes accounted for \$29,283,312 in revenue, or 59.21 percent, of all revenues in governmental activities.
- Grants and entitlements not restricted to specific programs increased by \$813,323, or 14.40 percent, to \$6,460,923.
- Charges for services in business-type activities decreased by \$21,080, or 0.16 percent, from \$13,567,894 in 2007 to \$13,546,814 in 2008.
- The City's debt, including compensated absences, decreased by \$976,218, or 2.21 percent, to \$43,161,824 in the governmental activities.

**CITY OF EUCLID, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
Unaudited**

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**Overview of the Financial Statements**

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

**Government-wide Financial Statements.** The government-wide financial statements, which begin on page 15, are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *Statement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in the City's net assets are one indicator of whether the City's financial health is improving or deteriorating.

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

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

**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.

**CITY OF EUCLID, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**Unaudited**

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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 is 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 17 through 21 of this report.

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

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

The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

**CITY OF EUCLID, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**Unaudited**

**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 25 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 on pages 27 through 69 of this report.

**Government-Wide Financial Analysis**

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

**Table 1 - Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Assets</b>						
Current and Other Assets	\$ 34,011,722	\$ 37,023,806	\$ 16,754,055	\$ 14,545,265	\$ 50,765,777	\$ 51,569,071
Capital Assets	72,886,069	72,377,124	57,141,248	56,680,969	130,027,317	129,058,093
<b>Total Assets</b>	<b>\$ 106,897,791</b>	<b>\$ 109,400,930</b>	<b>\$ 73,895,303</b>	<b>\$ 71,226,234</b>	<b>\$ 180,793,094</b>	<b>\$ 180,627,164</b>
<b>Liabilities</b>						
Current and Other Liabilities	\$ 9,964,100	\$ 9,035,487	\$ 7,811,158	\$ 1,477,040	\$ 17,775,258	\$ 10,512,527
Long Term Liabilities:						
Due within One Year	5,343,878	11,408,827	2,991,483	5,750,690	8,335,361	17,159,517
Due in More than One Year	37,817,946	32,729,215	20,048,641	22,108,147	57,866,587	54,837,362
<b>Total Liabilities</b>	<b>53,125,924</b>	<b>53,173,529</b>	<b>30,851,282</b>	<b>29,335,877</b>	<b>83,977,206</b>	<b>82,509,406</b>
<b>Net Assets</b>						
Invested in Capital Assets Net of Debt	39,956,632	41,151,610	29,214,805	29,982,118	69,171,437	71,133,728
Restricted for:						
Debt Service	5,160,270	3,322,255	0	0	5,160,270	3,322,255
Capital Projects	1,853,833	5,769,963	0	0	1,853,833	5,769,963
Other Purpose	1,164,905	1,908,168	0	0	1,164,905	1,908,168
Unrestricted (Deficit)	5,636,227	4,075,405	13,829,216	11,908,239	19,465,443	15,983,644
<b>Total Net Assets</b>	<b>\$ 53,771,867</b>	<b>\$ 56,227,401</b>	<b>\$ 43,044,021</b>	<b>\$ 41,890,357</b>	<b>\$ 96,815,888</b>	<b>\$ 98,117,758</b>

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$96,815,888 at the close of the most recent fiscal year.



**CITY OF EUCLID, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**Unaudited**

By far the largest portion of the City's net assets, 71.4 percent, reflects its investment in capital assets (e.g. land, land improvements, buildings and improvements, infrastructure, and furniture, fixtures and equipment), net of accumulated depreciation, less any related, still outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, those assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

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

**Table 2 - Change in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$ 7,045,979	\$ 7,755,827	\$ 13,546,814	\$ 13,567,894	\$ 20,592,793	\$ 21,323,721
Operating Grants and Contributions	3,600,250	3,348,326	52,675	39,479	3,652,925	3,387,805
Capital Grants and Contributions	279,401	0	341,348	0	620,749	0
General Revenues:						
Property Taxes	5,158,520	5,839,560	639,606	626,240	5,798,126	6,465,800
Income Taxes	24,124,792	24,286,649	0	0	24,124,792	24,286,649
Grants and Entitlements	6,460,923	5,647,600	0	0	6,460,923	5,647,600
Investment Earnings	921,534	1,303,442	56,180	63,583	977,714	1,367,025
Payment in Lieu of Taxes	123,164	72,269	0	0	123,164	72,269
Miscellaneous	1,743,907	18,771	26,629	294	1,770,536	19,065
Proceeds from Sale of Capital Assets	0	176,305	0	0	0	176,305
<b>Total Revenues</b>	<b>49,458,470</b>	<b>48,448,749</b>	<b>14,663,252</b>	<b>14,297,490</b>	<b>64,121,722</b>	<b>62,746,239</b>
<b>Expenses</b>						
General Government	12,894,864	14,000,128	0	0	12,894,864	14,000,128
Security of Persons and Property	23,445,910	22,884,517	0	0	23,445,910	22,884,517
Refuse Collection and Disposal	2,506,683	2,219,004	0	0	2,506,683	2,219,004
Public Health	260,044	277,425	0	0	260,044	277,425
Lesiure Time Services	2,423,707	1,706,870	0	0	2,423,707	1,706,870
Community and Economic Development	3,201,584	2,955,795	0	0	3,201,584	2,955,795
Transportation	6,343,637	7,396,063	0	0	6,343,637	7,396,063
Interest and Fiscal Charges	1,505,395	1,553,302	0	0	1,505,395	1,553,302
Briardale Golf Course	0	0	988,166	1,059,840	988,166	1,059,840
Waste Water Treatment	0	0	11,061,437	10,109,869	11,061,437	10,109,869
Water Line Improvement	0	0	792,165	765,993	792,165	765,993
<b>Total Expenses</b>	<b>52,581,824</b>	<b>52,993,104</b>	<b>12,841,768</b>	<b>11,935,702</b>	<b>65,423,592</b>	<b>64,928,806</b>
Increase (Decrease) in Net Assets Before Transfers	(3,123,354)	(4,544,355)	1,821,484	2,361,788	(1,301,870)	(2,182,567)
Transfers	667,820	286,456	(667,820)	(286,456)	0	0
Change in Net Assets	(2,455,534)	(4,257,899)	1,153,664	2,075,332	(1,301,870)	(2,182,567)
<b>Net Assets at Beginning of Year</b>	<b>56,227,401</b>	<b>60,485,300</b>	<b>41,890,357</b>	<b>39,815,025</b>	<b>98,117,758</b>	<b>100,300,325</b>
<b>Net Assets End of Year</b>	<b>\$ 53,771,867</b>	<b>\$ 56,227,401</b>	<b>\$ 43,044,021</b>	<b>\$ 41,890,357</b>	<b>\$ 96,815,888</b>	<b>\$ 98,117,758</b>

**CITY OF EUCLID, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
Unaudited**

***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 2.38 percent on all income earned within the City, as well as on income of residents earned outside the City. In the latter case, 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) is presented below.

**Table 3 - Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
General Government	\$ 12,894,864	\$ 14,000,128	\$ 12,051,160	\$ 12,470,307
Security of Persons and Property	23,445,910	22,884,517	18,885,079	17,866,236
Refuse Collection and Disposal	2,506,683	2,219,004	2,506,683	2,219,004
Public Health	260,044	277,425	176,251	185,823
Lesiure Time Services	2,423,707	1,706,870	1,689,374	817,638
Community and Economic Development	3,201,584	2,955,795	399,919	1,523,845
Transportation	6,343,637	7,396,063	4,442,333	5,252,796
Interest and Fiscal Charges	1,505,395	1,553,302	1,505,395	1,553,302
Total Cost of Services	<u>\$ 52,581,824</u>	<u>\$ 52,993,104</u>	<u>\$ 41,656,194</u>	<u>\$ 41,888,951</u>

Security of Persons and Property expenses totaled \$23,445,910, or 44.59 percent, of the total 2008 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, 2008, the City employed 100 full time police officers and 80 full time firefighters. General Government expenses totaled \$12,894,864 or 24.52 percent, of total 2008 expenses. General Government is comprised of the following departments: Legislative, Municipal Court, Mayor, Finance, Law, and Administrative. A significant portion of these expenses are related to salaries, wages, and employee benefits.

***Business-type Activities***

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

*Waste Water Treatment Plant Fund:* The Waste Water Treatment Plant Fund accounts for the operation of the City's sanitary sewer and waste water treatment system which services the City and several other surrounding communities. The City continues to retain the services of DMG-Maximus, Inc., on an annual basis, to determine the adequacy of user rates to fund continuing operations. The Environmental Protection Agency's court mandated projects has resulted in rate increases of \$2.00 per MCF per year being scheduled for 2009 through 2013.

**CITY OF EUCLID, OHIO**  
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*Water Line Improvement Fund:* The Water Line Improvement Fund accounts for distribution of treated water to individual and commercial users in various parts of the City.

*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 golf course, despite unfavorable weather conditions, continues to operate with a surplus.

### **Financial Analysis of the Government's Funds**

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

**Governmental Funds** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current year, the City's total governmental funds reported ending fund balances of \$14,694,246, a decrease of \$4,138,017 from the prior year. Of the total, \$7,750,793 is the General Fund's ending fund balance, a \$2,129,289 decrease over 2007. The General Obligation Bond Retirement Fund decreased by \$179,539 to \$3,596,149. All other governmental funds showed a decrease in fund balances of \$1,829,189 to \$3,347,304 over 2007.

The General Fund is the primary operating fund of the City and traditionally accounts for most of the general governmental revenue and expenditures. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance of \$6,220,960 and total fund balance of \$7,750,793 to total fund expenditures of \$39,962,465. Unreserved General Fund balance represents 15.57 percent of total general fund expenditures, while total fund balance represents 19.40 percent of that same amount.

### ***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 1977, based upon a vote of the electors, the tax rate was increased to 1.5 percent. In 1982, based upon a vote of the electors, the tax rate was increased to 2 percent.

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

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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.

***Property Taxes***

Taxes collected from real property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Taxes collected from tangible personal property in one calendar year are levied in the same calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of the current calendar year, and at the rates determined in the preceding year. Beginning in tax year 2006, tangible personal property tax assessment rates, and therefore revenue, began declining by approximately 25 percent per year. As the assessment rates on tangible personal property decline, reimbursements from the State of Ohio have phased in. Local governments will be held harmless until tax year 2011. After 2011, reimbursements on levies still in place will decline until tax year 2018. Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year. Under Ohio law tangible personal property used in business (except for the public utility business) is assessed at 12.5 percent (from 18.75 percent) of true value (in general, true value is net book value) for inventory and 12.5 percent (from 18.75 percent) for machinery and equipment.

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

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

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

Purpose	2008	2007	2006
General Fund	6.72	6.72	6.72
Recreation Operating	1.30	1.30	1.30
Bond Retirement	3.88	3.88	3.88
Capital Improvements	1.70	1.70	1.70
Sewers	2.00	2.00	2.00
Total	<u>15.60</u>	<u>15.60</u>	<u>15.60</u>
Assessed Valuation	<u>\$837,916,020</u>	<u>\$904,734,233</u>	<u>\$833,249,133</u>

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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, starting in 2008, 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 (LGRAF) was discontinued. The combination of these programs is the City's largest source of non-tax General Fund revenue. In 2007, the City received \$3,134,261 from the State's LGF and LGRAF. In 2008, using the new funding mechanism, the City received \$3,311,313 from the State's LGF for an increase of \$177,052 or 5.65 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.

**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.

**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, 2008, amounts to \$130,027,317. 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, 2008, 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	
	2008	2007	2008	2007	2008	2007
Land	\$ 9,058,667	\$ 9,058,667	\$ 7,428,126	\$ 7,428,126	\$ 16,486,793	\$ 16,486,793
Construction in Progress	4,707,457	1,341,968	1,041,845	0	5,749,302	1,341,968
Land Improvements	2,005,557	2,173,269	627,357	517,916	2,632,914	2,691,185
Buildings and Improvements	8,996,287	9,083,061	7,839,438	8,105,123	16,835,725	17,188,184
Furniture, Fixtures and Equipment	3,329,595	1,244,142	719,686	712,013	4,049,281	1,956,155
Infrastructure:						
Streets	44,788,506	49,476,017	0	0	44,788,506	49,476,017
Sanitary Sewer	0	0	13,202,550	9,827,149	13,202,550	9,827,149
Storm Sewers	0	0	7,093,898	10,434,791	7,093,898	10,434,791
Water Lines	0	0	19,188,348	19,655,851	19,188,348	19,655,851
<b>Totals</b>	<b>\$ 72,886,069</b>	<b>\$ 72,377,124</b>	<b>\$ 57,141,248</b>	<b>\$ 56,680,969</b>	<b>\$ 130,027,317</b>	<b>\$ 129,058,093</b>

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

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

Governmental Activities

Tungsten Road Project	\$ 28,485
East 222 <sup>nd</sup> Rebuild (Includes Issue 2 payments)	2,532,674
*2008 Street Resurfacing & Curbs	301,208
Traffic Resignalization	804,330
<b>Total Governmental Activities</b>	<b>\$ 3,666,697</b>

Business-Type Activities

*Chatworth Drive Sewer Separation - Peterson Truck Line	\$ 101,000
*Brandywine Pump Station Replacement	89,671
*Euclid Avenue Improvement	681,949
2008 Waterline Improvement Program	683,606
Dille Rd. & E. 204 <sup>th</sup> Street Project	147,407
E. 214 <sup>th</sup> Street & Lakeshore Blvd. Improvements	10,031
Wastewater Treatment Plant Roof	199,701
Driving Range Shelter	1,100
<b>Total Business-Type Activities</b>	<b>\$ 1,914,465</b>

- \* Project was reported as an addition to Construction-in-Progress and completed during 2008. Additional information on the City's capital assets can be found in Note 9.

**Debt.** The City's outstanding General Obligation Debt is currently rated "A 1" by Moody's Investors Service. This investment grade rating is attributed to the City's improved financial practices and policies that have resulted in improved liquidity, moderately growing tax base with a slowly recovering economy, and a manageable debt profile. Maintaining its credit rating enables the City to obtain short term and long term financing at the lowest possible interest rates. As of December 31, 2008, the City's General Obligation Bonded Debt totaled \$35,316,523.

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A summary of outstanding long-term debt at December 31, 2008 follows.

**Table 6 - Outstanding Debt at December 31**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
General Obligation Bonds	\$ 28,354,079	\$ 23,007,141	\$ 6,962,444	\$ 6,546,909	\$ 35,316,523	\$ 29,554,050
Special Assessment Bonds	1,160,000	1,235,000	0	0	1,160,000	1,235,000
Notes Payable	0	6,886,280	5,600,000	3,000,000	5,600,000	9,886,280
Industrial Revenue Bond	1,235,000	1,340,000	0	0	1,235,000	1,340,000
OWDA Loans	0	0	8,620,444	10,328,970	8,620,444	10,328,970
OPWC Loans	1,652,108	532,981	6,079,837	6,352,551	7,731,945	6,885,532
	<u>\$ 32,401,187</u>	<u>\$ 33,001,402</u>	<u>\$ 27,262,725</u>	<u>\$ 26,228,430</u>	<u>\$ 59,663,912</u>	<u>\$ 59,229,832</u>

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

**Debt Capacity:** The City is well within statutory limitations for both voted and unvoted debt. The computation of the legal debt margins at December 31, 2008 is included in the Statistical Section of this report under the heading "Legal Debt Margin", along with other related computations and ratios relevant to the City's note and bonded debt. The City's overall legal debt margin was \$63,417,331 and the unvoted debt margin was \$21,521,530 at December 31, 2008.

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, 2008 for the City is as follows:

	<u>Amount</u>	<u>Ratio of Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
Net General Obligation Debt (Bonded)	\$35,316,523	4.21 %	\$ 670.00

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

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

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

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

**Contacting the City's Financial Department**

This financial report is designed to provide a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jack Johnson, Finance Director at the City of Euclid, 585 East 222nd Street, Euclid, Ohio 44123, 216-289-2850, or e-mail at [jjohnson@cityofeuclid.com](mailto:jjohnson@cityofeuclid.com)



**CITY OF EUCLID, OHIO**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2008**

	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Euclid Development Corporation</u>
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$ 10,396,860	\$ 12,474,812	\$ 22,871,672	\$ 632,858
Cash and Cash Equivalents in Segregated Accounts	6,098	0	6,098	0
Cash and Cash Equivalents with Fiscal Agents	50,132	0	50,132	0
Materials and Supplies Inventory	206,947	69,927	276,874	0
Accrued Interest Receivable	107,051	58,185	165,236	0
Accounts Receivable	1,723,059	3,249,256	4,972,315	184
Intergovernmental Receivable	3,387,049	123,468	3,510,517	0
Prepaid Items	73,804	22,462	96,266	200
Income Taxes Receivable	8,876,085	0	8,876,085	0
Property Taxes Receivable	5,835,719	541,418	6,377,137	0
Notes Receivable	1,404,890	0	1,404,890	0
Loans Receivable	0	0	0	1,693,023
Special Assessments Receivable	1,265,855	0	1,265,855	0
Deferred Charges	678,173	214,527	892,700	0
Non-Depreciable Capital Assets	13,766,124	8,469,971	22,236,095	0
Depreciable Capital Assets, net	59,119,945	48,671,277	107,791,222	0
<b>Total Assets</b>	<u>106,897,791</u>	<u>73,895,303</u>	<u>180,793,094</u>	<u>2,326,265</u>
<b><u>Liabilities</u></b>				
Accounts Payable	796,774	651,878	1,448,652	40
Accrued Wages and Benefits	453,997	118,547	572,544	1,102
Intergovernmental Payable	2,523,849	471,702	2,995,551	0
Matured Compensation Absences	0	102,873	102,873	0
Accrued Interest Payable	67,954	277,111	345,065	0
Retainage Payable	141,784	127,996	269,780	0
Claims Payable	1,010,262	0	1,010,262	0
Deferred Revenue	4,969,480	461,051	5,430,531	0
Notes Payable	0	5,600,000	5,600,000	0
Long-Term Liabilities:				
Due Within One Year	5,343,878	2,991,483	8,335,361	0
Due in More Than One Year	37,817,946	20,048,641	57,866,587	0
<b>Total Liabilities</b>	<u>53,125,924</u>	<u>30,851,282</u>	<u>83,977,206</u>	<u>1,142</u>
<b><u>Net Assets</u></b>				
Invested in Capital Assets, Net of Related Debt	39,956,632	29,214,805	69,171,437	0
Restricted for Debt Service	5,160,270	0	5,160,270	0
Restricted for Capital Outlay	1,853,833	0	1,853,833	0
Restricted for Other Purposes	1,164,905	0	1,164,905	0
Unrestricted	5,636,227	13,829,216	19,465,443	2,325,123
<b>Total Net Assets</b>	<u>\$ 53,771,867</u>	<u>\$ 43,044,021</u>	<u>\$ 96,815,888</u>	<u>\$ 2,325,123</u>

**CITY OF EUCLID, OHIO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component
	Expenses	Charges for Services and Sales	Operating Grants and Contribution	Capital Grants and Contributions	Primary Government			Unit
					Governmental Activities	Business-Type Activities	Total	Euclid Development Corporation
<b>Primary Government</b>								
<i>Governmental Activities</i>								
General Government	\$ 12,894,864	\$ 564,303	\$ 0	\$ 279,401	\$ (12,051,160)	\$ 0	\$ (12,051,160)	\$ 0
Security of Persons and Property	23,445,910	4,073,600	487,231	0	(18,885,079)	0	(18,885,079)	0
Refuse Collection and Disposal	2,506,683	0	0	0	(2,506,683)	0	(2,506,683)	0
Public Health	260,044	83,793	0	0	(176,251)	0	(176,251)	0
Leisure Time Services	2,423,707	730,006	4,327	0	(1,689,374)	0	(1,689,374)	0
Community and Economic Development	3,201,584	1,554,640	1,247,025	0	(399,919)	0	(399,919)	0
Transportation	6,343,637	39,637	1,861,667	0	(4,442,333)	0	(4,442,333)	0
Interest and Fiscal Charges	1,505,395	0	0	0	(1,505,395)	0	(1,505,395)	0
<i>Total Governmental Activities</i>	<u>52,581,824</u>	<u>7,045,979</u>	<u>3,600,250</u>	<u>279,401</u>	<u>(41,656,194)</u>	<u>0</u>	<u>(41,656,194)</u>	<u>0</u>
<i>Business-Type Activities</i>								
Briardale Greens Golf Course	988,166	1,035,336	0	0	0	47,170	47,170	0
Waste Water Treatment	11,061,437	10,887,935	52,675	276,000	0	155,173	155,173	0
Water Line Improvement	792,165	1,623,543	0	65,348	0	896,726	896,726	0
<i>Total Business-Type Activities</i>	<u>12,841,768</u>	<u>13,546,814</u>	<u>52,675</u>	<u>341,348</u>	<u>0</u>	<u>1,099,069</u>	<u>1,099,069</u>	<u>0</u>
<b>Total Primary Government</b>	<u>\$ 65,423,592</u>	<u>\$ 20,592,793</u>	<u>\$ 3,652,925</u>	<u>\$ 620,749</u>	<u>(41,656,194)</u>	<u>1,099,069</u>	<u>(40,557,125)</u>	<u>0</u>
<b>Component Unit</b>								
Euclid Development Corporation	\$ 103,342	\$ 67,837	\$ 0	\$ 0	0	0	0	(35,505)
<b>Total Component Unit</b>	<u>\$ 103,342</u>	<u>\$ 67,837</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(35,505)</u>
<b>General Revenues</b>								
Taxes:								
Property Taxes Levied for General Purposes					1,724,279	0	1,724,279	0
Property Taxes Levied for Debt Service					2,789,707	0	2,789,707	0
Property Taxes Levied for Capital Outlay					228,792	0	228,792	0
Property Taxes Levied for Other Purposes					415,742	639,606	1,055,348	0
Income Taxes					24,124,792	0	24,124,792	0
Payments in Lieu of Taxes					123,164	0	123,164	0
Grants and Entitlements not Restricted to Specific Programs					6,460,923	0	6,460,923	0
Investment Earnings					921,534	56,180	977,714	0
Miscellaneous					1,743,907	26,629	1,770,536	3,145
Transfers					667,820	(667,820)	0	0
<b>Total General Revenues and Transfers</b>					<u>39,200,660</u>	<u>54,595</u>	<u>39,255,255</u>	<u>3,145</u>
Change in Net Assets					(2,455,534)	1,153,664	(1,301,870)	(32,360)
Net Assets at Beginning of Year					56,227,401	41,890,357	98,117,758	2,357,483
<b>Net Assets at End of Year</b>					<u>\$ 53,771,867</u>	<u>\$ 43,044,021</u>	<u>\$ 96,815,888</u>	<u>\$ 2,325,123</u>

**CITY OF EUCLID, OHIO**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2008**

	<b>General</b>	<b>General Obligation Bond Retirement</b>	<b>All Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$ 3,637,205	\$ 2,455,700	\$ 4,166,999	\$ 10,259,904
Cash and Cash Equivalents in Segregated Accounts	6,098	0	0	6,098
Cash and Cash Equivalents with Fiscal Agents	50,132	0	0	50,132
Materials and Supplies Inventory	75,688	0	131,259	206,947
Accrued Interest Receivable	74,989	23,357	8,705	107,051
Accounts Receivable	1,214,876	0	275,618	1,490,494
Interfund Receivable	0	888,000	0	888,000
Intergovernmental Receivable	2,187,920	403,700	1,027,994	3,619,614
Prepaid Items	69,461	0	4,343	73,804
Income Taxes Receivable	8,876,085	0	0	8,876,085
Property Taxes Receivable	1,819,168	3,204,422	812,129	5,835,719
Notes Receivable	1,404,890	0	0	1,404,890
Special Assessments Receivable	0	1,265,855	0	1,265,855
<b>Total Assets</b>	<b><u>\$ 19,416,512</u></b>	<b><u>\$ 8,241,034</u></b>	<b><u>\$ 6,427,047</u></b>	<b><u>\$ 34,084,593</u></b>
<b><u>Liabilities and Fund Balances</u></b>				
<b><u>Liabilities</u></b>				
Accounts Payable	\$ 510,705	\$ 0	\$ 271,315	\$ 782,020
Accrued Wages and Benefits	382,227	788	70,664	453,679
Intergovernmental Payable	2,240,781	2,685	279,198	2,522,664
Retainage Payable	0	0	141,784	141,784
Interfund Payable	0	0	888,000	888,000
Claims Payable	652,139	0	0	652,139
Deferred Revenue	7,879,867	4,641,412	1,428,782	13,950,061
<b>Total Liabilities</b>	<b><u>11,665,719</u></b>	<b><u>4,644,885</u></b>	<b><u>3,079,743</u></b>	<b><u>19,390,347</u></b>
<b><u>Fund Balances</u></b>				
Reserved:	0	0	0	0
Reserved for Encumbrances	89,725	0	728,790	818,515
Reserved for Notes Receivable	1,404,890	0	0	1,404,890
Reserved for Unclaimed Monies	35,218	0	0	35,218
Unreserved, Undesignated, Reported in:				
General Fund	6,220,960	0	0	6,220,960
Special Revenue Funds	0	0	1,425,191	1,425,191
Debt Service Funds	0	3,596,149	0	3,596,149
Capital Projects Funds	0	0	1,193,323	1,193,323
<b>Total Fund Balances</b>	<b><u>7,750,793</u></b>	<b><u>3,596,149</u></b>	<b><u>3,347,304</u></b>	<b><u>14,694,246</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 19,416,512</u></b>	<b><u>\$ 8,241,034</u></b>	<b><u>\$ 6,427,047</u></b>	<b><u>\$ 34,084,593</u></b>

**CITY OF EUCLID, OHIO**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO**  
**NET ASSETS OF GOVERNMENTAL ACTIVITIES**  
**DECEMBER 31, 2008**

**Total Governmental Fund Balances** \$ 14,694,246

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 72,886,069

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

Property and Other Taxes	\$	866,239	
Municipal Income Tax		3,980,363	
Intergovernmental		2,073,721	
Special Assessments		1,265,855	
Charges for Services		794,403	
Total			8,980,581

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.

Net Assets		(248,577)	
Compensated Absences		10,149	
Claims		1,004	
Total			(237,424)

Bond issuance costs will be amortized over the life of the bonds on the statement of net assets. 678,173

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (67,954)

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

General Obligation Bonds		(28,053,880)	
Special Assessment Bonds		(1,160,000)	
Industrial Development Revenue Bonds		(1,235,000)	
Premium on Bonds		(300,199)	
Compensated Absences		(8,707,297)	
Claims		(968,265)	
Capital Leases		(1,085,075)	
OPWC Loans		(1,652,108)	
Total			(43,161,824)

**Net Assets of Governmental Activities** \$ 53,771,867

See accompanying notes to the basic financial statements

**CITY OF EUCLID, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<b>General</b>	<b>General Obligation Bond Retirement</b>	<b>All Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>				
Property Taxes	\$ 1,777,799	\$ 2,871,695	\$ 668,428	\$ 5,317,922
Income Taxes	23,949,387	0	0	23,949,387
Payments in Lieu of Taxes	0	0	123,164	123,164
Special Assessments	0	279,400	226,521	505,921
Charges for Services	3,794,985	0	673,436	4,468,421
Licenses and Permits	119,297	0	0	119,297
Fines and Forfeitures	1,889,367	0	226,580	2,115,947
Intergovernmental	5,432,014	1,402,830	3,946,915	10,781,759
Interest	663,545	176,265	22,405	862,215
Rent	74,024	35,000	269,542	378,566
Contributions and Donations	860	0	34,798	35,658
Other	659,377	29,885	202,132	891,394
<b>Total Revenues</b>	<b>38,360,655</b>	<b>4,795,075</b>	<b>6,393,921</b>	<b>49,549,651</b>
<b>Expenditures</b>				
Current:				
General Government	12,688,462	138,426	428,931	13,255,819
Security of Persons and Property	22,213,781	0	290,974	22,504,755
Refuse Collection and Disposal	2,506,683	0	0	2,506,683
Public Health	260,044	0	0	260,044
Leisure Time Services	505,009	0	1,637,820	2,142,829
Community and Economic Development	1,473,134	0	1,611,765	3,084,899
Transportation	0	0	2,596,559	2,596,559
Capital Outlay	0	0	5,376,523	5,376,523
Debt Service:				
Principal Retirements	204,802	9,060,000	325,593	9,590,395
Interest and Fiscal Charges	110,550	1,382,187	0	1,492,737
Issuance Costs	0	219,018	56,679	275,697
<b>Total Expenditures</b>	<b>39,962,465</b>	<b>10,799,631</b>	<b>12,324,844</b>	<b>63,086,940</b>
Excess of Revenues Over(Under) Expenditures	(1,601,810)	(6,004,556)	(5,930,923)	(13,537,289)
<b>Other Financing Sources and Uses</b>				
Transfers In	0	667,820	528,000	1,195,820
General Obligation Bonds Issued	0	5,655,000	2,170,000	7,825,000
Refunding Bonds Issued	0	2,800,000	0	2,800,000
Proceeds of OPWC Loans	0	0	1,119,127	1,119,127
Premium on Debt Issued	0	191,586	24,179	215,765
Proceeds from Sale of Capital Assets	521	0	54,670	55,191
Inception of Capital Lease	0	0	205,758	205,758
Transfers Out	(528,000)	0	0	(528,000)
Payment to Refunded Bond Escrow Agent	0	(3,489,389)	0	(3,489,389)
<b>Total Other Financing Sources and Uses</b>	<b>(527,479)</b>	<b>5,825,017</b>	<b>4,101,734</b>	<b>9,399,272</b>
Net Change in Fund Balance	(2,129,289)	(179,539)	(1,829,189)	(4,138,017)
Fund Balance at Beginning of Year	9,880,082	3,775,688	5,176,493	18,832,263
<b>Fund Balance at End of Year</b>	<b>\$ 7,750,793</b>	<b>\$ 3,596,149</b>	<b>\$ 3,347,304</b>	<b>\$ 14,694,246</b>

**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, 2008**

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**Net Change in Fund Balances - Total Governmental Funds** \$ (4,138,017)

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

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

Capital Asset Additions	\$ 6,779,758	
Current Year Depreciation	(6,166,373)	
<b>Total</b>	<b>613,385</b>	<b>613,385</b>

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (104,440)

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

Delinquent Property Taxes	(159,402)	
Municipal Income Taxes	175,405	
Intergovernmental	96,269	
Special Assessments	(146,179)	
Charges for Services	(116,593)	
<b>Total</b>	<b>(150,500)</b>	<b>(150,500)</b>

Bond issuance costs are recognized as expenditures in the governmental funds; however, they are amortized over the life or issuance in the statement of activities. 410,086

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

Proceeds of OPWC Loan	(1,119,127)	
Proceeds of General Obligation Bonds	(10,625,000)	
Proceeds of Capital Lease	(205,758)	
Premiums on General Obligation Bonds	(215,765)	
<b>Total</b>	<b>(12,165,650)</b>	<b>(12,165,650)</b>

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

Repayment of Bond and Note	12,520,000	
Repayment of Capital Leases	425,395	
<b>Total</b>	<b>12,945,395</b>	<b>12,945,395</b>

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

Accrued Interest	30,151	
Amortization of Bond Premium	55,267	
Amortization of Bond Issuance Costs	(24,289)	
Amortization of Loss on Refunded Bond	(3,360)	
Amortization of Gain on Refunding	(15,160)	
<b>Total</b>	<b>42,609</b>	<b>42,609</b>

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

Compensated Absences	(759,607)	
Claims	915,973	
<b>Total</b>	<b>156,366</b>	<b>156,366</b>

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

Change in Net Assets	(63,099)	
Compensated Absences	345	
Claims	(2,014)	
<b>Total</b>	<b>(64,768)</b>	<b>(64,768)</b>

**Change in Net Assets of Governmental Activities** **\$ (2,455,534)**

See accompanying notes to the basic financial statements

**CITY OF EUCLID, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Property Taxes	\$ 1,871,433	\$ 1,871,433	\$ 1,777,799	\$ (93,634)
Income Taxes	24,812,716	24,808,784	24,084,781	(724,003)
Other Local Taxes	15,903	0	0	0
Charges for Services	4,280,935	4,280,257	3,789,771	(490,486)
Licenses and Permits	150,874	150,850	134,552	(16,298)
Fines and Forfeitures	1,694,869	1,694,600	1,848,884	154,284
Intergovernmental	5,262,851	5,277,917	5,639,836	361,919
Interest	950,151	950,000	734,253	(215,747)
Rent	75,512	75,500	56,706	(18,794)
Contributions and Donations	0	0	860	860
Other	622,997	622,900	656,622	33,722
<b>Total Revenues</b>	<u>39,738,241</u>	<u>39,732,241</u>	<u>38,724,064</u>	<u>(1,008,177)</u>
<b>Expenditures</b>				
Current:				
General Government	12,246,484	12,671,768	12,233,877	437,891
Security of Persons and Property	21,794,703	21,809,077	21,485,439	323,638
Refuse Collection and Disposal	2,407,690	2,691,677	2,679,317	12,360
Public Health	278,337	278,337	259,889	18,448
Leisure Time Services	578,171	589,711	542,889	46,822
Community and Economic Development	1,534,631	1,581,495	1,476,824	104,671
Debt Service:				
Principal Retirements	105,000	105,000	105,000	0
Interest and Fiscal Charges	131,633	131,633	110,550	21,083
<b>Total Expenditures</b>	<u>39,076,649</u>	<u>39,858,698</u>	<u>38,893,785</u>	<u>964,913</u>
Excess of Revenues Over(Under) Expenditures	<u>661,592</u>	<u>(126,457)</u>	<u>(169,721)</u>	<u>(43,264)</u>
<b>Other Financing Sources and Uses</b>				
Proceeds from Sale of Capital Assets	0	6,000	521	(5,479)
Transfers Out	(471,000)	(528,000)	(528,000)	0
<b>Total Other Financing Sources and Uses</b>	<u>(471,000)</u>	<u>(522,000)</u>	<u>(527,479)</u>	<u>(5,479)</u>
Net Change in Fund Balance	190,592	(648,457)	(697,200)	(48,743)
Fund Balance at Beginning of Year	3,755,002	3,755,002	3,755,002	0
Prior Year Encumbrances Appropriated	301,803	301,803	301,803	0
<b>Fund Balance at End of Year</b>	<u>\$ 4,247,397</u>	<u>\$ 3,408,348</u>	<u>\$ 3,359,605</u>	<u>\$ (48,743)</u>

See accompanying notes to the basic financial statements

**CITY OF EUCLID, OHIO**  
**STATEMENT OF FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2008**

	<b>Enterprise Funds</b>				<b>Governmental Activities</b>
	<b>Waste Water Treatment</b>	<b>Water Line Improvement</b>	<b>Briardale Greens Golf Course</b>	<b>Totals</b>	<b>Internal Service Funds</b>
<b>Assets</b>					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$ 6,697,733	\$ 5,593,207	\$ 183,872	\$ 12,474,812	\$ 136,956
Materials and Supplies Inventory	64,413	0	5,514	69,927	0
Accrued Interest Receivable	58,185	0	0	58,185	0
Accounts Receivable	2,712,875	535,723	658	3,249,256	0
Intergovernmental Receivable	110,427	13,041	0	123,468	0
Prepaid Items	17,897	0	4,565	22,462	0
Property Taxes Receivable	541,418	0	0	541,418	0
<b>Total Current Assets</b>	<b>10,202,948</b>	<b>6,141,971</b>	<b>194,609</b>	<b>16,539,528</b>	<b>136,956</b>
<i>Noncurrent Assets:</i>					
Deferred Charges	124,604	89,923	0	214,527	0
Non-Depreciable Capital Assets	356,301	841,044	7,272,626	8,469,971	0
Depreciable Capital Assets, Net	27,943,669	19,188,347	1,539,261	48,671,277	0
<b>Total Noncurrent Assets</b>	<b>28,424,574</b>	<b>20,119,314</b>	<b>8,811,887</b>	<b>57,355,775</b>	<b>0</b>
<b>Total Assets</b>	<b>38,627,522</b>	<b>26,261,285</b>	<b>9,006,496</b>	<b>73,895,303</b>	<b>136,956</b>
<b>Liabilities</b>					
<i>Current Liabilities:</i>					
Accounts Payable	504,769	137,803	9,306	651,878	14,754
Accrued Wages and Benefits	109,778	0	8,769	118,547	318
Intergovernmental Payable	430,983	13,041	27,678	471,702	1,185
Matured Compensation Absences	68,827	0	34,046	102,873	0
Accrued Interest Payable	260,474	16,637	0	277,111	0
Retainage Payable	127,996	0	0	127,996	0
Claims Payable	42,687	0	6,169	48,856	358,445
Deferred Revenue	461,051	0	0	461,051	0
Notes Payable	0	5,600,000	0	5,600,000	0
Compensated Absences Payable	136,999	0	15,778	152,777	7,867
General Obligation Bonds Payable	116,000	300,000	0	416,000	0
Capital Leases Payable	95,015	0	30,570	125,585	0
OPWC Loans Payable	265,577	141,379	0	406,956	0
OWDA Loans Payable	1,841,309	0	0	1,841,309	0
<b>Total Current Liabilities</b>	<b>4,461,465</b>	<b>6,208,860</b>	<b>132,316</b>	<b>10,802,641</b>	<b>382,569</b>
<i>Noncurrent Liabilities:</i>					
Claims Payable - net of current portion	90,406	0	13,066	103,472	682
Compensated Absences Payable - net of current portion	539,975	0	83,127	623,102	2,282
General Obligation Bonds Payable - net of current portion	2,501,282	4,045,162	0	6,546,444	0
Capital Leases Payable - net of current portion	279,861	0	43,746	323,607	0
OPWC Loans Payable - net of current portion	3,986,462	1,686,419	0	5,672,881	0
OWDA Loans Payable - net of current portion	6,779,135	0	0	6,779,135	0
<b>Total Noncurrent Liabilities</b>	<b>14,177,121</b>	<b>5,731,581</b>	<b>139,939</b>	<b>20,048,641</b>	<b>2,964</b>
<b>Total Liabilities</b>	<b>18,638,586</b>	<b>11,940,441</b>	<b>272,255</b>	<b>30,851,282</b>	<b>385,533</b>
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	12,309,602	8,166,508	8,738,695	29,214,805	0
Unrestricted	7,679,334	6,154,336	(4,454)	13,829,216	(248,577)
<b>Total Net Assets</b>	<b>\$ 19,988,936</b>	<b>\$ 14,320,844</b>	<b>\$ 8,734,241</b>	<b>\$ 43,044,021</b>	<b>\$ (248,577)</b>



**CITY OF EUCLID, OHIO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS -**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Enterprise Funds			Governmental	
	Waste Water Treatment	Water Line Improvement	Briardale Greens Golf Course	Internal Service Fund	
			<b>Totals</b>		
<b><u>Operating Revenues</u></b>					
Charges for Services	\$ 10,863,967	\$ 1,623,543	\$ 1,035,336	\$ 13,522,846	\$ 150,000
Tap-In Fees	23,968	0	0	23,968	0
Other	21,917	49	4,663	26,629	0
<b>Total Operating Revenues</b>	<b>10,909,852</b>	<b>1,623,592</b>	<b>1,039,999</b>	<b>13,573,443</b>	<b>150,000</b>
<b><u>Operating Expenses</u></b>					
Personal Services	4,238,969	0	614,706	4,853,675	30,652
Contractual Services	2,622,632	28,535	32,508	2,683,675	97,320
Materials and Supplies	2,574,151	0	194,908	2,769,059	354
Claims	0	0	235	235	88,825
Depreciation	940,697	467,503	79,209	1,487,409	0
Other	69,227	0	65,300	134,527	0
<b>Total Operating Expenses</b>	<b>10,445,676</b>	<b>496,038</b>	<b>986,866</b>	<b>11,928,580</b>	<b>217,151</b>
Operating Income (Loss)	464,176	1,127,554	53,133	1,644,863	(67,151)
<b><u>Non-Operating Revenues (Expenses)</u></b>					
Interest	48,107	8,073	0	56,180	4,052
Intergovernmental	52,675	0	0	52,675	0
Capital Grants and Contributions	276,000	65,348	0	341,348	0
Property Taxes	639,606	0	0	639,606	0
Interest and Fiscal Charges	(615,761)	(296,127)	(1,300)	(913,188)	0
<b>Total Non-Operating Revenues (Expenses)</b>	<b>400,627</b>	<b>(222,706)</b>	<b>(1,300)</b>	<b>176,621</b>	<b>4,052</b>
Income (Loss) Before Contributions and Transfers	864,803	904,848	51,833	1,821,484	(63,099)
Transfers Out	0	(667,820)	0	(667,820)	0
Change in Net Assets	864,803	237,028	51,833	1,153,664	(63,099)
Net Assets (Deficit) at Beginning of Year	19,124,133	14,083,816	8,682,408	41,890,357	(185,478)
<b>Net Assets (Deficit) at End of Year</b>	<b>\$ 19,988,936</b>	<b>\$ 14,320,844</b>	<b>\$ 8,734,241</b>	<b>\$ 43,044,021</b>	<b>\$ (248,577)</b>

See accompanying notes to the basic financial statements.

**CITY OF EUCLID, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Waste Water Treatment	Water Line	Briardale Greens Golf Course	Totals	Governmental Activities Internal Service Fund
<b>Increase (Decrease) in Cash and Cash Equivalents</b>					
<b>Cash Flows from Operating Activities</b>					
Cash Received from Customers	\$ 10,394,093	\$ 1,542,163	\$ 1,039,341	\$ 12,975,597	\$ 150,000
Cash Payments to Suppliers for Goods and Services	(4,844,937)	(23,243)	(136,108)	(5,004,288)	(94,303)
Cash Paid to Employees	(4,193,599)	0	(590,146)	(4,783,745)	(31,727)
Cash Paid for Claims	0	0	0	0	(90,132)
Other Operating Cash Payments	(64,839)	0	(135,093)	(199,932)	0
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>1,290,718</b>	<b>1,518,920</b>	<b>177,994</b>	<b>2,987,632</b>	<b>(66,162)</b>
<b>Cash Flows from Noncapital Financing Activities</b>					
Receipts for Operating Grants	52,675	0	0	52,675	0
Receipts for Property Taxes	655,534	0	0	655,534	0
Transfers Out	0	(667,820)	0	(667,820)	0
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>708,209</b>	<b>(667,820)</b>	<b>0</b>	<b>40,389</b>	<b>0</b>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Payments for Capital Acquisition	(1,275,102)	(725,165)	(181,262)	(2,181,529)	0
Loss on Sale of Asset	285,931	0	17,703	303,634	0
Proceeds from OPWC	119,896	0	0	119,896	0
Proceeds from Notes	0	5,600,000	0	5,600,000	0
Proceeds from General Obligation Bonds	1,404,227	1,342,276	0	2,746,503	0
Proceeds from Capital Grants	683,166	(50,531)	0	632,635	0
Deferred Charges	(92,166)	(89,923)	0	(182,089)	0
Principal Paid on Notes	0	(3,000,000)	0	(3,000,000)	0
Principal Paid on General Obligation Bonds	(1,441,000)	(885,000)	0	(2,326,000)	0
Interest Paid on General Obligation Bonds	(643,547)	(297,510)	0	(941,057)	0
Principal Paid on OWDA Loans	(1,708,526)	0	0	(1,708,526)	0
Interest Paid on OWDA Loans	(4,916)	0	0	(4,916)	0
Principal Paid on OPWC Loans	(251,230)	(141,380)	0	(392,610)	0
Principal Paid on Capital Leases	(90,704)	0	(32,756)	(123,460)	0
Interest Paid on Capital Leases	(20,899)	0	(1,300)	(22,199)	0
<b>Net Cash provided by (Used for) Capital and Related Financing Activities</b>	<b>(3,034,870)</b>	<b>1,752,767</b>	<b>(197,615)</b>	<b>(1,479,718)</b>	<b>0</b>
<b>Cash Flows from Investing Activities</b>					
Interest on Investments	24,526	19,857	0	44,383	4,052
<b>Total Cash Flow from Investing Activities</b>	<b>24,526</b>	<b>19,857</b>	<b>0</b>	<b>44,383</b>	<b>4,052</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,011,417)</b>	<b>2,623,724</b>	<b>(19,621)</b>	<b>1,592,686</b>	<b>(62,110)</b>
Cash and Cash Equivalents Beginning of Year	7,709,150	2,969,483	203,493	10,882,126	199,066
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ 6,697,733</b>	<b>\$ 5,593,207</b>	<b>\$ 183,872</b>	<b>\$ 12,474,812</b>	<b>\$ 136,956</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities</b>					
Operating Income (Loss)	\$ 464,176	\$ 1,127,554	\$ 53,133	\$ 1,644,863	\$ (67,151)
<i>Adjustments:</i>					
Depreciation	940,697	467,503	79,209	1,487,409	0
(Increase) Decrease in Assets:					
Accounts Receivable	(515,759)	(81,380)	(658)	(597,797)	0
Prepaid Items	(73)	0	927	854	0
Materials and Supplies Inventory	3,412	0	12,783	16,195	0
Increase (Decrease) in Liabilities:					
Accounts Payable	376,495	137,803	8,101	522,399	3,371
Contracts Payable	0	0	0	0	0
Retainage Payable	127,996	(132,560)	0	(4,564)	0
Compensated Absences Payable	(16,391)	0	(18,410)	(34,801)	345
Matured Compensated Absences	28,687	0	34,046	62,733	0
Accrued Wages	37,462	0	4,308	41,770	239
Intergovernmental Payable	0	0	13,111	13,111	355
Claims Payable	(155,984)	0	(8,556)	(164,540)	(3,321)
Total Adjustments	826,542	391,366	124,861	1,342,769	989
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$ 1,290,718</b>	<b>\$ 1,518,920</b>	<b>\$ 177,994</b>	<b>\$ 2,987,632</b>	<b>\$ (66,162)</b>

**Schedule of NonCash Investing, Capital, and Financing Activities**

The Briardale Golf Course Fund had capital assets purchased through a capital lease in the amount of \$69,793.

See accompanying notes to the basic financial statements

**CITY OF EUCLID, OHIO**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**AGENCY FUNDS**  
**DECEMBER 31, 2008**

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	<u>Agency Fund</u>
<b><u>Assets</u></b>	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	\$ 764,889
Accounts Receivable	318
<i>Total Current Assets</i>	<u>765,207</u>
<b>Total Assets</b>	<u><u>\$ 765,207</u></u>
<b><u>Liabilities</u></b>	
<i>Current Liabilities:</i>	
Deposits Held and Due to Others	\$ 765,207
<i>Total Current Liabilities</i>	<u>765,207</u>
<b>Total Liabilities</b>	<u><u>\$ 765,207</u></u>

See accompanying notes to the basic financial statements

*Notes to the Basic Financial Statements*

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

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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 54,000 residents. The City established a formal charter in 1951 which governs its operations.

**Reporting Entity**

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading.

The primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City of Euclid, this includes police and fire protection, parks and recreation, planning, zoning, public safety, public service, street maintenance, sanitation system, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation of each of these activities and entities is directly controlled by the City Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City has one component unit, Euclid Development Corporation.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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NOTE 1: **DESCRIPTION OF THE CITY AND REPORTING ENTITY** (Continued)

**Reporting Entity** (Continued)

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

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City's accounting policies are described below.

A. **Basis of Presentation**

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

*Government-wide Financial Statements* The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses.

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

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

B. **Fund Accounting**

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

B. **Fund Accounting** (Continued)

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

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

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

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

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

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

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

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

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



**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

**B. Fund Accounting** (Continued)

*Internal Service Fund* The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on a self-insurance program to insure the City, its properties, and its officers and employees against liability, expense, loss, and damage which arise, or is claimed to have arisen, from the performance or nonperformance of official duties.

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

**C. Measurement Focus**

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

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

C. **Measurement Focus** (Continued)

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

D. **Basis of Accounting**

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

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

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

*Revenues – Exchange and Nonexchange Transactions* (Continued)

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance year 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. **Budgetary Process**

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

E. **Budgetary Process** (Continued)

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

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

F. **Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

The General Fund made an advance to the Community Development Block Grant Special Revenue Fund to cover a deficit cash balance. The Community Development Block Grant Special Revenue Fund has an interfund payable for the amount received from the General Fund and the General Fund has an interfund receivable for the same amount on the balance sheet.

The City has segregated bank accounts for monies held separate from the City's bank accounts. These interest-bearing deposits accounts are presented on the combined balance sheet as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the City's treasury. The cash of the cellular towers, animal control donations, and D.A.R.E. program are included in this line item.

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

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 2008, the City invested in Federal Home Loan Bank Bonds, Federal Farm Credit Bank, the Federal National Mortgage Association, and the State Treasury Asset Reserve of Ohio (STAROhio). Investments are reported at fair value, which is based on quoted market prices.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2008.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the General Fund during 2008 amounted to \$663,545, which includes \$516,966 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, 2008, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

I. **Capital Assets**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

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

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20-40 Years
Building and Improvements	20-40 Years
Furniture, Fixtures, and Equipment	3-10 Years
Infrastructure	25-50 Years

For 2008, the City's infrastructure consists of streets, storm sewers, and water and sewer lines.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

**J. Interfund Balances**

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

**K. Compensated Absences**

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

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

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

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

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



**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

L. **Accrued Liabilities and Long-Term Obligations** (Continued)

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 Reserves**

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

N. **Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$8,179,008 of restricted net assets, none of which is restricted by enabling legislation.

Net assets restricted for other purposes include resources restricted for court computerization, court special projects, 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.



**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

**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.

**Q. Bond Issuance Costs**

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

**R. Bond Premium**

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

S. **Gain/Loss on Refunding**

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

T. **Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence.

U. **Estimates**

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

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

A. **Change in Accounting Principles**

For fiscal year 2008, the City implemented GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, and No. 50, *Pension Disclosures*. GASB Statement No. 45 provides guidance on all aspects of other post-employment benefit (OPEB) reporting by employers. GASB Statement No. 49 provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. GASB Statement No. 50 more closely aligns the financial reporting requirements for pensions with those for other post-employment benefits.

The implementation of GASB Statements No. 45, 49, and 50 did not affect the presentation of the financial statements of the City.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

**B. Prior Period Adjustment**

In 2007, expenditures were recorded for payments made directly to vendors on behalf of the City, but corresponding revenues were not recorded on a cash basis.

The restatement had the following effect on the nonmajor governmental fund:

	General Permanent Improvement <u>Fund</u>
Budgetary Fund Balance, December 31, 2007	\$1,882,831
Adjustment:	
Inclusion of Loan Proceeds	<u>136,682</u>
<b>Budgetary Fund Balance, December 31, 2007</b>	<b><u>\$2,019,513</u></b>

NOTE 4: **COMPLIANCE AND ACCOUNTABILITY** (Continued)

**Fund Deficit**

The following nonmajor funds had deficit fund balances or deficit net assets as of December 31, 2008:

**Special Revenue**

Community Development Block Grant	\$ 49,243
Recreation Operating	46,542
Shore Corporation	29,593

**Capital Projects**

Public Building Construction	197,520
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**Internal Service**

Self-Insurance Fund	248,577
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The deficits in the Special Revenue funds, the Capital Projects Fund, and the Internal Service Fund resulted from recognition of accrued liabilities. The General Fund is responsible to cover deficit fund balances by means of a transfer. However, this is done when cash is needed rather than when accruals occur.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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**NOTE 5: BUDGETARY BASIS OF ACCOUNTING**

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

- Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
- Unrecorded cash represents amounts received but not included as revenue on the budgetary statements, but is reported on the operating statements prepared using GAAP.
- Investments are reported at fair value (GAAP basis) rather than cost (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	\$(2,129,289)
Net Adjustment for Revenue Accruals	363,409
Net Adjustment for Expenditure Accruals	1,369,979
Encumbrances	<u>(301,299)</u>
Budget Basis	<u>\$ (697,200)</u>

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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NOTE 6: **DEPOSITS AND INVESTMENTS**

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

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

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

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;
- 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, 2008**  
**(CONTINUED)**

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NOTE 6: **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 (STAROhio).

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

- Bonds of the State of Ohio;
- 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 \$11,678 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 \$10,831,120 and the bank balance was \$12,463,188. Of the bank balance, \$1,728,736 was covered by Federal depository insurance and \$10,734,452 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, 2008**  
**(CONTINUED)**

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

**Deposits** (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, 2008, the City had the following investments:

	<u>Fair Value</u>	<u>Average Maturity</u>
Federal Home Loan Bank Bonds	\$ 2,044,625	235 days
Federal National Mortgage Association	2,009,294	293 days
Federal Farm Credit Bank	2,018,991	293 days
STAROhio	2,700,081	23 days
Repurchase Agreement	<u>4,077,002</u>	2 days
Total	<u>\$12,849,993</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 Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal National Mortgage Association Discount Notes, and Federal National Mortgage Association Notes 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, 2008**  
**(CONTINUED)**

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

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

***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, 2008:

Percentage of Investment Investments	
Federal Home Loan Bank Bonds	15.91%
Federal National Mortgage Association	15.64%
Federal Farm Credit Bank	15.71%
STAROhio	21.01%
Repurchase Agreements	31.73%

**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 \$632,858 and the bank balance was \$649,903. Of the bank balance, \$364,099 was covered by Federal depository insurance and \$285,804 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 EDCOR to a successful claim by the FDIC.

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.



**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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NOTE 7: **RECEIVABLES**

Receivables at December 31, 2008, 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, 2008 are \$1,265,855, with delinquent special assessments outstanding being \$133,222.

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 2008 for real and public utility property taxes represents collections of 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) are for 2008 taxes.

2008 real property taxes are levied after October 1, 2008, on the assessed value as of January 1, 2008, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2008 real property taxes are collected in and intended to finance 2009.

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. 2008 public utility property taxes which become a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes.

Tangible personal property tax revenue received during calendar 2008 (other than public utility property) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied in after April 1, 2007, on the value as of December 31, 2007. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out-the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to zero in 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the City prior to June 30.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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NOTE 7: **RECEIVABLES** (Continued)

A. **Property Taxes** (Continued)

The full tax rate for all City operations for the year ended December 31, 2008, was \$15.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property	\$ 799,035,130
Public Utility Property	13,964,270
Tangible Personal Property	<u>24,916,620</u>
Total Valuation	<u>\$ 837,916,020</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.

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

The Cuyahoga County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Euclid. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes, and outstanding delinquencies, which are measurable as of December 31, 2008, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2008 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

B. **Income Tax**

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

NOTE 7: **RECEIVABLES** (Continued)

B. **Income Tax** (Continued)

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.

C. **Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

<b><u>Governmental Activities</u></b>	<b><u>Amount</u></b>
Local Government	\$ 1,655,657
Gasoline Tax	680,195
Homestead and Rollback	311,662
Estate Tax	299,644
Motor Vehicle Tax	152,138
OPWC Receivables	93,840
Other Intergovernmental	<u>193,913</u>
<b>Total Governmental Activities</b>	<b><u>\$ 3,387,049</u></b>

<b><u>Business-Type Activities</u></b>	
Homestead and Rollback	\$ 28,915
OPWC Receivables	<u>94,553</u>
<b>Total Business-Type Activities</b>	<b><u>\$ 123,468</u></b>

D. **Notes and Loans Receivable**

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

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

**NOTE 8: CONTINGENCIES**

**A. Grants**

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

**B. Litigation**

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

**NOTE 9: CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2008, was as follows:

	<u>Balance</u> <u>12/31/2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2008</u>
<b><u>Governmental Activities</u></b>				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 9,058,667	\$ 0	\$ 0	\$ 9,058,667
Construction in Progress	1,341,968	3,666,697	301,208	4,707,457
<i>Total Capital Assets, Not Being Depreciated</i>	<u>10,400,635</u>	<u>3,666,697</u>	<u>301,208</u>	<u>13,766,124</u>
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	6,005,101	110,000	0	6,115,101
Buildings and Improvements	15,165,180	225,873	0	15,391,053
Furniture, Fixtures, and Equipment	8,541,442	2,777,188	655,341	10,663,289
Infrastructure:				
Streets	<u>120,315,227</u>	<u>301,208</u>	<u>0</u>	<u>120,616,435</u>
<i>Total Capital Assets, Being Depreciated</i>	<u>150,026,950</u>	<u>3,414,269</u>	<u>655,341</u>	<u>152,785,878</u>
Less Accumulated Depreciation:				
Land Improvements	(3,831,832)	(277,712)	0	(4,109,544)
Buildings and Improvements	(6,082,119)	(312,646)	0	(6,394,765)
Furniture, Fixtures, and Equipment	(7,297,300)	(587,297)	(550,901)	(7,333,696)
Infrastructure:				
Streets	<u>(70,839,212)</u>	<u>(4,988,717)</u>	<u>0</u>	<u>(75,827,929)</u>
<i>Total Accumulated Depreciation</i>	<u>(88,050,462)</u>	<u>(6,166,372)</u>	<u>(550,901)</u>	<u>(93,665,933)</u>
Total Capital Assets, Being Depreciated, Net	<u>61,976,488</u>	<u>(2,752,103)</u>	<u>104,440</u>	<u>59,119,945</u>
<b>Governmental Activities Capital Assets, Net</b>	<u><u>\$ 72,377,123</u></u>	<u><u>\$ 914,594</u></u>	<u><u>\$ 405,648</u></u>	<u><u>\$ 72,886,069</u></u>

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

NOTE 9: **CAPITAL ASSETS** (Continued)

	<u>Balance</u> <u>12/31/2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2008</u>
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 7,428,126	\$ 0	\$ 0	\$ 7,428,126
Construction in Progress	0	1,914,465	872,620	1,041,845
<i>Total Capital Assets, Not Being Depreciated</i>	<u>7,428,126</u>	<u>1,914,465</u>	<u>872,620</u>	<u>8,469,971</u>
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	1,207,490	167,346	0	1,374,836
Buildings and Improvements	13,527,303	0	0	13,527,303
Furniture, Fixtures, and Equipment	7,350,449	447,447	423,257	7,374,639
Infrastructure:				
Sanitary Sewers	13,795,210	3,723,505	0	17,518,715
Storm Sewers	13,850,406	20,200	3,149,022	10,721,584
Water Lines	23,375,159	0	0	23,375,159
<i>Total Capital Assets, Being Depreciated</i>	<u>73,106,017</u>	<u>4,358,498</u>	<u>3,572,279</u>	<u>73,892,236</u>
Less Accumulated Depreciation:				
Land Improvements	(689,574)	(57,905)	0	(747,479)
Buildings and Improvements	(5,422,180)	(265,685)	0	(5,687,865)
Furniture, Fixtures, and Equipment	(6,638,436)	(136,141)	(119,624)	(6,654,953)
Infrastructure:				
Sanitary Sewers	(3,968,061)	(348,104)	0	(4,316,165)
Storm Sewers	(3,415,615)	(212,071)	0	(3,627,686)
Water Lines	(3,719,308)	(467,503)	0	(4,186,811)
<i>Total Accumulated Depreciation</i>	<u>(23,853,174)</u>	<u>(1,487,409)</u>	<u>(119,624)</u>	<u>(25,220,959)</u>
Total Capital Assets, Being Depreciated, Net	<u>49,252,843</u>	<u>2,871,089</u>	<u>3,452,655</u>	<u>48,671,277</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u>\$56,680,969</u>	<u>\$4,785,554</u>	<u>\$ 4,325,275</u>	<u>\$ 57,141,248</u>

\* Sanitary Sewer capital assets in the amount of \$3,149,022 were recorded in error as Storm Sewer.

Derecognition Expense was charged to governmental functions as follows:

General Government	\$ 258,147
Security of Persons and Property	338,648
Lesiure Time Services	268,657
Community and Economic Development	94,114
Transportation	5,206,806
	<u>\$ 6,166,372</u>

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

**NOTE 10: LONG-TERM OBLIGATIONS**

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

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Date</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<i>General Obligation Bonds:</i>				
Various Purpose Refunding - 1998	4.8-6.625%	1998	\$12,730,000	2018
Various Purpose - 1995	3.70-5.55	1995	8,400,000	2015
Various Purpose - 1998	3.80-4.90	1998	6,360,000	2018
Various Purpose - 2001	3.25-5.50	2001	7,235,000	2020
Various Purpose - 2004	2.50-5.00	2004	8,709,000	2025
Various Purpose Refunding - 2004	2.50-5.00	2004	4,388,000	2025
Various Purpose Refunding - 2008	4.70-5.125	2008	2,800,000	2018
Various Purpose - 2008	3.00-5.00	2008	7,825,000	2028
<i>Industrial Development Revenue Bonds</i>				
Lincoln Electric Industrial Development	8.25	1996	2,135,000	2016
<i>Ohio Public Works Commission</i>				
East 222nd Reconstruction -2006	0.00	2006	1,257,200	2029
<i>Special Assessment Bonds with Government Commitment</i>				
Heritage Drive Improvements - 1999	4.35-5.60	1999	1,715,000	2019
<i>Long-Term Notes Payable:</i>				
Various Purpose - 2006	4.50	2007	6,846,000	2008
<i>Enterprise General Obligation Bonds:</i>				
Peterson Waterline -1998	3.80-5.125	1998	2,145,000	2018
Various Purpose Refunding - 2004	3.80-5.125	1998	1,025,000	2018
Waterline Improvement - 1998	3.25-5.50	2001	4,260,000	2020
Waterline Improvement - 2001	2.50-5.00	2004	1,243,000	2025
Various Purpose Refunding - 2008	4.70-5.125	2008	2,660,000	2018
<i>Enterprise OWDA Loans:</i>				
Wastewater Treatment and Collection Systems-1993	5.20	1993	9,842,765	2014
Wastewater Treatment and Collection Systems-1994	4.56	1994	2,397,760	2014
Sewer Improvement - 1991	11.19	1991	6,093,465	2011
<i>Enterprise OPWC Loans:</i>				
Newton Avenue Improvements - 2000	0.00	2000	1,468,836	2019
East 226th Street/Edgecliff - 2003	0.00	2003	1,528,108	2023
East 197th Street - 2001	0.00	2001	759,025	2020
East 255th Street - 2002	0.00	2002	400,534	2022
East 216th Street - 2004	0.00	2004	581,131	2024
Brandywine Pump Station - 2005	0.00	2006	408,000	2028
Chatworth Dr. Sanitary -2005	0.00	2006	240,400	2028
Euclid Ave/Babbit Rd -2005	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 Bridge	0.00	2008	552,000	2028
<i>Enterprise Long-Term Notes Payable:</i>				
Waterline Improvement	4.00	2008	5,600,000	2009

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

	<b>Principal Outstanding 1/1/2008</b>	<b>Additions</b>	<b>Deletions</b>	<b>Principal Outstanding 12/31/2008</b>	<b>Due Within One Year</b>
<b>Governmental Activities</b>					
<i>General Obligation Bonds:</i>					
Various Purpose Refunding - 1998	\$ 865,000	\$ 0	\$ 195,000	\$ 670,000	\$ 205,000
Various Purpose - 1995	1,495,000	0	725,000	770,000	770,000
Various Purpose - 1998	3,650,000	0	3,650,000	0	0
Various Purpose - 2001	4,860,000	0	365,000	4,495,000	380,000
Various Purpose - 2004	8,488,000	0	115,000	8,373,000	118,000
Unamortized Premium	77,234	0	4,543	72,691	0
Various Purpose Refunding - 2004	3,671,000	0	374,000	3,297,000	386,000
Unamortized Premium	22,187	0	2,773	19,414	0
Unamortized Gain on Refunding	(121,280)	0	(15,160)	(106,120)	0
Various Purpose Refunding - 2008	0	2,800,000	70,000	2,730,000	325,000
Unamortized Premium	0	91,055	4,553	86,502	0
Various Purpose - 2008	0	7,825,000	0	7,825,000	495,000
Unamortized Premium	0	124,710	3,118	121,592	0
<i>Total General Obligation Bonds</i>	<u>23,007,141</u>	<u>10,840,765</u>	<u>5,493,827</u>	<u>28,354,079</u>	<u>2,679,000</u>
<i>Special Assessment Bonds with Governmental Commitment</i>					
Heritage Drive Improvements - 1999	1,235,000	0	75,000	1,160,000	80,000
<i>Notes Payable:</i>					
Various Purpose - 2007	6,846,000	0	6,846,000	0	0
Unamortized Premium	40,280	0	40,280	0	0
<i>Total Notes Payable</i>	<u>6,886,280</u>	<u>0</u>	<u>6,886,280</u>	<u>0</u>	<u>0</u>
<i>Industrial Development Revenue Bonds</i>					
Lincoln Electric Industrial Development	1,340,000	0	105,000	1,235,000	115,000
<i>Ohio Public Works Commission</i>					
East 222nd Reconstruction -2006	532,981	1,119,127	0	1,652,108	0
<i>Other Obligations:</i>					
Capital Leases	1,304,712	205,758	425,395	1,085,075	431,944
Claims	1,884,238	42,327	958,300	968,265	310,552
Compensated Absences	7,947,690	3,604,689	2,845,082	8,707,297	1,727,382
<i>Total Other Obligations</i>	<u>11,136,640</u>	<u>3,852,774</u>	<u>4,228,777</u>	<u>10,760,637</u>	<u>2,469,878</u>
<b>Total Governmental Activities</b>	<u>\$ 44,138,042</u>	<u>\$ 15,812,666</u>	<u>\$ 16,788,884</u>	<u>\$ 43,161,824</u>	<u>\$ 5,343,878</u>

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

	<b>Principal Outstanding 1/1/2008</b>	<b>Additions</b>	<b>Deletions</b>	<b>Principal Outstanding 12/31/2008</b>	<b>Due Within One Year</b>
<b>Business-Type Activities</b>					
<i>General Obligation Bonds:</i>					
Wastewater Fund:					
Peterson Waterline -1998	\$ 1,405,000	\$ 0	\$ 1,405,000	\$ 0	\$ 0
Various Purpose Refunding - 2008	0	1,360,000	35,000	1,325,000	115,000
Unamortized Premium	0	44,227	2,212	42,015	0
Various Purpose Refunding - 2004	1,241,000		1,000	1,240,000	1,000
Unamortized Premium	10,909		642	10,267	
Waterline Fund:					
Waterline Improvement - 1998	675,000	0	675,000	0	0
Waterline Improvement - 2001	3,215,000	0	180,000	3,035,000	190,000
Various Purpose Refunding - 2008	0	1,300,000	30,000	1,270,000	110,000
Unamortized Premium	0	42,276	2,114	40,162	0
<b>Total General Obligation Bonds:</b>	<b>6,546,909</b>	<b>2,746,503</b>	<b>2,330,968</b>	<b>6,962,444</b>	<b>416,000</b>
<i>Notes Payable</i>					
Waterline Improvements - 2008	0	5,600,000	0	5,600,000	5,600,000
Waterline Improvements - 2007	3,000,000	0	3,000,000	0	0
<b>Total Notes Payable</b>	<b>3,000,000</b>	<b>5,600,000</b>	<b>3,000,000</b>	<b>5,600,000</b>	<b>5,600,000</b>
<i>OWDA Loans:</i>					
Wastewater Fund:					
Wastewater Treatment and Collection Systems -1993	5,896,472	0	784,155	5,112,317	825,461
Wastewater Treatment and Collection Systems -1994	1,463,209	0	181,844	1,281,365	190,231
Sewer Improvement - 1991	2,969,289	0	742,527	2,226,762	825,617
<b>Total OWDA Loans</b>	<b>10,328,970</b>	<b>0</b>	<b>1,708,526</b>	<b>8,620,444</b>	<b>1,841,309</b>
<i>OPWC Loans:</i>					
Wastewater Fund:					
Newton Avenue Improvements - 2000	881,302	0	73,442	807,860	73,442
East 226th Street/Edgecliff - 2003	1,184,284	0	76,405	1,107,879	76,406
East 197th Street - 2001	493,367	0	37,951	455,416	37,952
East 255th Street - 2002	290,386	0	20,027	270,359	20,026
East 216th Street - 2004	493,961	0	29,057	464,904	29,056
Brandywine Pump Station - 2006	338,366	0	8,459	329,907	16,918
Chatworth Dr. Sanitary -2006	235,531	0	5,889	229,642	11,777
Euclid Ave/Babbit Rd -2006	466,176	10,526	0	476,702	0
Euclid Avenue Improvement -2008	0	109,370	0	109,370	0
<b>Total Wastewater Fund</b>	<b>4,383,373</b>	<b>119,896</b>	<b>251,230</b>	<b>4,252,039</b>	<b>265,577</b>
Waterline Fund					
Miller Avenue - 2001	1,098,435	0	84,495	1,013,940	84,495
East 222nd Street -2003	699,966	0	43,748	656,218	43,748
East 214th Street - 2001	170,777	0	13,137	157,640	13,136
<b>Total Waterline Fund</b>	<b>1,969,178</b>	<b>0</b>	<b>141,380</b>	<b>1,827,798</b>	<b>141,379</b>
<b>Total OPWC Loan</b>	<b>6,352,551</b>	<b>119,896</b>	<b>392,610</b>	<b>6,079,837</b>	<b>406,956</b>
<i>Other Obligations</i>					
Capital Leases	502,859	69,793	123,460	449,192	125,585
Claims Payable	316,868	6,659	171,198	152,329	48,856
Compensated Absences	810,680	354,472	389,274	775,878	152,777
<b>Total Other Obligations</b>	<b>1,630,407</b>	<b>430,924</b>	<b>683,932</b>	<b>1,377,399</b>	<b>327,218</b>
<b>Total Business-Type Activities</b>	<b>\$ 27,858,837</b>	<b>\$ 8,897,323</b>	<b>\$ 8,116,036</b>	<b>\$ 28,640,124</b>	<b>\$ 8,591,483</b>



**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

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

Capital leases will be paid from the General Fund, the Streets and Highways Fund, the Culture Recreation and Community Development Special Revenue funds, the General Permanent Improvement Capital Projects Fund, and the Sewer and Briardale Golf Course Enterprise funds.

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

Compensated absences will be paid from the General Fund, the Court Computerization Fund, the Court Special Projects Fund, the Animal Shelter Fund, the Street Construction, Maintenance, and Repair Fund, the Community Television Fund, the Recreation Operating Fund, the Community Development Block Grant Fund, the Other Grants Special Revenue Fund, the Recreation Capital Projects Fund, and the Sewer and Briardale Golf Course Enterprise funds.

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

At the beginning of the year, the City had two outstanding projects from OPWC for the East 222<sup>nd</sup> Street and the Euclid Avenue/Babbitt Road Sanitary Relief Sewer. The Euclid Avenue/Babbitt Road Sanitary Sewer Relief Sewer was completed during 2008. The East 222<sup>nd</sup> Street project is recorded in the governmental activities, while the Euclid Avenue/Babbitt Road Sanitary Relief Sewer project is reported in business-type activities. As of December 31, 2008, the loan amount received for the outstanding project is reported in the following amortization schedules.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

The City has pledged future general revenue to repay taxable Industrial Development Revenue Bonds. Debt is payable solely from net revenues and are payable through 2016. Annual principal and interest payments on the revenue bonds are expected to require .5 percent of net revenue. Total principal and interest remaining to be paid on the debt is \$1,950,914. Principal and interest paid for the current year were \$215,550, and the related revenue received was \$109,336.

***Refunded Bonds***

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government Securities that were placed in the trust fund. The investment and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's government-wide financial statements. As of December 31, 2008, the amount of defeased debt outstanding but removed from the government-wide financial statements amounted to \$3,130,000.

***Current Year Defeased Debt***

On May 28, 2008, the City issued general obligation bonds of \$5,460,000 with an interest rate of 4.7-5.125 percent to advance refund the portion of the various purpose bonds, series 1998, stated to mature on December 1, 2018, in the aggregate principal amount of \$5,240,000 with an interest rate of 4.8-6.625 percent. Refunding bonds were issued at a premium of \$177,558 with issuance costs of \$135,500, with the net proceeds being \$7,489,066. The net proceeds of \$5,502,058 from the issuance of the general obligation bonds were used to purchase U.S. Government securities which were deposited into an irrevocable trust with an escrow agent to provide debt service payments until refunding bonds are called on December 1, 2018. The advance refunding met the requirements of an in-substance debt defeasance and the various 1999 series bonds were removed from the City's government-wide financial statements.

As a result of the advance refunding, the City reduced its total debt service requirements by \$280,444, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$233,045.

***Legal Debt Margin***

The City's overall legal debt margin was \$63,417,331 and the unvoted debt margin was \$21,521,530 at December 31, 2008.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

**Governmental Activities**

	General Obligation Bonds		Special Assessment Bonds		Industrial Development Revenue Bonds		OPWC Loan	Total Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2009	\$ 2,679,000	\$ 1,318,456	\$ 80,000	\$ 64,600	\$ 115,000	\$ 101,888	\$ 0	\$ 2,874,000	\$ 1,484,944
2010	2,428,000	1,191,966	85,000	60,480	125,000	92,400	82,605	2,720,605	1,344,846
2011	2,326,000	1,092,388	90,000	55,720	135,000	82,088	82,605	2,633,605	1,230,196
2012	2,164,000	905,836	90,000	50,680	145,000	70,950	82,605	2,481,605	1,027,466
2013	2,231,000	816,986	100,000	45,640	160,000	58,988	82,605	2,573,605	921,614
2014-2018	8,646,000	2,321,425	580,000	117,040	555,000	94,050	413,027	10,194,027	2,532,515
2019-2023	5,050,000	991,895	135,000	7,560	0	0	413,028	5,598,028	999,455
2024-2028	2,636,000	257,503	0	0	0	0	413,028	3,049,028	257,503
2029	0	0	0	0	0	0	82,605	82,605	0
Total	\$ 28,160,000	\$ 8,896,455	\$ 1,160,000	\$ 401,720	\$ 1,235,000	\$ 500,364	\$ 1,652,108	\$ 32,207,108	\$ 9,798,539

**Business Type Activities**

	General Obligation Bonds		OWDA Loans		OPWC Loans	Total Business-Type Activities	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2009	\$ 416,000	\$ 300,128	\$ 1,841,309	\$ 560,708	\$ 418,873	\$ 2,676,182	\$ 860,836
2010	487,000	285,271	1,985,950	416,066	436,260	2,909,210	701,337
2011	509,000	267,961	1,606,040	258,581	436,260	2,551,300	526,542
2012	516,000	247,071	1,180,683	146,543	436,260	2,132,943	393,614
2013	554,000	227,136	1,241,448	85,777	436,259	2,231,707	312,913
2014-2018	3,104,000	752,764	765,014	21,856	2,181,300	6,050,314	774,620
2019-2023	1,080,000	152,340	0	0	1,412,540	2,492,540	152,340
2024-2028	204,000	13,860	0	0	304,699	508,699	13,860
2029	0	0	0	0	17,386	17,386	0
Total	\$ 6,870,000	\$ 2,246,531	\$ 8,620,444	\$ 1,489,531	\$ 6,079,837	\$ 21,570,281	\$ 3,736,062

**NOTE 11: COMPENSATED ABSENCES**

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

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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**NOTE 11: COMPENSATED ABSENCES**

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

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

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

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

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

**NOTE 12: RISK MANAGEMENT**

**A. Property and Liability**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Since 1988, the City is self-funded with regard to general liability. An internal service fund is used to process claims against the City. The City's administrative code included provisions that the council shall annually appropriate funds to cover the costs of this fund.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

During 2008, the City negotiated with Love Insurance Company for commercial insurance coverage relating to property, boiler, and machinery insurance. The cost of the current coverage was \$83,422 for 2008. The City carries a commercial package property insurance policy for blanket coverage in excess of \$99,000,000. The policy coverage includes loss of business income for specific locations, personal property, securities, and property in the open. Included in this blanket is coverage for equipment breakdown with its own \$5,000 deductible. Additionally, the City carries inland marine insurance of \$3,919,674 with a \$1,000 deductible, fire rescue and heavy vehicles coverage of \$2,847,307 with a \$5,000 deductible, and a crime shield coverage of \$25,000 with a \$500 deductible.

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

The claims liability of \$359,127 reported in the Self-Insurance Internal Service Fund at December 31, 2008 consists of \$357,145 of property insurance and \$1,982 of other claims and is based on an estimate of costs relating to incurred but not reported claims. Changes in the funds claims liability amount for the last three years follow:

	Balance at Beginning <u>of Year</u>	Current <u>Year Claims</u>	Claim <u>Payments</u>	Balance at <u>End of Year</u>
2006	\$ 462,500	\$ 37,509	\$ 89,294	\$ 410,715
2007	\$ 410,715	\$ 59,664	\$ 110,949	\$ 359,430
2008	\$ 359,430	\$ 87,847	\$ 90,132	\$ 357,145

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.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

**B. Health Insurance Benefits** (Continued)

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, the yearly deductible amount is \$200, and for families the yearly deductible is \$300. 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, 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 80 percent of the cost is covered. Furthermore, the plan allows for catastrophic (stop-loss) coverage of \$150,000 per occurrence. Employee medical benefits are charged to the respective fund in which the individual's salary is paid.

The claims liability of \$652,139 reported in the General Fund at December 31, 2008, is based on an estimate of costs relating to incurred but not reported claims. Changes in the funds claims liability amount for the last three years follows:

	Balance at Beginning <u>of Year</u>	Current <u>Year Claims</u>	Claim <u>Payments</u>	Balance at <u>End of Year</u>
2006	\$ 571,509	\$ 2,928,051	\$ 2,870,847	\$ 628,713
2007	\$ 628,713	\$ 2,614,225	\$ 2,845,068	\$ 397,870
2008	\$ 397,870	\$ 3,348,825	\$ 3,094,556	\$ 652,139

**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 \$968,265 reported in governmental funds and \$152,329 reported in business-type activities is based on the requirements of Governmental Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Changes in the fund's current claims liability amount for the last three years follows:

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

C. **Workers' Compensation Program** (Continued)

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2006	\$ 1,525,124	\$ 572,259	\$ 429,299	\$ 1,668,084
2007	\$ 1,668,084	\$ 951,500	\$ 418,478	\$ 2,201,106
2008	\$ 2,201,106	\$ 48,986	\$ 1,129,498	\$ 1,120,594

NOTE 13: **PENSION PLANS**

A. **Ohio Public Employees Retirement System**

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

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

For the year ended December 31, 2008, the members of all three plans were required to contribute 10.00 percent of their annual covered salary to fund pension obligations. The City contributed 14.00 percent of covered payroll, of which 7.00 percent was used to fund health care coverage for retirees. The contribution rate is determined actuarially. The Ohio Revised Code provides statutory authority for member and employer contributions.



**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

The City's required contributions for pension obligations to all three plans for the years ended December 31, 2008, 2007, and 2006 were \$1,024,197, \$1,132,017, and \$1,171,478, respectively. 89.36 percent has been contributed for 2008 while 100 percent has been contributed for 2007 and 2006.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan. 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.

While Plan members are required to contribute 10.00 percent of their annual covered salary, by contract half of this amount is actually paid for by the City. In addition, employers are required to contribute 19.50 percent for police officers and 24.00 percent for firefighters. Contributions are authorized by state statute. The City's contributions to the OP&F for police and firefighters were \$843,281 and \$894,648 for the year ended December 31, 2008, \$853,332 and \$915,311 for the year ended December 31, 2007, and \$771,903 and \$847,543 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 80.68 percent for police and 77.75 percent for firefighters has been contributed for 2008, with the remainder being reported as a liability.



**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**(CONTINUED)**

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NOTE 14: **POST-EMPLOYMENT BENEFITS**

A. **Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) maintains a cost-sharing, multiple-employer defined benefit post-employment health care 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 is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-employment health care benefits. The 2008 employer 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 State and local employer units. 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 Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. For 2008, the portion of employer contributions allocated to health care was 7.00 percent. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

Benefits are advance-funded using the individual entry age actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2007, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent, compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll over and above 4.00 percent, were assumed to range from .50 percent and 6.30 percent. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .50 percent to 4.00 percent annually for the next 7 years. In subsequent years (8 and beyond), health care costs were assumed to increase at 4.00 percent (the projected wage inflation rate).

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25.00 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12.00 percent corridor.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

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

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 the OP&F. OP&F provides health care benefits, including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium, and long term care to retirees, qualifying benefit recipients, and their eligible dependents.

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check, or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a two-thirds basis. The health care coverage provided by OP&F is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. Health care funding and accounting is on a pay-as-you-go basis. The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F's Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2008, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provision of Sections 115 and 401(h).

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

B. **Ohio Police and Fire Pension Fund** (Continued)

In addition, since July 1, 1992, most retirees were required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions. The number of OP&F participants eligible to receive health care benefits as of December 31, 2007, the date of the last actuarial valuation, was 14,295 for police and 10,583 for firefighters.

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 period.

The City's actual contributions for the years ending December 31, 2008, 2007, and 2006, were \$556,206 for police and \$426,679 for firefighters, \$451,759 for police and \$358,165 for firefighters, and \$509,127 for police and \$404,117 for firefighters, respectively was allocated to the health care plan. The OP&F's total health care expenses for the year ended December 31, 2007 (the last actuarial valuation available) was \$93,205,319, which was net of member contributions of \$56,031,875.

NOTE 15: **CAPITAL LEASES**

In prior years, the City entered into leases for the acquisition of postage meter, phone system, Honeywell retrofits, snow plow truck, a sweeper, office equipment, and mowers. The City's lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards Board No. 13, *Accounting for Leases*. Capital Lease payments are reflected as program expenditures on the Statement of Revenue, Expenditures, and Changes in Fund Balances and as part of program expenses on the Statement of Activities.

During 2008, the City entered into a capital lease for equipment relating to the operations of the Briardale Greens Golf Course.

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

NOTE 15: **CAPITAL LEASES** (Continued)

Capital assets acquired by lease have been capitalized and depreciated as follows as of December 31, 2008:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
<i>Capital Assets being Depreciated:</i>		
Furniture, Fixtures, and Equipment	\$ 3,414,365	\$ 1,183,973
Less Accumulated Depreciation:		
Furniture, Fixtures, and Equipment	<u>(1,607,858)</u>	<u>(656,629)</u>
<b>Total Capital Assets Being Depreciated</b>	<b><u>\$ 1,806,507</u></b>	<b><u>\$ 527,344</u></b>
Year Ending		
<u>December 31</u>		
2009	\$ 480,071	\$ 145,650
2010	207,640	134,621
2011	207,640	134,621
2012	152,219	41,199
2013	<u>152,219</u>	<u>41,199</u>
Total Minimum Lease Payments	1,199,787	497,290
Less: Amount Representing Interest	<u>(114,714)</u>	<u>(48,098)</u>
Present Value of Minimum Lease Payments	<b><u>\$ 1,085,075</u></b>	<b><u>\$ 449,192</u></b>

NOTE 16: **INTERFUND TRANSFERS AND BALANCES**

A. **Transfers**

Transfers are primarily from the General Fund or Wastewater Treatment Plant Fund to various funds within the City. Transfers made from the General Fund typically cover general operating and project costs. Transfers from the Water Line Improvement Fund is for retirement of debt out of the General Bond Retirement Fund, which was refunded in 2008 with proceeds going to the Water Line Improvement Fund.

Transfers made during the year ended December 31, 2008, were as follows:

<u>Transfer To</u>	<u>Transfer From</u>		
	<u>General</u> <u>Fund</u>	<u>Water Line</u> <u>Improvement</u> <u>Fund</u>	<u>Total</u>
General Bond Retirement Fund	\$ 0	\$ 667,820	\$ 667,820
Other Governmental	<u>528,000</u>	<u>0</u>	<u>528,000</u>
Totals	<b><u>\$ 528,000</u></b>	<b><u>\$ 667,820</u></b>	<b><u>\$ 1,195,820</u></b>

**CITY OF EUCLID, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

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

**B. Interfund Receivable and Payable**

As of December 31, 2008, the \$888,000 interfund receivable in the General Obligation Bond Retirement Debt Service Fund is from manuscript notes from the General Permanent Improvement Capital Projects.

NOTE 17: **SUBSEQUENT EVENT**

On May 19, 2009, the City issued \$9,380,000 in notes for the following purposes: \$5,600,000 for Waterline Improvements, \$700,000 for the Peterson Waterline, and \$3,080,000 for Capital Improvements. The notes have an interest rate of 1.5 percent and mature on December 19, 2010.

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***Combining Statements  
and Individual Fund Schedules***



**CITY OF EUCLID, OHIO**

**COMBINING STATEMENTS - NONMAJOR FUNDS**

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**Nonmajor Special Revenue Funds**

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

*Street Construction, Maintenance and Repair 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.

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

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

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

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

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

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

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

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

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

*Litter Control Fund* - This fund accounts for grants used for recycling and composting activities in the City.

**CITY OF EUCLID, OHIO**

**COMBINING STATEMENTS - NONMAJOR FUNDS**

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**Nonmajor Special Revenue Funds**

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

*Other Grant Funds* - This fund accounts for grant monies received from the federal and state government.

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

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**Nonmajor Capital Projects Funds**

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

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

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

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

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

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

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

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

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

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

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**CITY OF EUCLID, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2008**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<b><u>Assets</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,382,087	\$ 2,784,912	\$ 4,166,999
Materials and Supplies Inventory	131,259	0	131,259
Accrued Interest Receivable	0	8,705	8,705
Accounts Receivable	77,006	198,612	275,618
Intergovernmental Receivable	909,577	118,417	1,027,994
Prepaid Items	4,343	0	4,343
Property Taxes Receivable	351,923	460,206	812,129
<b>Total Assets</b>	<b><u>\$ 2,856,195</u></b>	<b><u>\$ 3,570,852</u></b>	<b><u>\$ 6,427,047</u></b>
<b><u>Liabilities and Fund Balances</u></b>			
<i>Liabilities:</i>			
Accounts Payable	102,324	168,991	271,315
Accrued Wages and Benefits	69,137	1,527	70,664
Intergovernmental Payable	181,435	97,763	279,198
Retainage Payable	0	141,784	141,784
Interfund Payable	0	888,000	888,000
Deferred Revenue	943,999	484,783	1,428,782
<i>Total Liabilities</i>	<u>1,296,895</u>	<u>1,782,848</u>	<u>3,079,743</u>
<i>Fund Balances:</i>			
Reserved:			
Reserved for Encumbrances	134,109	594,681	728,790
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	1,425,191	0	1,425,191
Capital Projects Funds	0	1,193,323	1,193,323
<i>Total Fund Balances</i>	<u>1,559,300</u>	<u>1,788,004</u>	<u>3,347,304</u>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 2,856,195</u></b>	<b><u>\$ 3,570,852</u></b>	<b><u>\$ 6,427,047</u></b>

**CITY OF EUCLID, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<b><u>Revenues</u></b>			
Property Taxes	\$ 289,655	\$ 378,773	\$ 668,428
Payments in Lieu of Taxes	0	123,164	123,164
Special Assessments	224,968	1,553	226,521
Charges for Services	659,341	14,095	673,436
Fines and Forfeitures	226,580	0	226,580
Intergovernmental	3,737,941	208,974	3,946,915
Interest	6,935	15,470	22,405
Rent	269,542	0	269,542
Contributions and Donations	34,798	0	34,798
Other	202,132	0	202,132
<b>Total Revenues</b>	<u>5,651,892</u>	<u>742,029</u>	<u>6,393,921</u>
<b><u>Expenditures</u></b>			
Current:			
General Government	428,931	0	428,931
Security of Persons and Property	290,974	0	290,974
Leisure Time Services	1,637,820	0	1,637,820
Community and Economic Development	1,611,765	0	1,611,765
Transportation	2,596,559	0	2,596,559
Capital Outlay	0	5,376,523	5,376,523
Debt Service:			
Principal Retirements	21,319	304,274	325,593
Issuance Costs	0	56,679	56,679
<b>Total Expenditures</b>	<u>6,587,368</u>	<u>5,737,476</u>	<u>12,324,844</u>
Excess of Revenues Over( Under) Expenditures	<u>(935,476)</u>	<u>(4,995,447)</u>	<u>(5,930,923)</u>
<b><u>Other Financing Sources and Uses</u></b>			
Transfers In	528,000	0	528,000
General Obligation Bonds Issued	0	2,170,000	2,170,000
Proceeds of OPWC Loans	0	1,119,127	1,119,127
Premium on Debt Issued	0	24,179	24,179
Proceeds from Sale of Capital Assets	0	54,670	54,670
Inception of Capital Lease	0	205,758	205,758
<b>Total Other Financing Sources and Uses</b>	<u>528,000</u>	<u>3,573,734</u>	<u>4,101,734</u>
Net Change in Fund Balance	<u>(407,476)</u>	<u>(1,421,713)</u>	<u>(1,829,189)</u>
Fund Balance at Beginning of Year	<u>1,966,776</u>	<u>3,209,717</u>	<u>5,176,493</u>
<b>Fund Balance at End of Year</b>	<u>\$ 1,559,300</u>	<u>\$ 1,788,004</u>	<u>\$ 3,347,304</u>

**CITY OF EUCLID, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2008**

	State Highway	Indigent Drivers Alcohol Treatment	Court Computerization	Court Special Projects	Animal Shelter	Nuisance Abatement	Street Construction, Maintenance, and Repair	Community Television
<b>Assets</b>								
Equity in Pooled Cash and Cash Equivalents	\$ 76,213	\$ 87,006	\$ 128,924	\$ 177,095	\$ 21,774	\$ 369,769	\$ 141,703	\$ 22,330
Materials and Supplies Inventory	0	0	0	0	0	0	130,064	0
Accounts Receivable	0	632	6,722	9,557	0	0	60,095	0
Intergovernmental Receivable	62,425	0	0	0	0	0	769,908	0
Prepaid Items	0	0	0	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>\$ 138,638</b>	<b>\$ 87,638</b>	<b>\$ 135,646</b>	<b>\$ 186,652</b>	<b>\$ 21,774</b>	<b>\$ 369,769</b>	<b>\$ 1,101,770</b>	<b>\$ 22,330</b>
<b>Liabilities</b>								
<i>Liabilities:</i>								
Accounts Payable	\$ 0	\$ 2,210	\$ 0	\$ 0	\$ 0	\$ 5,150	\$ 11,235	\$ 0
Accrued Wages and Benefits	0	0	483	1,538	2,233	0	35,112	1,172
Intergovernmental Payable	0	0	743	2,367	4,364	0	87,290	4,391
Deferred Revenue	42,996	0	0	0	0	0	530,285	0
<i>Total Liabilities</i>	<i>42,996</i>	<i>2,210</i>	<i>1,226</i>	<i>3,905</i>	<i>6,597</i>	<i>5,150</i>	<i>663,922</i>	<i>5,563</i>
<i>Fund Balances:</i>								
<i>Reserved:</i>								
Reserved for Encumbrances	32,482	0	0	0	0	64,490	27,472	0
Unreserved, Undesignated, Reported in:								
Special Revenue Funds	63,160	85,428	134,420	182,747	15,177	300,129	410,376	16,767
<i>Total Fund Balances</i>	<i>95,642</i>	<i>85,428</i>	<i>134,420</i>	<i>182,747</i>	<i>15,177</i>	<i>364,619</i>	<i>437,848</i>	<i>16,767</i>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 138,638</b>	<b>\$ 87,638</b>	<b>\$ 135,646</b>	<b>\$ 186,652</b>	<b>\$ 21,774</b>	<b>\$ 369,769</b>	<b>\$ 1,101,770</b>	<b>\$ 22,330</b>

**CITY OF EUCLID, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2008  
(CONTINUED)**

	<u>Recreation Operating</u>	<u>Community Development Block Grant</u>	<u>Other Grants</u>	<u>Litter Control</u>	<u>Law Enforcement Trust</u>	<u>Shore Corporation</u>	<u>Total Nonmajor Special Revenue</u>
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	\$ 23,108	\$ 1,093	\$ 114,807	\$ 11	\$ 207,835	\$ 10,419	\$ 1,382,087
Materials and Supplies Inventory	1,195	0	0	0	0	0	131,259
Accounts Receivable	0	0	0	0	0	0	77,006
Intergovernmental Receivable	18,795	0	58,449	0	0	0	909,577
Prepaid Items	4,343	0	0	0	0	0	4,343
Property Taxes Receivable	351,923	0	0	0	0	0	351,923
<b>Total Assets</b>	<u>\$ 399,364</u>	<u>\$ 1,093</u>	<u>\$ 173,256</u>	<u>\$ 11</u>	<u>\$ 207,835</u>	<u>\$ 10,419</u>	<u>\$ 2,856,195</u>
<b>Liabilities</b>							
<i>Liabilities:</i>							
Accounts Payable	\$ 30,884	\$ 2,065	\$ 21,060	\$ 0	\$ 0	\$ 29,720	\$ 102,324
Accrued Wages and Benefits	8,433	12,186	3,929	0	0	4,051	69,137
Intergovernmental Payable	35,168	34,825	6,046	0	0	6,241	181,435
Deferred Revenue	370,718	0	0	0	0	0	943,999
<b>Total Liabilities</b>	<u>445,203</u>	<u>49,076</u>	<u>31,035</u>	<u>0</u>	<u>0</u>	<u>40,012</u>	<u>1,296,895</u>
<i>Fund Balances:</i>							
Reserved:							
Reserved for Encumbrances	1,537	0	8,128	0	0	0	134,109
Unreserved, Undesignated, Reported in:							
Special Revenue Funds	<u>(47,376)</u>	<u>(47,983)</u>	<u>134,093</u>	<u>11</u>	<u>207,835</u>	<u>(29,593)</u>	<u>1,425,191</u>
<b>Total Fund Balances</b>	<u>(45,839)</u>	<u>(47,983)</u>	<u>142,221</u>	<u>11</u>	<u>207,835</u>	<u>(29,593)</u>	<u>1,559,300</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 399,364</u>	<u>\$ 1,093</u>	<u>\$ 173,256</u>	<u>\$ 11</u>	<u>\$ 207,835</u>	<u>\$ 10,419</u>	<u>\$ 2,856,195</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, 2008**

	State Highway	Indigent Drivers Alcohol Treatment	Court Computerization	Court Special Projects	Animal Shelter	Nuisance Abatement	Street Construction, Maintenance, and Repair	Community Television
<b>Revenues</b>								
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Assessments	0	0	0	0	0	224,968	0	0
Charges for Services	0	0	0	0	28,638	93,107	39,637	1,500
Fines and Forfeitures	0	10,692	83,197	118,541	0	0	0	0
Intergovernmental	120,454	0	0	0	0	0	1,746,462	0
Interest	2,331	0	0	0	0	0	0	0
Rent	0	0	0	0	36,995	0	0	0
Contributions and Donations	0	0	0	0	250	0	0	2,320
Other	0	0	0	0	0	0	199,912	40
<b>Total Revenues</b>	<u>122,785</u>	<u>10,692</u>	<u>83,197</u>	<u>118,541</u>	<u>65,883</u>	<u>318,075</u>	<u>1,986,011</u>	<u>3,860</u>
<b>Expenditures</b>								
Current:								
General Government	0	0	0	0	0	0	0	2,173
Security of Persons and Property	0	10,840	60,849	60,897	100,081	0	0	0
Leisure Time Services	0	0	0	0	0	0	0	0
Community and Economic Development	0	0	0	0	0	216,514	0	128,141
Transportation	275,565	0	0	0	0	0	2,320,994	0
Debt Service:								
Principal Retirement	0	0	0	0	0	0	6,199	0
<b>Total Expenditures</b>	<u>275,565</u>	<u>10,840</u>	<u>60,849</u>	<u>60,897</u>	<u>100,081</u>	<u>216,514</u>	<u>2,327,193</u>	<u>130,314</u>
Excess of Revenues Over(Under) Expenditures	<u>(152,780)</u>	<u>(148)</u>	<u>22,348</u>	<u>57,644</u>	<u>(34,198)</u>	<u>101,561</u>	<u>(341,182)</u>	<u>(126,454)</u>
<b>Other Financing Sources and Uses</b>								
Transfers In	0	0	0	0	40,000	0	0	129,000
<b>Total Other Financing Sources and Uses</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,000</u>	<u>0</u>	<u>0</u>	<u>129,000</u>
Net Change in Fund Balance	<u>(152,780)</u>	<u>(148)</u>	<u>22,348</u>	<u>57,644</u>	<u>5,802</u>	<u>101,561</u>	<u>(341,182)</u>	<u>2,546</u>
Fund Balance at Beginning of Year	<u>248,422</u>	<u>85,576</u>	<u>112,072</u>	<u>125,103</u>	<u>9,375</u>	<u>263,058</u>	<u>779,030</u>	<u>14,221</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 95,642</u>	<u>\$ 85,428</u>	<u>\$ 134,420</u>	<u>\$ 182,747</u>	<u>\$ 15,177</u>	<u>\$ 364,619</u>	<u>\$ 437,848</u>	<u>\$ 16,767</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, 2008**  
**(CONTINUED)**

	<b>Recreation Operating</b>	<b>Community Development Block Grant</b>	<b>Other Grants</b>	<b>Litter Control</b>	<b>Law Enforcement Trust</b>	<b>Shore Corporation</b>	<b>Total Nonmajor Special Revenue</b>
<b>Revenues</b>							
Property Taxes	\$ 289,655	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 289,655
Special Assessments	0	0	0	0	0	0	224,968
Charges for Services	496,459	0	0	0	0	0	659,341
Fines and Forfeitures	0	0	0	0	14,150	0	226,580
Intergovernmental	167,240	1,244,705	384,207	0	74,873	0	3,737,941
Interest	0	37	0	0	4,567	0	6,935
Rent	20,626	0	0	0	0	211,921	269,542
Contributions and Donations	4,327	0	27,901	0	0	0	34,798
Other	2,180	0	0	0	0	0	202,132
<b>Total Revenues</b>	<b>980,487</b>	<b>1,244,742</b>	<b>412,108</b>	<b>0</b>	<b>93,590</b>	<b>211,921</b>	<b>5,651,892</b>
<b>Expenditures</b>							
Current:							
General Government	0	0	426,758	0	0	0	428,931
Security of Persons and Property	0	0	3,929	0	54,378	0	290,974
Leisure Time Services	1,229,306	0	0	0	0	408,514	1,637,820
Community and Economic Development	0	1,267,110	0	0	0	0	1,611,765
Transportation	0	0	0	0	0	0	2,596,559
Debt Service:							
Principal Retirement	15,120	0	0	0	0	0	21,319
<b>Total Expenditures</b>	<b>1,244,426</b>	<b>1,267,110</b>	<b>430,687</b>	<b>0</b>	<b>54,378</b>	<b>408,514</b>	<b>6,587,368</b>
Excess of Revenues Over(Under) Expenditures	(263,939)	(22,368)	(18,579)	0	39,212	(196,593)	(935,476)
<b>Other Financing Sources and Uses</b>							
Transfers In	192,000	0	0	0	0	167,000	528,000
<b>Total Other Financing Sources and Uses</b>	<b>192,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>167,000</b>	<b>528,000</b>
Net Change in Fund Balance	(71,939)	(22,368)	(18,579)	0	39,212	(29,593)	(407,476)
Fund Balance at Beginning of Year	26,100	(25,615)	160,800	11	168,623	0	1,966,776
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$ (45,839)</b>	<b>\$ (47,983)</b>	<b>\$ 142,221</b>	<b>\$ 11</b>	<b>\$ 207,835</b>	<b>\$ (29,593)</b>	<b>\$ 1,559,300</b>



**CITY OF EUCLID, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2008**

	<b>General Permanent Improvement</b>	<b>Recreation Capital</b>	<b>Sidewalk Repair and Replacement</b>	<b>Public Building Construction</b>	<b>Euclid Endowment</b>
<b><u>Assets</u></b>					
Equity in Pooled Cash and Cash Equivalents	\$ 1,532,693	\$ 98,179	\$ 29,085	\$ 159,950	\$ 598,346
Accrued Interest Receivable	8,705	0	0	0	0
Accounts Receivable	198,612	0	0	0	0
Intergovernmental Receivable	108,297	10,120	0	0	0
Property Taxes Receivable	270,709	189,497	0	0	0
<b>Total Assets</b>	<b>\$ 2,119,016</b>	<b>\$ 297,796</b>	<b>\$ 29,085</b>	<b>\$ 159,950</b>	<b>\$ 598,346</b>
<b><u>Liabilities and Fund Balances</u></b>					
<i>Liabilities:</i>					
Accounts Payable	\$ 158,621	2,900	\$ 0	\$ 7,470	\$ 0
Accrued Wages and Benefits	0	1,527	0	0	0
Intergovernmental Payable	93,840	3,923	0	0	0
Retainage Payable	141,784	0	0	0	0
Interfund Payable	538,000	0	0	350,000	0
Deferred Revenue	285,166	199,617	0	0	0
<b>Total Liabilities</b>	<b>\$ 1,217,411</b>	<b>\$ 207,967</b>	<b>\$ 0</b>	<b>\$ 357,470</b>	<b>\$ 0</b>
<i>Fund Balances:</i>					
Reserved:					
Reserved for Encumbrances	535,358	1,170	0	917	8,600
Unreserved, Undesignated, Reported in:					
Capital Projects Funds	366,247	88,659	29,085	(198,437)	589,746
<b>Total Fund Balances</b>	<b>\$ 901,605</b>	<b>\$ 89,829</b>	<b>\$ 29,085</b>	<b>\$ (197,520)</b>	<b>\$ 598,346</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,119,016</b>	<b>\$ 297,796</b>	<b>\$ 29,085</b>	<b>\$ 159,950</b>	<b>\$ 598,346</b>

**CITY OF EUCLID, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2008  
(CONTINUED)**

	<u>Sims Park</u>	<u>Bennington Hamlet</u>	<u>CMP Properties</u>	<u>Harbor Town TIF</u>	<u>Total Nonmajor Capital Projects</u>
<b><u>Assets</u></b>					
Equity in Pooled Cash and Cash Equivalents	\$ 81,882	\$ 113,998	\$ 117,970	\$ 52,809	\$ 2,784,912
Accrued Interest Receivable	0	0	0	0	8,705
Accounts Receivable	0	0	0	0	198,612
Intergovernmental Receivable	0	0	0	0	118,417
Property Taxes Receivable	0	0	0	0	460,206
<b>Total Assets</b>	<b><u>\$ 81,882</u></b>	<b><u>\$ 113,998</u></b>	<b><u>\$ 117,970</u></b>	<b><u>\$ 52,809</u></b>	<b><u>\$ 3,570,852</u></b>
<b><u>Liabilities and Fund Balances</u></b>					
<i>Liabilities:</i>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 168,991
Accrued Wages and Benefits	0	0	0	0	1,527
Intergovernmental Payable	0	0	0	0	97,763
Retainage Payable	0	0	0	0	141,784
Interfund Payable	0	0	0	0	888,000
Deferred Revenue	0	0	0	0	484,783
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,782,848</u>
<i>Fund Balances:</i>					
Reserved:					
Reserved for Encumbrances	0	17,844	30,792	0	594,681
Unreserved, Undesignated, Reported in:					
Capital Projects Funds	<u>81,882</u>	<u>96,154</u>	<u>87,178</u>	<u>52,809</u>	<u>1,193,323</u>
<i>Total Fund Balances</i>	<u>81,882</u>	<u>113,998</u>	<u>117,970</u>	<u>52,809</u>	<u>1,788,004</u>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 81,882</u></b>	<b><u>\$ 113,998</u></b>	<b><u>\$ 117,970</u></b>	<b><u>\$ 52,809</u></b>	<b><u>\$ 3,570,852</u></b>

**CITY OF EUCLID, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<b>General Permanent Improvement</b>	<b>Recreation Capital</b>	<b>Sidewalk Repair and Replacement</b>	<b>Public Building Construction</b>	<b>Euclid Endowment</b>
<b>Revenues</b>					
Property Taxes	\$ 222,808	\$ 155,965	\$ 0	\$ 0	\$ 0
Payments in Lieu of Taxes	0	0	0	0	0
Special Assessments	1,553	0	0	0	0
Charges for Services	0	0	0	0	14,095
Intergovernmental	118,915	90,059	0	0	0
Interest	0	0	0	0	15,470
	<u>343,276</u>	<u>246,024</u>	<u>0</u>	<u>0</u>	<u>29,565</u>
<b>Expenditures</b>					
Current:					
Capital Outlay	4,661,405	382,458	0	198,757	67,685
Debt Service:					
Principal Retirement	248,854	55,420	0	0	0
Issuance Costs	56,679	0	0	0	0
<b>Total Expenditures</b>	<u>4,966,938</u>	<u>437,878</u>	<u>0</u>	<u>198,757</u>	<u>67,685</u>
Excess of Revenues Over(Under) Expenditures	<u>(4,623,662)</u>	<u>(191,854)</u>	<u>0</u>	<u>(198,757)</u>	<u>(38,120)</u>
<b>Other Financing Sources and Uses</b>					
General Obligation Bonds Issued	2,170,000	0	0	0	0
Proceeds of OPWC Loans	1,119,127	0	0	0	0
Premium on Debt Issued	24,179	0	0	0	0
Proceeds from Sale of Capital Assets	53,864	0	0	0	806
Inception of Capital Lease	0	205,758	0	0	0
<b>Total Other Financing Sources and Uses</b>	<u>3,367,170</u>	<u>205,758</u>	<u>0</u>	<u>0</u>	<u>806</u>
Net Change in Fund Balance	(1,256,492)	13,904	0	(198,757)	(37,314)
Fund Balance at Beginning of Year	<u>2,158,097</u>	<u>75,925</u>	<u>29,085</u>	<u>1,237</u>	<u>635,660</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 901,605</u>	<u>\$ 89,829</u>	<u>\$ 29,085</u>	<u>\$ (197,520)</u>	<u>\$ 598,346</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, 2008**  
**(CONTINUED)**

	<u>Sims Park</u>	<u>Bennington Hamlet</u>	<u>CMP Properties</u>	<u>Harbor Town TIF</u>	<u>Total Nonmajor Capital Projects</u>
<b><u>Revenues</u></b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 378,773
Payments in Lieu of Taxes	0	23,819	24,786	74,559	123,164
Special Assessments	0	0	0	0	1,553
Charges for Services	0	0	0	0	14,095
Intergovernmental	0	0	0	0	208,974
Interest	0	0	0	0	15,470
<b>Total Revenues</b>	<u>0</u>	<u>23,819</u>	<u>24,786</u>	<u>74,559</u>	<u>742,029</u>
<b><u>Expenditures</u></b>					
Current:					
Capital Outlay	40,000	0	4,468	21,750	5,376,523
Debt Service:					
Principal Retirement	0	0	0	0	304,274
Issuance Costs	0	0	0	0	56,679
<b>Total Expenditures</b>	<u>40,000</u>	<u>0</u>	<u>4,468</u>	<u>21,750</u>	<u>5,737,476</u>
Excess of Revenues Over(Under) Expenditures	<u>(40,000)</u>	<u>23,819</u>	<u>20,318</u>	<u>52,809</u>	<u>(4,995,447)</u>
<b><u>Other Financing Sources and Uses</u></b>					
General Obligation Bonds Issued	0	0	0	0	2,170,000
Proceeds of OPWC Loans	0	0	0	0	1,119,127
Premium on Debt Issued	0	0	0	0	24,179
Proceeds from Sale of Capital Assets	0	0	0	0	54,670
Inception of Capital Lease	0	0	0	0	205,758
<b>Total Other Financing Sources and Uses</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,573,734</u>
Net Change in Fund Balance	<u>(40,000)</u>	<u>23,819</u>	<u>20,318</u>	<u>52,809</u>	<u>(1,421,713)</u>
Fund Balance at Beginning of Year	<u>121,882</u>	<u>90,179</u>	<u>97,652</u>	<u>0</u>	<u>3,209,717</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 81,882</u>	<u>\$ 113,998</u>	<u>\$ 117,970</u>	<u>\$ 52,809</u>	<u>\$ 1,788,004</u>

## CITY OF EUCLID, OHIO

### COMBINING STATEMENTS - NONMAJOR FUNDS

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#### *Fiduciary Fund*

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

#### *Agency Funds*

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

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

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

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

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

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

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

**CITY OF EUCLID, OHIO**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>Municipal Court</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 102,432	\$ 4,130,290	\$ 4,115,724	\$ 116,998
<i>Total Assets</i>	<u>\$ 102,432</u>	<u>\$ 4,130,290</u>	<u>\$ 4,115,724</u>	<u>\$ 116,998</u>
<i>Liabilities</i>				
Deposits Held and Due to Others	\$ 102,432	\$ 4,130,290	\$ 4,115,724	116,998
<i>Total Liabilities</i>	<u>\$ 102,432</u>	<u>\$ 4,130,290</u>	<u>\$ 4,115,724</u>	<u>\$ 116,998</u>
<b><u>Employee Flex Spending</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 67,361	\$ 229,591	\$ 276,091	\$ 20,861
<i>Total Assets</i>	<u>\$ 67,361</u>	<u>\$ 229,591</u>	<u>\$ 276,091</u>	<u>\$ 20,861</u>
<i>Liabilities</i>				
Deposits Held and Due to Others	\$ 67,361	\$ 229,591	\$ 276,091	\$ 20,861
<i>Total Liabilities</i>	<u>\$ 67,361</u>	<u>\$ 229,591</u>	<u>\$ 276,091</u>	<u>\$ 20,861</u>
<b><u>Retirees - Insurance Payments</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 10,912	\$ 21,705	\$ 30,733	\$ 1,884
<i>Total Assets</i>	<u>\$ 10,912</u>	<u>\$ 21,705</u>	<u>\$ 30,733</u>	<u>\$ 1,884</u>
<i>Liabilities</i>				
Deposits Held and Due to Others	\$ 10,912	\$ 21,705	\$ 30,733	1,884
<i>Total Liabilities</i>	<u>\$ 10,912</u>	<u>\$ 21,705</u>	<u>\$ 30,733</u>	<u>\$ 1,884</u>
<b><u>Building Deposits</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 75,412	\$ 17,815	\$ 24,529	\$ 68,698
<i>Total Assets</i>	<u>\$ 75,412</u>	<u>\$ 17,815</u>	<u>\$ 24,529</u>	<u>\$ 68,698</u>
<i>Liabilities</i>				
Accounts Payable	\$ 17,579	\$ 0	\$ 17,579	\$ 0
Deposits Held and Due to Others	57,833	17,815	6,950	68,698
<i>Total Liabilities</i>	<u>\$ 75,412</u>	<u>\$ 17,815</u>	<u>\$ 24,529</u>	<u>\$ 68,698</u>
<b><u>Street Opening</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 35,475	\$ 6,000	\$ 14,000	\$ 27,475
<i>Total Assets</i>	<u>\$ 35,475</u>	<u>\$ 6,000</u>	<u>\$ 14,000</u>	<u>\$ 27,475</u>
<i>Liabilities</i>				
Deposits Held and Due to Others	\$ 35,475	\$ 6,000	\$ 14,000	\$ 27,475
<i>Total Liabilities</i>	<u>\$ 35,475</u>	<u>\$ 6,000</u>	<u>\$ 14,000</u>	<u>\$ 27,475</u>

(Continued)

**CITY OF EUCLID, OHIO**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>Revolving</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 596,084	\$ 29,905,886	\$29,983,139	\$ 518,831
Accounts Receivable	3,098	318	3,098	318
<i>Total Assets</i>	<u>\$ 599,182</u>	<u>\$ 29,906,204</u>	<u>\$29,986,237</u>	<u>\$ 519,149</u>
<i>Liabilities</i>				
Accounts Payable	\$ 50,694	\$ 0	\$ 50,694	\$ 0
Intergovernmental Payable	541,434	0	541,434	0
Deposits Held and Due to Others	7,054	29,906,204	29,394,109	519,149
<i>Total Liabilities</i>	<u>\$ 599,182</u>	<u>\$ 29,906,204</u>	<u>\$29,986,237</u>	<u>\$ 519,149</u>
<b><u>Temporary Suspense</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 105,979	\$ 95,837	\$ 10,142
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 105,979</u>	<u>\$ 95,837</u>	<u>\$ 10,142</u>
<i>Liabilities</i>				
Deposits Held and Due to Others	\$ 0	\$ 105,979	\$ 95,837	10,142
<i>Total Liabilities</i>	<u>\$ 0</u>	<u>\$ 105,979</u>	<u>\$ 95,837</u>	<u>\$ 10,142</u>
<b><u>TOTALS</u></b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 887,676	\$ 34,417,266	\$34,540,053	\$ 764,889
Accounts Receivable	3,098	318	3,098	318
<i>Total Assets</i>	<u>\$ 890,774</u>	<u>\$ 34,417,584</u>	<u>\$34,543,151</u>	<u>\$ 765,207</u>
<i>Liabilities</i>				
Accounts Payable	\$ 68,273	\$ 0	\$ 68,273	\$ 0
Intergovernmental Payable	541,434	0	541,434	0
Deposits Held and Due to Others	281,067	34,417,584	33,933,444	765,207
<i>Total Liabilities</i>	<u>\$ 890,774</u>	<u>\$ 34,417,584</u>	<u>\$34,543,151</u>	<u>\$ 765,207</u>

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



**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	\$ 1,871,433	\$ 1,871,433	\$ 1,777,799	\$ (93,634)
Income Taxes	24,812,716	24,808,784	24,084,781	(724,003)
Other Local Taxes	15,903	0	0	0
Charges for Services	4,280,935	4,280,257	3,789,771	(490,486)
Licenses and Permits	150,874	150,850	134,552	(16,298)
Fines and Forfeitures	1,694,869	1,694,600	1,848,884	154,284
Intergovernmental	5,262,851	5,277,917	5,639,836	361,919
Interest	950,151	950,000	734,253	(215,747)
Rent	75,512	75,500	56,706	(18,794)
Contributions and Donations	0	0	860	860
Other	622,997	622,900	656,622	33,722
<b>Total Revenues</b>	<u>39,738,241</u>	<u>39,732,241</u>	<u>38,724,064</u>	<u>(1,008,177)</u>
<b><u>Expenditures</u></b>				
Current:				
General Government				
Municipal Court				
Personal Services	761,721	761,721	730,080	31,641
Contractual Services	33,427	38,757	35,938	2,819
Materials and Supplies	57,383	66,784	64,766	2,018
Capital Outlay	237	275	0	275
Other	2,544	2,993	2,993	0
<b>Total Municipal Court</b>	<u>855,312</u>	<u>870,530</u>	<u>833,777</u>	<u>36,753</u>
Mayor				
Personal Services	259,342	263,177	262,983	194
Materials and Supplies	4,016	4,098	2,750	1,348
Other	1,000	1,000	166	834
<b>Total Mayor</b>	<u>264,358</u>	<u>268,275</u>	<u>265,899</u>	<u>2,376</u>
Legislative				
Personal Services	163,044	163,044	162,570	474
Materials and Supplies	2,406	3,630	3,382	248
Other	544	820	382	438
<b>Total Legislative</b>	<u>165,994</u>	<u>167,494</u>	<u>166,334</u>	<u>1,160</u>
Finance				
Personal Services	1,021,036	990,497	943,078	47,419
Contractual Services	36,332	41,241	33,672	7,569
Materials and Supplies	76,292	82,007	74,064	7,943
Capital Outlay	8,660	9,271	1,961	7,310
Other	98,431	120,066	99,312	20,754
<b>Total Finance</b>	<u>1,240,751</u>	<u>1,243,082</u>	<u>1,152,087</u>	<u>90,995</u>

(Continued)

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Law				
Personal Services	485,518	485,518	472,830	12,688
Contractual Services	59,700	69,746	41,173	28,573
Materials and Supplies	15,700	25,700	24,005	1,695
Other	2,550	2,550	2,156	394
Total Law	<u>563,468</u>	<u>583,514</u>	<u>540,164</u>	<u>43,350</u>
Buildings				
Personal Services	1,592,904	1,599,782	1,560,212	39,570
Contractual Services	133,270	150,312	147,940	2,372
Materials and Supplies	481,690	542,192	520,523	21,669
Capital Outlay	321	357	210	147
Other	2,682	2,980	2,716	264
Total Buildings	<u>2,210,867</u>	<u>2,295,623</u>	<u>2,231,601</u>	<u>64,022</u>
Administration				
Personal Services	262,446	255,206	235,646	19,560
Contractual Services	120,082	144,707	134,568	10,139
Materials and Supplies	18,436	20,764	18,734	2,030
Other	451	500	442	58
Total Administration	<u>401,415</u>	<u>421,177</u>	<u>389,390</u>	<u>31,787</u>
Other Departments				
Personal Services	4,249,957	4,396,697	4,358,337	38,360
Contractual Services	349,774	384,418	374,367	10,051
Materials and Supplies	1,627,374	1,697,121	1,659,307	37,814
Other	317,170	332,593	253,383	79,210
Total Other Departments	<u>6,544,275</u>	<u>6,810,829</u>	<u>6,645,394</u>	<u>165,435</u>
Summer Youth				
Personal Services	44	11,244	9,231	2,013
Total Summer Youth	<u>44</u>	<u>11,244</u>	<u>9,231</u>	<u>2,013</u>
Total - General Government	<u>12,246,484</u>	<u>12,671,768</u>	<u>12,233,877</u>	<u>437,891</u>
Security of Persons and Property				
Police				
Personal Services	11,077,916	11,113,338	11,038,356	74,982
Contractual Services	82,203	102,864	102,864	0
Materials and Supplies	173,947	124,275	123,399	876
Capital Outlay	9,849	8,675	8,554	121
Other	31,135	27,423	26,855	568
Total Police	<u>11,375,050</u>	<u>11,376,575</u>	<u>11,300,028</u>	<u>76,547</u>
Fire				
Personal Services	7,908,903	7,911,178	7,751,435	159,743
Contractual Services	7,093	12,782	12,782	0
Materials and Supplies	44,976	47,826	45,302	2,524
Capital Outlay	1,653	3,463	3,463	0
Other	4,927	5,152	5,152	0
Total - Fire	<u>7,967,552</u>	<u>7,980,401</u>	<u>7,818,134</u>	<u>162,267</u>

(Continued)

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Corrections				
Personal Services	2,008,446	1,985,846	1,903,219	82,627
Contractual Services	86,907	91,334	90,430	904
Materials and Supplies	344,400	361,944	361,117	827
Capital Outlay	6,207	6,523	6,522	1
Other	6,141	6,454	5,989	465
Total Corrections	<u>2,452,101</u>	<u>2,452,101</u>	<u>2,367,277</u>	<u>84,824</u>
Total Security of Persons and Property	<u>21,794,703</u>	<u>21,809,077</u>	<u>21,485,439</u>	<u>323,638</u>
Refuse Collection and Disposal				
Contractual Services	2,404,570	2,688,427	2,676,067	12,360
Other	3,120	3,250	3,250	0
Total Refuse Collection and Disposal	<u>2,407,690</u>	<u>2,691,677</u>	<u>2,679,317</u>	<u>12,360</u>
Public Health				
Health				
Personal Services	39,856	39,856	30,650	9,206
Contractual Services	189,781	189,781	189,781	0
Materials and Supplies	700	700	351	349
Other	48,000	48,000	39,107	8,893
Total Health	<u>278,337</u>	<u>278,337</u>	<u>259,889</u>	<u>18,448</u>
Total Public Health	<u>278,337</u>	<u>278,337</u>	<u>259,889</u>	<u>18,448</u>
Leisure Time Services				
Parks				
Personal Services	548,671	548,911	507,496	41,415
Contractual Services	13,506	24,301	19,197	5,104
Materials and Supplies	15,444	15,649	15,649	0
Other	550	850	547	303
Total Parks	<u>578,171</u>	<u>589,711</u>	<u>542,889</u>	<u>46,822</u>
Total Leisure Time Services	<u>578,171</u>	<u>589,711</u>	<u>542,889</u>	<u>46,822</u>
Community and Economic Development				
Unclaimed Monies				
Other	10,000	10,000	580	9,420
Total Unclaimed Monies	<u>10,000</u>	<u>10,000</u>	<u>580</u>	<u>9,420</u>
Protective Inspection				
Personal Services	833,866	845,916	831,879	14,037
Contractual Services	42,085	56,555	38,296	18,259
Materials and Supplies	15,677	18,323	15,176	3,147
Other	21,338	25,239	13,870	11,369
Total Protective Inspection	<u>912,966</u>	<u>946,033</u>	<u>899,221</u>	<u>46,812</u>

(Continued)

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(CONTINUED)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Community Service and Economic Development				
Personal Services	174,150	174,150	173,328	822
Contractual Services	0	115	115	0
Materials and Supplies	3,195	3,080	1,855	1,225
Total - Community Service and Economic Development	<u>177,345</u>	<u>177,345</u>	<u>175,298</u>	<u>2,047</u>
Economic Opportunity				
Personal Services	431,555	414,582	377,097	37,485
Contractual Services		13,460	11,217	2,243
Materials and Supplies	2,765	20,075	13,411	6,664
Total Economic Opportunity	<u>434,320</u>	<u>448,117</u>	<u>401,725</u>	<u>46,392</u>
Total Community and Economic Development	<u>1,534,631</u>	<u>1,581,495</u>	<u>1,476,824</u>	<u>104,671</u>
Debt Service:				
Principal Retirement	105,000	105,000	105,000	0
Interest and Fiscal Charges	131,633	131,633	110,550	21,083
Total Debt Service	<u>236,633</u>	<u>236,633</u>	<u>215,550</u>	<u>21,083</u>
<b>Total Expenditures</b>	<u>39,076,649</u>	<u>39,858,698</u>	<u>38,893,785</u>	<u>964,913</u>
Excess of Revenues Over (Under) Expenditures	<u>661,592</u>	<u>(126,457)</u>	<u>(169,721)</u>	<u>(43,264)</u>
<b><u>Other Financing Sources and Uses</u></b>				
Proceeds from Sale of Capital Assets	0	6,000	521	(5,479)
Transfers Out	(471,000)	(528,000)	(528,000)	0
<b>Total Other Financing Sources and Uses</b>	<u>(471,000)</u>	<u>(522,000)</u>	<u>(527,479)</u>	<u>(5,479)</u>
Net Change in Fund Balance	190,592	(648,457)	(697,200)	(48,743)
Fund Balance at Beginning of Year	3,755,002	3,755,002	3,755,002	0
Prior Year Encumbrances Appropriated	301,803	301,803	301,803	0
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 4,247,397</u>	<u>\$ 3,408,348</u>	<u>\$ 3,359,605</u>	<u>\$ (48,743)</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**GENERAL OBLIGATION BOND RETIREMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	\$ 3,225,429	\$ 3,225,429	\$ 2,871,695	\$ (353,734)
Special Assessments	107,773	120,000	279,400	159,400
Intergovernmental	291,563	324,642	1,268,703	944,061
Interest	269,432	300,000	204,169	(95,831)
Rent	31,434	35,000	42,000	7,000
Other	2,245	2,500	29,885	27,385
<b>Total Revenues</b>	<u>3,927,876</u>	<u>4,007,571</u>	<u>4,695,852</u>	<u>688,281</u>
<b><u>Expenditures</u></b>				
Current:				
General Government				
Personal Services	68,464	68,464	68,326	138
Contractual Services	152,819	152,819	67,589	85,230
Total General Government	<u>221,283</u>	<u>221,283</u>	<u>135,915</u>	<u>85,368</u>
Debt Service:				
Principal Retirement	9,528,000	9,528,000	9,060,000	468,000
Interest and Fiscal Charges	1,409,415	1,409,415	1,382,187	27,228
Bond Issuance Costs	0	219,018	219,018	0
Total Debt Service	<u>10,937,415</u>	<u>11,156,433</u>	<u>10,661,205</u>	<u>495,228</u>
<b>Total Expenditures</b>	<u>11,158,698</u>	<u>11,377,716</u>	<u>10,797,120</u>	<u>580,596</u>
Excess of Revenues Over(Under) Expenditures	<u>(7,230,822)</u>	<u>(7,370,145)</u>	<u>(6,101,268)</u>	<u>1,268,877</u>
<b><u>Other Financing Sources and Uses</u></b>				
Transfers In	0	0	667,820	667,820
General Obligation Bonds Issued	7,384,000	7,384,000	5,655,000	(1,729,000)
Refunding Bonds Issued	0	2,800,000	2,800,000	0
Premium on Debt Issued	0	0	191,586	191,586
Advances In	0	0	538,000	538,000
Advances Out	0	0	(888,000)	(888,000)
Payment to Refunded Bond Escrow Agent	0	(3,489,389)	(3,489,389)	0
<b>Total Other Financing Sources and Uses</b>	<u>7,384,000</u>	<u>6,694,611</u>	<u>5,475,017</u>	<u>(1,219,594)</u>
Net Change in Fund Balance	153,178	(675,534)	(626,251)	49,283
Fund Balance at Beginning of Year	<u>2,996,363</u>	<u>2,996,363</u>	<u>2,996,363</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 3,149,541</u>	<u>\$ 2,320,829</u>	<u>\$ 2,370,112</u>	<u>\$ 49,283</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**WASTE WATER TREATMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Operating Revenues</u></b>				
Charges for Services	\$ 10,732,462	\$ 10,762,400	\$ 10,348,208	\$ (414,192)
Tap-In Fees	19,938	20,000	23,968	3,968
Interest	0	0	84	84
Intergovernmental	122,981	122,281	47,384	(74,897)
Capital Grants and Contributions	0	0	276,000	276,000
Property Taxes	556,974	556,974	655,534	98,560
Other	0	0	21,917	21,917
<b>Total Operating Revenues</b>	<u>11,432,355</u>	<u>11,461,655</u>	<u>11,373,095</u>	<u>(88,560)</u>
<b><u>Operating Expenses</u></b>				
Personal Services	4,366,410	4,401,488	4,265,388	136,100
Contractual Services	3,204,539	4,016,247	2,736,271	1,279,976
Materials and Supplies	2,727,374	3,322,269	2,601,280	720,989
Capital Outlay	2,759,075	3,244,118	1,798,547	1,445,571
Other	59,590	69,600	53,677	15,923
Interest and Fiscal Charges	667,575	667,575	664,446	3,129
Principal Retirement	2,155,388	3,467,365	3,461,233	6,132
Bond Issuance Costs	0	33,751	33,751	0
<b>Total Operating Expenses</b>	<u>15,939,951</u>	<u>19,222,413</u>	<u>15,614,593</u>	<u>3,607,820</u>
Operating Income (Loss)	<u>(4,507,596)</u>	<u>(7,760,758)</u>	<u>(4,241,498)</u>	<u>3,519,260</u>
<b><u>Non-Operating Revenues (Expenses)</u></b>				
Refunding Bonds Issued	0	1,360,000	1,360,000	0
Proceeds from OPWC Loans	2,354,100	2,325,230	232,155	(2,093,075)
Premium on Debt Issued	0	0	44,227	44,227
<b>Total Non-Operating Revenues (Expenses)</b>	<u>2,354,100</u>	<u>3,685,230</u>	<u>1,636,382</u>	<u>(2,048,848)</u>
Change in Net Assets	<u>(2,153,496)</u>	<u>(4,075,528)</u>	<u>(2,605,116)</u>	<u>1,470,412</u>
Net Assets at Beginning of Year	7,127,096	7,127,096	7,127,096	0
Prior Year Encumbrances Appropriated	545,669	545,669	545,669	0
<b>Net Assets at End of Year</b>	<u>\$ 5,519,269</u>	<u>\$ 3,597,237</u>	<u>\$ 5,067,649</u>	<u>\$ 1,470,412</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**WATER LINE IMPROVEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Operating Revenues</u></b>				
Charges for Services	\$ 1,050,000	\$ 1,050,000	\$ 1,542,163	\$ 492,163
Interest	0	0	1,992	1,992
Capital Grants and Contributions	0	28,870	52,307	23,437
Other	0	0	49	49
<b>Total Operating Revenues</b>	<u>1,050,000</u>	<u>1,078,870</u>	<u>1,596,511</u>	<u>517,641</u>
<b><u>Operating Expenses</u></b>				
Contractual Services	0	771,596	746,551	25,045
Capital Outlay	0	4,134,413	821,105	3,313,308
Other	0	15,800	0	15,800
Interest and Fiscal Charges	339,057	269,857	269,757	100
Principal Retirement	3,371,380	4,093,774	4,093,774	0
Bond Issuance Costs	0	32,262	32,262	0
<b>Total Operating Expenses</b>	<u>3,710,437</u>	<u>9,317,702</u>	<u>5,963,449</u>	<u>3,354,253</u>
Operating Income (Loss)	<u>(2,660,437)</u>	<u>(8,238,832)</u>	<u>(4,366,938)</u>	<u>3,871,894</u>
<b><u>Non-Operating Revenues (Expenses)</u></b>				
Refunding Bonds Issued	0	1,300,000	1,300,000	0
Notes Issued	5,600,000	5,600,000	5,600,000	0
Premium on Debt Issued	0	0	42,276	42,276
Transfers Out	0	(667,820)	(667,820)	0
<b>Total Non-Operating Revenues (Expenses)</b>	<u>5,600,000</u>	<u>6,232,180</u>	<u>6,274,456</u>	<u>42,276</u>
Change in Net Assets	<u>2,939,563</u>	<u>(2,006,652)</u>	<u>1,907,518</u>	<u>3,914,170</u>
Net Assets at Beginning of Year	2,825,102	2,825,102	2,825,102	0
Prior Year Encumbrances Appropriated	<u>144,227</u>	<u>144,227</u>	<u>144,227</u>	<u>0</u>
<b>Net Assets at End of Year</b>	<u>\$ 5,908,892</u>	<u>\$ 962,677</u>	<u>\$ 4,876,847</u>	<u>\$ 3,914,170</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**BRIARDALE GREENS GOLF COURSE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Operating Revenues</u></b>				
Charges for Services	\$ 1,056,808	\$ 1,058,508	\$ 1,035,336	\$ (23,172)
Other	0	900	4,005	3,105
<b>Total Operating Revenues</b>	<u>1,056,808</u>	<u>1,059,408</u>	<u>1,039,341</u>	<u>(20,067)</u>
<b><u>Operating Expenses</u></b>				
Personal Services	592,623	596,803	589,911	6,892
Contractual Services	60,135	67,844	64,802	3,042
Materials and Supplies	277,178	310,726	301,925	8,801
Claims	1,784	2,000	235	1,765
Capital Outlay	36,277	37,179	37,179	0
Other	70,245	78,134	65,300	12,834
<b>Total Operating Expenses</b>	<u>1,038,242</u>	<u>1,092,686</u>	<u>1,059,352</u>	<u>33,334</u>
Operating Income (Loss)	18,566	(33,278)	(20,011)	13,267
Net Assets at Beginning of Year	202,885	202,885	202,885	0
Prior Year Encumbrances Appropriated	608	608	608	0
<b>Net Assets at End of Year</b>	<u>\$ 222,059</u>	<u>\$ 170,215</u>	<u>\$ 183,482</u>	<u>\$ 13,267</u>



**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**STREET CONSTRUCTION, MAINTENANCE, AND REPAIR FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Charges for Services	\$ 5,000	\$ 5,000	\$ 1,104	\$ (3,896)
Intergovernmental	1,924,648	1,924,648	1,763,047	(161,601)
Other	184,000	184,000	202,702	18,702
<b>Total Revenues</b>	<u>2,113,648</u>	<u>2,113,648</u>	<u>1,966,853</u>	<u>(146,795)</u>
<b><u>Expenditures</u></b>				
Current:				
Transportation				
Street Maintenance and Repair				
Personal Services	1,558,088	1,592,428	1,561,896	30,532
Contractual Services	58,947	73,408	46,099	27,309
Materials and Supplies	494,345	650,011	562,428	87,583
Capital Outlay	73,948	88,984	88,982	2
Other	316	380	262	118
Total Street Maintenance and Repair	<u>2,185,644</u>	<u>2,405,211</u>	<u>2,259,667</u>	<u>145,544</u>
Total Transportation	<u>2,185,644</u>	<u>2,405,211</u>	<u>2,259,667</u>	<u>145,544</u>
<b>Total Expenditures</b>	<u>2,185,644</u>	<u>2,405,211</u>	<u>2,259,667</u>	<u>145,544</u>
Net Change in Fund Balance	(71,996)	(291,563)	(292,814)	(1,251)
Fund Balance at Beginning of Year	349,278	349,278	349,278	0
Prior Year Encumbrances Appropriated	<u>57,767</u>	<u>57,767</u>	<u>57,767</u>	<u>0</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 335,049</u>	<u>\$ 115,482</u>	<u>\$ 114,231</u>	<u>\$ (1,251)</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Intergovernmental	\$ 132,458	\$ 132,458	\$ 121,765	\$ (10,693)
Interest	5,000	5,000	2,331	(2,669)
<b>Total Revenues</b>	<u>137,458</u>	<u>137,458</u>	<u>124,096</u>	<u>(13,362)</u>
<b><u>Expenditures</u></b>				
Current:				
Transportation				
Personal Services	23,090	23,090	10,691	12,399
Materials and Supplies	312,320	333,320	297,356	35,964
Total Transportation	<u>335,410</u>	<u>356,410</u>	<u>308,047</u>	<u>48,363</u>
Total Expenditures	<u>335,410</u>	<u>356,410</u>	<u>308,047</u>	<u>48,363</u>
Net Change in Fund Balance	(197,952)	(218,952)	(183,951)	35,001
Fund Balance at Beginning of Year	206,682	206,682	206,682	0
Prior Year Encumbrances Appropriated	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 29,730</u>	<u>\$ 8,730</u>	<u>\$ 43,731</u>	<u>\$ 35,001</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**INDIGENT DRIVERS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Fines and Forfeitures	\$ 5,000	\$ 5,000	\$ 10,060	\$ 5,060
<b>Total Revenues</b>	<u>5,000</u>	<u>5,000</u>	<u>10,060</u>	<u>5,060</u>
<b><u>Expenditures</u></b>				
Current:				
Security of Persons and Property				
Judicial				
Contractual Services	38,000	38,000	8,630	29,370
Total Judicial	<u>38,000</u>	<u>38,000</u>	<u>8,630</u>	<u>29,370</u>
Total Security of Persons and Property	<u>38,000</u>	<u>38,000</u>	<u>8,630</u>	<u>29,370</u>
<b>Total Expenditures</b>	<u>38,000</u>	<u>38,000</u>	<u>8,630</u>	<u>29,370</u>
Net Change in Fund Balance	(33,000)	(33,000)	1,430	34,430
Fund Balance at Beginning of Year	<u>85,576</u>	<u>85,576</u>	<u>85,576</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 52,576</u>	<u>\$ 52,576</u>	<u>\$ 87,006</u>	<u>\$ 34,430</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Fines and Forfeitures	\$ 70,000	\$ 70,000	\$ 82,393	\$ 12,393
<b>Total Revenues</b>	<u>70,000</u>	<u>70,000</u>	<u>82,393</u>	<u>12,393</u>
<b><u>Expenditures</u></b>				
Current:				
Security of Persons and Property				
Judicial				
Personal Services	43,415	43,415	43,044	371
Contractual Services	24,000	24,000	13,975	10,025
Materials and Supplies	5,000	5,000	4,841	159
Total Judicial	<u>72,415</u>	<u>72,415</u>	<u>61,860</u>	<u>10,555</u>
Total Security of Persons and Property	<u>72,415</u>	<u>72,415</u>	<u>61,860</u>	<u>10,555</u>
<b>Total Expenditures</b>	<u>72,415</u>	<u>72,415</u>	<u>61,860</u>	<u>10,555</u>
Net Change in Fund Balance	(2,415)	(2,415)	20,533	22,948
Fund Balance at Beginning of Year	<u>108,391</u>	<u>108,391</u>	<u>108,391</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 105,976</u>	<u>\$ 105,976</u>	<u>\$ 128,924</u>	<u>\$ 22,948</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Fines and Forfeitures	\$ 80,000	\$ 80,000	\$ 117,420	\$ 37,420
<b>Total Revenues</b>	<u>80,000</u>	<u>80,000</u>	<u>117,420</u>	<u>37,420</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Judicial				
Personal Services	44,012	44,012	41,510	2,502
Contractual Services	1,854	1,854	1,854	0
Materials and Supplies	13,907	13,907	13,633	274
Capital Outlay	1,761	1,761	1,761	0
Other	291	291	291	0
Total Judicial	<u>61,825</u>	<u>61,825</u>	<u>59,049</u>	<u>2,776</u>
Total Security of Persons and Property	<u>61,825</u>	<u>61,825</u>	<u>59,049</u>	<u>2,776</u>
<b>Total Expenditures</b>	<u>61,825</u>	<u>61,825</u>	<u>59,049</u>	<u>2,776</u>
Net Change in Fund Balance	18,175	18,175	58,371	40,196
Fund Balance at Beginning of Year	<u>118,724</u>	<u>118,724</u>	<u>118,724</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 136,899</u>	<u>\$ 136,899</u>	<u>\$ 177,095</u>	<u>\$ 40,196</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Charges for Services	\$ 28,000	\$ 28,000	\$ 28,638	\$ 638
Rent	36,996	36,996	36,995	(1)
Contributions and Donations	0	0	250	250
<b>Total Revenues</b>	<u>64,996</u>	<u>64,996</u>	<u>65,883</u>	<u>887</u>
<b><u>Expenditures</u></b>				
Current:				
Security of Persons and Property				
Animal Control				
Personal Services	102,588	102,588	88,290	14,298
Contractual Services	1,795	1,795	1,223	572
Materials and Supplies	805	805	802	3
Other	6,200	6,200	4,774	1,426
Total Animal Control	<u>111,388</u>	<u>111,388</u>	<u>95,089</u>	<u>16,299</u>
Total Security of Persons and Property	<u>111,388</u>	<u>111,388</u>	<u>95,089</u>	<u>16,299</u>
<b>Total Expenditures</b>	<u>111,388</u>	<u>111,388</u>	<u>95,089</u>	<u>16,299</u>
Excess of Revenues Over (Under) Expenditures	<u>(46,392)</u>	<u>(46,392)</u>	<u>(29,206)</u>	<u>17,186</u>
<b><u>Other Financing Sources and Uses</u></b>				
Transfers In	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>0</u>
<b>Total Other Financing Sources and Uses</b>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>0</u>
Net Change in Fund Balance	(6,392)	(6,392)	10,794	17,186
Fund Balance at Beginning of Year	<u>10,980</u>	<u>10,980</u>	<u>10,980</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 4,588</u>	<u>\$ 4,588</u>	<u>\$ 21,774</u>	<u>\$ 17,186</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Special Assessments	\$ 75,000	\$ 75,000	\$ 224,968	\$ 149,968
Charges for Services	25,075	25,075	115,531	90,456
<b>Total Revenues</b>	<u>100,075</u>	<u>100,075</u>	<u>340,499</u>	<u>240,424</u>
<b><u>Expenditures</u></b>				
Current:				
Community and Economic Development				
Nuisance Abatement				
Contractual Services	300,000	336,325	286,816	49,509
Materials and Supplies	6,000	6,000	1,508	4,492
Total Nuisance Abatement	<u>306,000</u>	<u>342,325</u>	<u>288,324</u>	<u>54,001</u>
Total Community and Economic Development	<u>306,000</u>	<u>342,325</u>	<u>288,324</u>	<u>54,001</u>
<b>Total Expenditures</b>	<u>306,000</u>	<u>342,325</u>	<u>288,324</u>	<u>54,001</u>
Net Change in Fund Balance	(205,925)	(242,250)	52,175	294,425
Fund Balance at Beginning of Year	216,779	216,779	216,779	0
Prior Year Encumbrances Appropriated	<u>36,325</u>	<u>36,325</u>	<u>36,325</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 47,179</u>	<u>\$ 10,854</u>	<u>\$ 305,279</u>	<u>\$ 294,425</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Charges for Services	\$ 1,018	\$ 1,000	\$ 1,500	\$ 500
Contributions and Donations	4,582	4,500	2,320	(2,180)
Other	0	100	40	(60)
<b>Total Revenues</b>	<u>5,600</u>	<u>5,600</u>	<u>3,860</u>	<u>(1,740)</u>
<b>Expenditures</b>				
Current:				
Community and Economic Development				
Community Television				
Personal Services	119,126	119,886	117,995	1,891
Contractual Services	4,700	4,700	0	4,700
Materials and Supplies	2,407	2,407	918	1,489
Capital Outlay	20,000	20,000	8,174	11,826
Other	350	350	0	350
Total Community Television	<u>146,583</u>	<u>147,343</u>	<u>127,087</u>	<u>20,256</u>
Total Community and Economic Development	<u>146,583</u>	<u>147,343</u>	<u>127,087</u>	<u>20,256</u>
<b>Total Expenditures</b>	<u>146,583</u>	<u>147,343</u>	<u>127,087</u>	<u>20,256</u>
Excess of Revenues Over(Under) Expenditures	<u>(140,983)</u>	<u>(141,743)</u>	<u>(123,227)</u>	<u>18,516</u>
<b>Other Financing Sources and Uses</b>				
Transfers In	129,000	129,000	129,000	0
<b>Total Other Financing Sources and Uses</b>	<u>129,000</u>	<u>129,000</u>	<u>129,000</u>	<u>0</u>
Net Change in Fund Balance	(11,983)	(12,743)	5,773	18,516
Fund Balance at Beginning of Year	<u>16,557</u>	<u>16,557</u>	<u>16,557</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 4,574</u>	<u>\$ 3,814</u>	<u>\$ 22,330</u>	<u>\$ 18,516</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, 2008**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><u>Revenues</u></b>				
Property Taxes	\$ 362,034	\$ 362,034	\$ 289,655	\$ (72,379)
Charges for Services	581,123	581,123	496,459	(84,664)
Intergovernmental	24,817	24,817	167,240	142,423
Rent	40,000	40,000	20,626	(19,374)
Contributions and Donations	8,000	8,000	4,327	(3,673)
Other	0	0	2,180	2,180
<b>Total Revenues</b>	<b>1,015,974</b>	<b>1,015,974</b>	<b>980,487</b>	<b>(35,487)</b>
<b><u>Expenditures</u></b>				
Current:				
Leisure Time Services				
Recreation Operating				
Personal Services	741,296	742,546	714,123	28,423
Contractual Services	52,502	56,195	55,766	429
Materials and Supplies	392,919	419,002	406,922	12,080
Other	36,150	38,338	32,517	5,821
Total Recreation Operating	1,222,867	1,256,081	1,209,328	46,753
Total Leisure Time Services	1,222,867	1,256,081	1,209,328	46,753
<b>Total Expenditures</b>	<b>1,222,867</b>	<b>1,256,081</b>	<b>1,209,328</b>	<b>46,753</b>
Excess of Revenues Over(Under) Expenditures	(206,893)	(240,107)	(228,841)	11,266
<b><u>Other Financing Sources and Uses</u></b>				
Transfers In	170,000	192,000	192,000	0
<b>Total Other Financing Sources and Uses</b>	<b>170,000</b>	<b>192,000</b>	<b>192,000</b>	<b>0</b>
Net Change in Fund Balance	(36,893)	(48,107)	(36,841)	11,266
Fund Balance at Beginning of Year	55,582	55,582	55,582	0
Prior Year Encumbrances Appropriated	2,814	2,814	2,814	0
<b>Fund Balance at End of Year</b>	<b>\$ 21,503</b>	<b>\$ 10,289</b>	<b>\$ 21,555</b>	<b>\$ 11,266</b>

**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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Intergovernmental	\$ 1,665,008	\$ 1,665,008	\$ 1,244,705	\$ (420,303)
Interest	0	0	37	37
<b>Total Revenues</b>	<u>1,665,008</u>	<u>1,665,008</u>	<u>1,244,742</u>	<u>(420,266)</u>
<b><u>Expenditures</u></b>				
Current:				
Community and Economic Development				
Community Development Block Grant				
Personal Services	780,832	801,653	751,559	50,094
Contractual Services	169,001	199,213	100,536	98,677
Materials and Supplies	115,879	115,304	97,484	17,820
Capital Outlay	398,945	409,550	284,460	125,090
Other	200,352	195,634	9,406	186,228
Total Community Development Block Grant	<u>1,665,009</u>	<u>1,721,354</u>	<u>1,243,445</u>	<u>477,909</u>
Total Community and Economic Development	<u>1,665,009</u>	<u>1,721,354</u>	<u>1,243,445</u>	<u>477,909</u>
<b>Total Expenditures</b>	<u>1,665,009</u>	<u>1,721,354</u>	<u>1,243,445</u>	<u>477,909</u>
Net Change in Fund Balance	(1)	(56,346)	1,297	57,643
Fund Balance (Deficit) at Beginning of Year	(56,550)	(56,550)	(56,550)	0
Prior Year Encumbrances Appropriated	<u>56,346</u>	<u>56,346</u>	<u>56,346</u>	<u>0</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ (205)</u>	<u>\$ (56,550)</u>	<u>\$ 1,093</u>	<u>\$ 57,643</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**LITTER CONTROL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Total Revenues</u></b>	\$ 0	\$ 0	\$ 0	\$ 0
<b><u>Expenditures</u></b>				
Current:				
General Government				
Litter				
Materials and Supplies	11	11	0	11
Total Litter	<u>11</u>	<u>11</u>	<u>0</u>	<u>11</u>
Total General Government	<u>11</u>	<u>11</u>	<u>0</u>	<u>11</u>
<b>Total Expenditures</b>	<u>11</u>	<u>11</u>	<u>0</u>	<u>11</u>
Net Change in Fund Balance	(11)	(11)	0	11
 Fund Balance at Beginning of Year	 <u>11</u>	 <u>11</u>	 <u>11</u>	 <u>0</u>
 <b>Fund Balance at End of Year</b>	 <u><u>\$ 0</u></u>	 <u><u>\$ 0</u></u>	 <u><u>\$ 11</u></u>	 <u><u>\$ 11</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Fines and Forfeitures	\$ 0	\$ 0	\$ 14,150	\$ 14,150
Intergovernmental	50,000	50,000	74,873	24,873
Interest	4,500	4,500	4,567	67
<b>Total Revenues</b>	<u>54,500</u>	<u>54,500</u>	<u>93,590</u>	<u>39,090</u>
<b><u>Expenditures</u></b>				
Current:				
Security of Persons and Property				
Police				
Contractual Services	5,000	11,519	11,519	0
Materials and Supplies	31,888	33,742	1,018	32,724
Capital Outlay	82,000	78,351	42,518	35,833
Total Police	<u>118,888</u>	<u>123,612</u>	<u>55,055</u>	<u>68,557</u>
Total Security of Persons and Property	<u>118,888</u>	<u>123,612</u>	<u>55,055</u>	<u>68,557</u>
<b>Total Expenditures</b>	<u>118,888</u>	<u>123,612</u>	<u>55,055</u>	<u>68,557</u>
Net Change in Fund Balance	(64,388)	(69,112)	38,535	107,647
Fund Balance at Beginning of Year	164,576	164,576	164,576	0
Prior Year Encumbrances Appropriated	4,724	4,724	4,724	0
<b>Fund Balance at End of Year</b>	<u>\$ 104,912</u>	<u>\$ 100,188</u>	<u>\$ 207,835</u>	<u>\$ 107,647</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Intergovernmental	\$ 450,895	\$ 506,585	\$ 427,770	\$ (78,815)
Contributions and Donations	28,114	31,586	27,901	(3,685)
<b>Total Revenues</b>	<u>479,009</u>	<u>538,171</u>	<u>455,671</u>	<u>(82,500)</u>
<b>Expenditures</b>				
Current:				
General Government				
Other Grants				
Personal Services	231,603	234,802	160,130	74,672
Contractual Services	134,893	185,053	120,012	65,041
Materials and Supplies	14,839	25,453	17,310	8,143
Capital Outlay	125,629	150,907	142,748	8,159
Other	2,768	3,325	2,675	650
Total Other Grants	<u>509,732</u>	<u>599,540</u>	<u>442,875</u>	<u>156,665</u>
Total General Government	<u>509,732</u>	<u>599,540</u>	<u>442,875</u>	<u>156,665</u>
<b>Total Expenditures</b>	<u>509,732</u>	<u>599,540</u>	<u>442,875</u>	<u>156,665</u>
Net Change in Fund Balance	(30,723)	(61,369)	12,796	74,165
Fund Balance at Beginning of Year	46,606	46,606	46,606	0
Prior Year Encumbrances Appropriated	30,646	30,646	30,646	0
<b>Fund Balance at End of Year</b>	<u>\$ 46,529</u>	<u>\$ 15,883</u>	<u>\$ 90,048</u>	<u>\$ 74,165</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**SHORE CORPORATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Rent	\$ 240,000	\$ 240,000	\$ 211,921	\$ (28,079)
<b>Total Revenues</b>	<u>240,000</u>	<u>240,000</u>	<u>211,921</u>	<u>(28,079)</u>
<b><u>Expenditures</u></b>				
Current:				
Leisure Time Services				
Shore Cultural Centre				
Personal Services	213,100	205,100	180,870	24,230
Contractual Services	29,695	40,299	37,768	2,531
Materials and Supplies	115,624	156,915	146,121	10,794
Other	3,095	4,200	3,743	457
Total Shore Cultural Centre	<u>361,514</u>	<u>406,514</u>	<u>368,502</u>	<u>38,012</u>
Total Leisure Time Services	<u>361,514</u>	<u>406,514</u>	<u>368,502</u>	<u>38,012</u>
<b>Total Expenditures</b>	<u>361,514</u>	<u>406,514</u>	<u>368,502</u>	<u>38,012</u>
Excess of Revenues Over (Under) Expenditures	<u>(121,514)</u>	<u>(166,514)</u>	<u>(156,581)</u>	<u>9,933</u>
<b><u>Other Financing Sources and Uses</u></b>				
Transfers In	<u>122,000</u>	<u>167,000</u>	<u>167,000</u>	<u>0</u>
<b>Total Other Financing Sources and Uses</b>	<u>122,000</u>	<u>167,000</u>	<u>167,000</u>	<u>0</u>
Net Change in Fund Balance	486	486	10,419	9,933
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 486</u>	<u>\$ 486</u>	<u>\$ 10,419</u>	<u>\$ 9,933</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Property Taxes	\$ 278,487	\$ 278,487	\$ 222,808	\$ (55,679)
Special Assessments	75,291	2,000	1,553	(447)
Intergovernmental	1,900,807	50,492	128,651	78,159
Interest	150,583	4,000	3,807	(193)
Other	338,811	9,000	8,303	(697)
<b>Total Revenues</b>	<u>2,743,979</u>	<u>343,979</u>	<u>365,122</u>	<u>21,143</u>
<b>Expenditures</b>				
Current:				
Capital Outlay				
Contractual Services	1,081,286	1,196,039	609,501	586,538
Materials and Supplies	15,748	811,223	811,223	0
Capital Outlay	5,093,107	5,281,328	4,183,818	1,097,510
Other	20,000	20,000	18,700	1,300
<b>Total Capital Outlay</b>	<u>6,210,141</u>	<u>7,308,590</u>	<u>5,623,242</u>	<u>1,685,348</u>
Debt Service:				
Issuance Costs				
Bond Issuance Costs	0	56,679	56,679	0
<b>Total Issuance Costs</b>	<u>0</u>	<u>56,679</u>	<u>56,679</u>	<u>0</u>
<b>Total Expenditures</b>	<u>6,210,141</u>	<u>7,365,269</u>	<u>5,679,921</u>	<u>1,685,348</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,466,162)</u>	<u>(7,021,290)</u>	<u>(5,314,799)</u>	<u>1,706,491</u>
<b>Other Financing Sources and Uses</b>				
General Obligation Bonds Issued	0	2,400,000	2,170,000	(230,000)
Proceeds of OPWC Loans	2,487,200	2,487,200	826,675	(1,660,525)
Premium on Debt Issued	0	0	24,179	24,179
Proceeds from Sale of Capital Assets	20,000	20,000	53,864	33,864
Advances In	0	0	538,000	538,000
Advances Out	0	0	(538,000)	(538,000)
<b>Total Other Financing Sources and Uses</b>	<u>2,507,200</u>	<u>4,907,200</u>	<u>3,074,718</u>	<u>(1,832,482)</u>
Net Change in Fund Balance	<u>(958,962)</u>	<u>(2,114,090)</u>	<u>(2,240,081)</u>	<u>(125,991)</u>
Fund Balance at Beginning of Year	2,019,513	2,019,513	2,019,513	0
Prior Year Encumbrances Appropriated	1,098,450	1,098,450	1,098,450	0
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 2,159,001</u>	<u>\$ 1,003,873</u>	<u>\$ 877,882</u>	<u>\$ (125,991)</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Property Taxes	\$ 194,942	\$ 194,942	\$ 155,965	\$ (38,977)
Intergovernmental	25,000	43,044	90,059	47,015
<b>Total Revenues</b>	<u>219,942</u>	<u>237,986</u>	<u>246,024</u>	<u>8,038</u>
<b>Expenditures</b>				
Current:				
Capital Outlay				
Personal Services	63,186	70,874	69,424	1,450
Contractual Services	133,262	131,170	116,321	14,849
Materials and Supplies	7,924	7,800	6,411	1,389
Capital Outlay	<u>76,910</u>	<u>75,703</u>	<u>39,289</u>	<u>36,414</u>
Total Capital Outlay	<u>281,282</u>	<u>285,547</u>	<u>231,445</u>	<u>54,102</u>
<b>Total Expenditures</b>	<u>281,282</u>	<u>285,547</u>	<u>231,445</u>	<u>54,102</u>
Net Change in Fund Balance	(61,340)	(47,561)	14,579	62,140
Fund Balance at Beginning of Year	<u>79,530</u>	<u>79,530</u>	<u>79,530</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 18,190</u>	<u>\$ 31,969</u>	<u>\$ 94,109</u>	<u>\$ 62,140</u>



**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**SIDEWALK REPAIR FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Total Revenues</u></b>	\$ 0	\$ 0	\$ 0	\$ 0
<b><u>Expenditures</u></b>				
Current:				
Capital Outlay				
Contractual Services	\$ 5,013	\$ 5,013	0	\$ 5,013
Total Capital Outlay	5,013	5,013	0	5,013
<b>Total Expenditures</b>	5,013	5,013	0	5,013
Net Change in Fund Balance	(5,013)	(5,013)	0	5,013
Fund Balance at Beginning of Year	29,085	29,085	29,085	0
<b>Fund Balance at End of Year</b>	<u>\$ 24,072</u>	<u>\$ 24,072</u>	<u>\$ 29,085</u>	<u>\$ 5,013</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Interest	\$ 1	\$ 1,000	\$ 0	\$ (1,000)
<b>Total Revenues</b>	<u>1</u>	<u>1,000</u>	<u>0</u>	<u>(1,000)</u>
<b><u>Expenditures</u></b>				
Current:				
Capital Outlay				
Contractual Services	0	43,000	9,275	33,725
Capital Outlay	1,237	308,237	190,399	117,838
Total Capital Outlay	<u>1,237</u>	<u>351,237</u>	<u>199,674</u>	<u>151,563</u>
<b>Total Expenditures</b>	<u>1,237</u>	<u>351,237</u>	<u>199,674</u>	<u>151,563</u>
Excess of Revenues Over(Under) Expenditures	<u>(1,236)</u>	<u>(350,237)</u>	<u>(199,674)</u>	<u>150,563</u>
<b><u>Other Financing Sources and Uses</u></b>				
Advances In	0	350,000	350,000	0
<b>Total Other Financing Sources and Uses</b>	<u>0</u>	<u>350,000</u>	<u>350,000</u>	<u>0</u>
Net Change in Fund Balance	(1,236)	(237)	150,326	150,563
Fund Balance at Beginning of Year	<u>1,237</u>	<u>1,237</u>	<u>1,237</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 1</u>	<u>\$ 1,000</u>	<u>\$ 151,563</u>	<u>\$ 150,563</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Charges for Services	\$ 0	\$ 0	\$ 14,095	\$ 14,095
Interest	0	0	15,470	15,470
Other	17,000	17,000	0	(17,000)
<b>Total Revenues</b>	<u>17,000</u>	<u>17,000</u>	<u>29,565</u>	<u>12,565</u>
<b><u>Expenditures</u></b>				
Current:				
Capital Outlay				
Contractual Services	37,992	46,592	46,111	481
Materials and Supplies	71,808	71,808	40,816	30,992
Capital Outlay	15,000	15,000	0	15,000
Other	11,272	11,272	11,272	0
Total Capital Outlay	<u>136,072</u>	<u>144,672</u>	<u>98,199</u>	<u>46,473</u>
<b>Total Expenditures</b>	<u>136,072</u>	<u>144,672</u>	<u>98,199</u>	<u>46,473</u>
Excess of Revenues Over(Under) Expenditures	<u>(119,072)</u>	<u>(127,672)</u>	<u>(68,634)</u>	<u>59,038</u>
<b><u>Other Financing Sources and Uses</u></b>				
Proceeds from Sale of Capital Assets	0	0	806	806
<b>Total Other Financing Sources and Uses</b>	<u>0</u>	<u>0</u>	<u>806</u>	<u>806</u>
Net Change in Fund Balance	(119,072)	(127,672)	(67,828)	59,844
Fund Balance at Beginning of Year	648,974	648,974	648,974	0
Prior Year Encumbrances Appropriated	8,600	8,600	8,600	0
<b>Fund Balance at End of Year</b>	<u>\$ 538,502</u>	<u>\$ 529,902</u>	<u>\$ 589,746</u>	<u>\$ 59,844</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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Total Revenues</u></b>	\$ 0	\$ 0	\$ 0	\$ 0
<b><u>Expenditures</u></b>				
Current:				
Capital Outlay				
Contractual Services	15,000	15,000	0	15,000
Capital Outlay	40,000	40,000	40,000	0
Total Capital Outlay	<u>55,000</u>	<u>55,000</u>	<u>40,000</u>	<u>15,000</u>
<b>Total Expenditures</b>	<u>55,000</u>	<u>55,000</u>	<u>40,000</u>	<u>15,000</u>
Net Change in Fund Balance	(55,000)	(55,000)	(40,000)	15,000
 Fund Balance at Beginning of Year	 <u>121,882</u>	 <u>121,882</u>	 <u>121,882</u>	 <u>0</u>
<b>Fund Balance at End of Year</b>	<b><u>\$ 66,882</u></b>	<b><u>\$ 66,882</u></b>	<b><u>\$ 81,882</u></b>	<b><u>\$ 15,000</u></b>

**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, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Payments in Lieu of Taxes	\$ 20,000	\$ 20,000	\$ 23,819	\$ 3,819
<b>Total Revenues</b>	<u>20,000</u>	<u>20,000</u>	<u>23,819</u>	<u>3,819</u>
<b><u>Expenditures</u></b>				
Current:				
Capital Outlay				
Contractual Services	80,000	105,251	17,843	87,408
Total Capital Outlay	<u>80,000</u>	<u>105,251</u>	<u>17,843</u>	<u>87,408</u>
<b>Total Expenditures</b>	<u>80,000</u>	<u>105,251</u>	<u>17,843</u>	<u>87,408</u>
Net Change in Fund Balance	(60,000)	(85,251)	5,976	91,227
Fund Balance at Beginning of Year	64,928	64,928	64,928	0
Prior Year Encumbrances Appropriated	<u>25,251</u>	<u>25,251</u>	<u>25,251</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 30,179</u>	<u>\$ 4,928</u>	<u>\$ 96,155</u>	<u>\$ 91,227</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, 2008**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><u>Revenues</u></b>				
Payments in Lieu of Taxes	\$ 32,000	\$ 32,000	\$ 24,786	\$ (7,214)
<b>Total Revenues</b>	<u>32,000</u>	<u>32,000</u>	<u>24,786</u>	<u>(7,214)</u>
<b><u>Expenditures</u></b>				
Current:				
Capital				
Contractual Services	95,000	126,246	35,260	90,986
Total Capital Outlay	<u>95,000</u>	<u>126,246</u>	<u>35,260</u>	<u>90,986</u>
<b>Total Expenditures</b>	<u>95,000</u>	<u>126,246</u>	<u>35,260</u>	<u>90,986</u>
Net Change in Fund Balance	(63,000)	(94,246)	(10,474)	83,772
Fund Balance at Beginning of Year	66,406	66,406	66,406	0
Prior Year Encumbrances Appropriated	<u>31,246</u>	<u>31,246</u>	<u>31,246</u>	<u>0</u>
<b>Fund Balance at End of Year</b>	<u>\$ 34,652</u>	<u>\$ 3,406</u>	<u>\$ 87,178</u>	<u>\$ 83,772</u>

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**HARBOR TOWN TIF FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><u>Revenues</u></b>				
Payments in Lieu of Taxes	\$ 5,000	\$ 42,000	\$ 74,559	\$ 32,559
<b>Total Revenues</b>	<b>5,000</b>	<b>42,000</b>	<b>74,559</b>	<b>32,559</b>
<b><u>Expenditures</u></b>				
Current:				
Capital Outlay				
Contractual Services	0	37,000	21,750	15,250
Total Capital Outlay	0	37,000	21,750	15,250
<b>Total Expenditures</b>	<b>0</b>	<b>37,000</b>	<b>21,750</b>	<b>15,250</b>
Net Change in Fund Balance	5,000	5,000	52,809	47,809
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance (Deficit) at End of Year	\$ 5,000	\$ 5,000	\$ 52,809	\$ 47,809

**CITY OF EUCLID, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**SELF-INSURANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>				
Charges for Services	\$ 150,000	\$ 150,000	\$ 150,000	\$ 0
Interest	0	1,800	4,052	2,252
Other	1,800	1,800	0	(1,800)
<b>Total Revenues</b>	<b>151,800</b>	<b>153,600</b>	<b>154,052</b>	<b>452</b>
<b>Expenses</b>				
Personal Services	31,620	32,120	31,727	393
Contractual Services	150,000	150,000	93,949	56,051
Materials and Supplies	1,100	1,100	354	746
Claims	130,000	130,000	90,132	39,868
<b>Total Expenses</b>	<b>312,720</b>	<b>313,220</b>	<b>216,162</b>	<b>97,058</b>
Change in Net Assets	(160,920)	(159,620)	(62,110)	97,510
Net Assets at Beginning of Year	199,066	199,066	199,066	0
<b>Net Assets at End of Year</b>	<b>\$ 38,146</b>	<b>\$ 39,446</b>	<b>\$ 136,956</b>	<b>\$ 97,510</b>



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# **STATISTICAL SECTION**



# STATISTICAL SECTION

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

## **Contents**

## **Page**

### ***Financial Trends***

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. S2-S8

### ***Revenue Capacity***

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

### ***Demographic and Economic Information***

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. S21-S22

### ***Operating Information***

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs. S23-S28

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003. Schedules presenting government-wide information begin in that year.

**CITY OF EUCLID, OHIO**  
**NET ASSETS BY COMPONENT**  
**LAST SIX YEARS**  
**(Accrual Basis of Accounting)**

	2008	2007	2006	2005 Restated	2004	2003
<b><u>Governmental Activities</u></b>						
Invested in Capital Assets, Net of Related Debt	\$ 39,956,632	\$ 41,151,610	\$ 12,190,259	\$ 13,335,911	\$ 9,441,514	\$ 16,919,428
Restricted:						
Capital Outlay	1,853,833	3,322,255	2,882,741	891,816	3,896,532	0
Debt Service	5,160,270	5,769,963	5,166,780	4,617,366	8,899,900	2,764,898
Other Purposes	1,164,905	1,908,168	1,970,792	2,223,784	1,597,871	1,253,520
Unrestricted	5,636,227	4,075,405	6,065,273	2,959,733	2,339,507	6,910,033
<b>Total Governmental Activities Net Assets</b>	<b>\$ 53,771,867</b>	<b>\$ 56,227,401</b>	<b>\$ 28,275,845</b>	<b>\$ 24,028,610</b>	<b>\$ 26,175,324</b>	<b>\$ 27,847,879</b>
<b><u>Business Type - Activities</u></b>						
Invested in Capital Assets, Net of Related Debt	\$ 29,214,805	\$ 29,982,118	\$ 28,971,722	\$ 29,207,199	\$ 29,795,176	\$ 28,646,313
Restricted:						
Debt Service	0	0	0	0	1,200,000	0
Unrestricted	13,829,216	11,908,239	13,304,043	8,390,986	4,378,060	6,786,523
<b>Total Business-Type Activities Net Assets</b>	<b>\$ 43,044,021</b>	<b>\$ 41,890,357</b>	<b>\$ 42,275,765</b>	<b>\$ 37,598,185</b>	<b>\$ 35,373,236</b>	<b>\$ 35,432,836</b>
<b><u>Primary Government</u></b>						
Invested in Capital Assets, Net of Related Debt	\$ 69,171,437	\$ 71,133,728	\$ 41,161,981	\$ 42,543,110	\$ 39,236,690	\$ 45,565,741
Restricted	8,179,008	11,000,386	10,020,313	7,732,966	15,594,303	4,018,418
Unrestricted	19,465,443	19,369,316	19,369,316	11,350,719	6,717,567	13,696,556
<b>Total Primary Government Net Assets</b>	<b>\$ 96,815,888</b>	<b>\$101,503,430</b>	<b>\$ 70,551,610</b>	<b>\$ 61,626,795</b>	<b>\$ 61,548,560</b>	<b>\$ 63,280,715</b>

**CITY OF EUCLID, OHIO  
CHANGES IN NET ASSETS  
LAST SIX YEARS  
(Accrual Basis of Accounting)**

	2008	2007	2006	2005 Restated	2004	2003
<b>Program Revenues</b>						
Governmental Activities:						
Charges for Services:						
General Government	\$ 564,303	\$ 1,031,766	\$ 1,019,146	\$ 1,630,952	\$ 2,101,899	\$ 2,074,682
Security of Persons and Property	4,073,600	4,999,375	4,975,827	2,897,560	2,150,294	2,645,843
Public Health and Welfare	83,793	91,602	92,922	33,424	85,666	85,730
Leisure Time Services	730,006	883,285	796,916	615,674	755,333	660,437
Community and Economic Development	1,554,640	542,492	236,343	532,403	323,664	268,828
Refuse Collection and Disposal	0	0	0	231,521	942,743	1,083,386
Transportation	39,637	207,307	88,588	191,361	459,799	444,152
Subtotal - Charges for Services	<u>7,045,979</u>	<u>7,755,827</u>	<u>7,209,742</u>	<u>6,132,895</u>	<u>6,819,398</u>	<u>7,263,058</u>
Operating Grants and Contributions:						
General Government	0	498,055	428,589	243,965	0	0
Security of Persons and Property	487,231	18,906	139,422	1,400	91,319	123,014
Leisure Time Services	4,327	5,947	43,084	36,744	0	0
Community and Economic Development	1,247,025	889,458	1,123,011	1,116,634	87,740	379,087
Transportation	1,861,667	1,935,960	1,835,670	1,927,988	0	0
Subtotal - Operating Grants and Contributions	<u>3,600,250</u>	<u>3,348,326</u>	<u>3,569,776</u>	<u>3,326,731</u>	<u>179,059</u>	<u>502,101</u>
Capital Grants and Contributions:						
General Government	279,401	0	18,690	31,219	0	0
Community Development	0	0	0	0	1,320,553	1,435,493
Leisure Time Activities	0	0	11,170	19,767	0	90,146
Subtotal - Capital Grants and Contributions	<u>279,401</u>	<u>0</u>	<u>29,860</u>	<u>50,986</u>	<u>1,320,553</u>	<u>1,525,639</u>
<b>Total Governmental Activities Program Revenues</b>	<u>10,925,630</u>	<u>11,104,153</u>	<u>10,809,378</u>	<u>9,510,612</u>	<u>8,319,010</u>	<u>9,290,798</u>
<b>Business-Type Activities</b>						
Charges for Services:						
Briardale Greens Golf Course	1,035,336	1,019,279	987,636	795,003	786,232	780,200
Waste Water Treatment	10,887,935	10,876,879	11,498,677	9,396,074	9,730,420	12,383,945
Water Line Improvement	1,623,543	1,671,736	1,605,235	840,218	0	0
Operating Grants and Contributions:						
Wastewater Treatment	52,675	39,479	814,589	0	0	0
Capital Grants and Contributions						
Briardale Golf Course	0	0	121,449	0	0	250,488
Wastewater Treatment	276,000	0	0	0	0	0
Waterline Improvement	65,348	0	0	0	0	0
<b>Total Business-Type Activities Program Revenues</b>	<u>13,940,837</u>	<u>13,607,373</u>	<u>15,027,586</u>	<u>11,031,295</u>	<u>10,516,652</u>	<u>13,414,633</u>
<b>Total Primary Government Program Revenues</b>	<u>\$ 24,866,467</u>	<u>\$ 24,711,526</u>	<u>\$ 25,836,964</u>	<u>\$ 20,541,907</u>	<u>\$ 18,835,662</u>	<u>\$ 22,705,431</u>

(Continued)

**CITY OF EUCLID, OHIO  
CHANGES IN NET ASSETS  
LAST SIX YEARS  
(Accrual Basis of Accounting)  
(CONTINUED)**

	2008	2007	2006	2005 Restated	2004	2003
<b>Expenses</b>						
Governmental Activities:						
General Government	\$ 12,894,864	\$ 14,000,128	\$ 12,352,031	\$ 11,114,592	\$ 11,965,470	\$ 12,180,369
Security of Persons and Property:	23,445,910	22,884,517	21,466,024	21,544,601	21,147,901	19,842,460
Refuse Collection and Disposal	2,506,683	2,219,004	2,013,501	1,777,289	1,912,089	1,848,221
Public Health and Welfare	260,044	277,425	257,280	256,582	234,887	287,591
Leisure Time Services	2,423,707	1,706,870	2,109,410	1,924,054	4,077,885	1,914,797
Community and Economic Development	3,201,584	2,955,795	3,173,312	2,619,435	478,828	965,181
Transportation	6,343,637	7,396,063	2,695,350	4,446,355	1,489,045	1,432,019
Interest and Fiscal Charges	1,505,395	1,553,302	1,546,588	1,566,775	2,069,348	1,913,236
<b>Total Governmental Activities Expenses</b>	<b>52,581,824</b>	<b>52,993,104</b>	<b>45,613,496</b>	<b>45,249,683</b>	<b>43,375,453</b>	<b>40,383,874</b>
<b>Business-Type Activities</b>						
Briardale Golf Course	988,166	1,059,840	996,359	1,206,580	770,115	716,146
Wastewater Treatment	11,061,437	10,109,869	9,438,610	10,732,693	10,313,927	12,131,189
Water Line Improvement	792,165	765,993	915,675	557,637	0	0
<b>Total Business-Type Activities Expenses</b>	<b>12,841,768</b>	<b>11,935,702</b>	<b>11,350,644</b>	<b>12,496,910</b>	<b>11,084,042</b>	<b>12,847,335</b>
<b>Total Primary Government Program Expenses</b>	<b>65,423,592</b>	<b>64,928,806</b>	<b>56,964,140</b>	<b>57,746,593</b>	<b>54,459,495</b>	<b>53,231,209</b>
<b>Net (Expense)/Revenue</b>						
Governmental Activities	(41,656,194)	(41,888,951)	(34,804,118)	(35,739,071)	(35,056,443)	(31,093,076)
Business-Type Activities	1,099,069	1,671,671	3,676,942	(1,465,615)	(567,390)	567,298
<b>Total Primary Government Net Expense</b>	<b>(40,557,125)</b>	<b>(40,217,280)</b>	<b>(31,127,176)</b>	<b>(37,204,686)</b>	<b>(35,623,833)</b>	<b>(30,525,778)</b>

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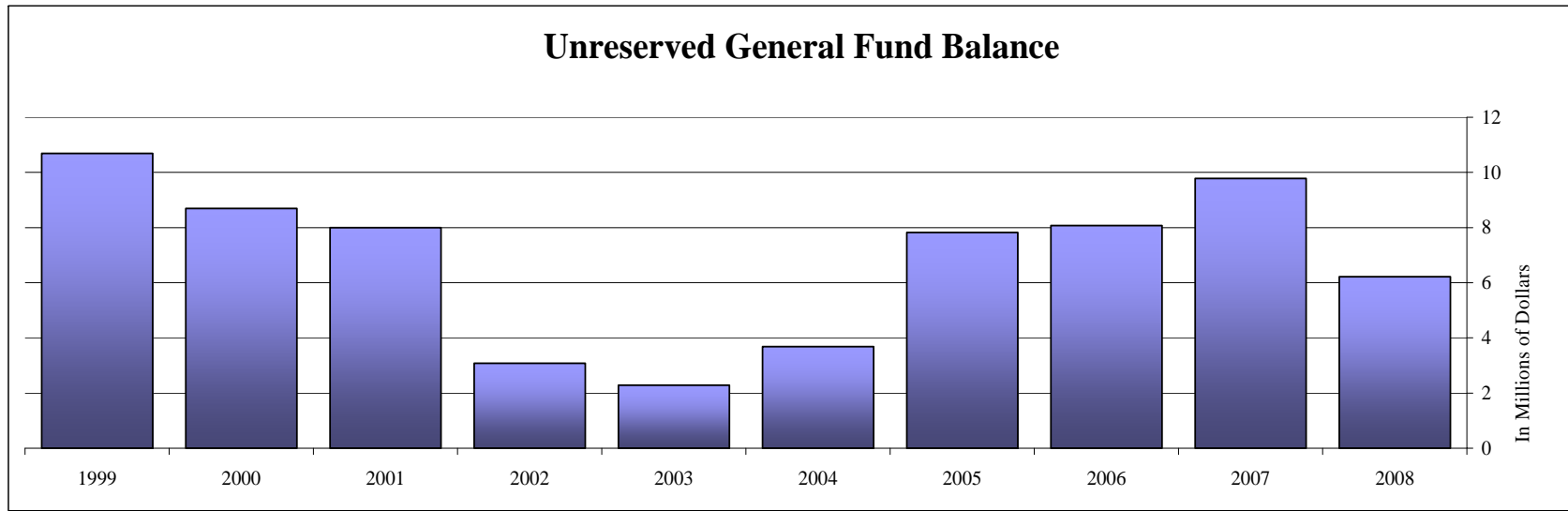
**CITY OF EUCLID, OHIO**  
**CHANGES IN NET ASSETS**  
**LAST SIX YEARS**  
**(Accrual Basis of Accounting)**  
**(CONTINUED)**

	2008	2007	2006	2005 Restated	2004	2003
<b><u>General Revenues and Other Changes in Net Assets</u></b>						
Governmental Activities						
Property Taxes Levied For:						
General Purposes	\$ 1,724,279	\$ 2,107,973	\$ 2,580,406	\$ 1,942,869	\$ 3,676,438	\$ 3,868,351
Other Purposes	415,742	407,031	480,690	378,408	2,729,486	2,543,752
Debt Service	2,789,707	2,792,175	3,677,364	2,657,665	3,318,558	3,102,471
Capital Outlay	228,792	532,381	652,705	492,729	0	0
Municipal Income Taxes levied for:						
General Purposes	24,124,792	24,286,649	26,227,696	22,004,837	20,213,175	18,311,962
Grants and Entitlements not Restricted to						
Specific Programs	6,460,923	5,647,600	3,846,566	5,745,954	3,208,030	3,540,576
Payments in Lieu of Taxes	123,164	72,269	68,730	59,293	0	0
Investment Income	921,534	1,303,442	1,163,865	663,536	398,378	257,951
Gain/Loss on Sale of Capital Assets	0	176,305	0	0	0	(48,192)
Miscellaneous	1,743,907	18,771	66,875	10,827	53,367	0
Transfers	667,820	286,456	286,456	(625,806)	286,456	286,456
<b>Total Governmental Activities</b>	<b>39,200,660</b>	<b>37,631,052</b>	<b>39,051,353</b>	<b>33,330,312</b>	<b>33,883,888</b>	<b>31,863,327</b>
Business-Type Activities						
Property Taxes Levied For:						
Other Purposes	639,606	626,240	767,977	670,778	609,316	776,352
Grants and Entitlements not Restricted to						
Specific Programs	0	0	0	614,188	183,912	0
Investment Income	56,180	63,583	48,163	351	1,018	987
Miscellaneous	26,629	294	0	0	0	0
Transfers	(667,820)	(286,456)	(286,456)	625,806	(286,456)	(286,456)
<b>Total Business-Type Activities</b>	<b>54,595</b>	<b>403,661</b>	<b>529,684</b>	<b>1,911,123</b>	<b>507,790</b>	<b>490,883</b>
<b>Total Primary Government General Revenues and Other Changes in Net Assets</b>	<b>39,255,255</b>	<b>38,034,713</b>	<b>39,581,037</b>	<b>35,241,435</b>	<b>34,391,678</b>	<b>32,354,210</b>
<b><u>Change in Net Assets</u></b>						
Governmental Activities	(2,455,534)	(4,257,899)	4,247,235	(2,408,759)	(1,172,555)	770,251
Business-Type Activities	1,153,664	2,075,332	4,206,626	445,508	(59,600)	1,058,181
<b>Total Primary Government Change in Net Assets</b>	<b>\$ (1,301,870)</b>	<b>\$ (2,182,567)</b>	<b>\$ 8,453,861</b>	<b>\$ (1,963,251)</b>	<b>\$ (1,232,155)</b>	<b>\$ 1,828,432</b>



**CITY OF EUCLID, OHIO**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**(Modified Accrual Basis of Accounting)**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>General Fund</b>										
Reserved	\$ 1,529,833	\$ 97,896	\$ 99,257	\$ 37,934	\$ 3,837,679	\$ 1,909,424	\$ 2,021,963	\$ 2,227,337	\$ 2,253,161	\$ 2,287,392
Unreserved	6,220,960	9,782,186	8,076,295	7,821,849	3,678,477	2,288,627	3,075,721	7,994,663	8,696,957	10,691,840
<b>Total General Fund</b>	<b>7,750,793</b>	<b>9,880,082</b>	<b>8,175,552</b>	<b>7,859,783</b>	<b>7,516,156</b>	<b>4,198,051</b>	<b>5,097,684</b>	<b>10,222,000</b>	<b>10,950,118</b>	<b>12,979,232</b>
<b>All Other Governmental Funds</b>										
Reserved	728,790	1,257,678	346,199	522,175	5,739,842	3,206,235	904,389	1,675,870	2,150,041	379,574
Unreserved, Undesignated, Reported in:										
Special Revenue funds	1,425,191	1,787,192	1,684,898	1,520,080	1,180,356	982,576	(365,426)	(51,760)	(1,391,338)	1,204,612
Debt Service funds	3,596,149	3,775,688	2,947,437	3,056,034	3,008,900	2,764,898	3,024,670	3,533,956	4,755,832	4,563,786
Capital Projects funds	1,193,323	2,131,623	2,499,812	401,209	2,558,005	(3,112,551)	866,054	1,358,973	(4,154,328)	(891,038)
<b>Total All Other Governmental Funds</b>	<b>6,943,453</b>	<b>8,952,181</b>	<b>7,478,346</b>	<b>5,499,498</b>	<b>12,487,103</b>	<b>3,841,158</b>	<b>4,429,687</b>	<b>6,517,039</b>	<b>1,360,207</b>	<b>5,256,934</b>
<b>Total Governmental Funds</b>	<b>\$ 14,694,246</b>	<b>\$ 18,832,263</b>	<b>\$ 15,653,898</b>	<b>\$ 13,359,281</b>	<b>\$ 20,003,259</b>	<b>\$ 8,039,209</b>	<b>\$ 9,527,371</b>	<b>\$ 16,739,039</b>	<b>\$ 12,310,325</b>	<b>\$ 18,236,166</b>

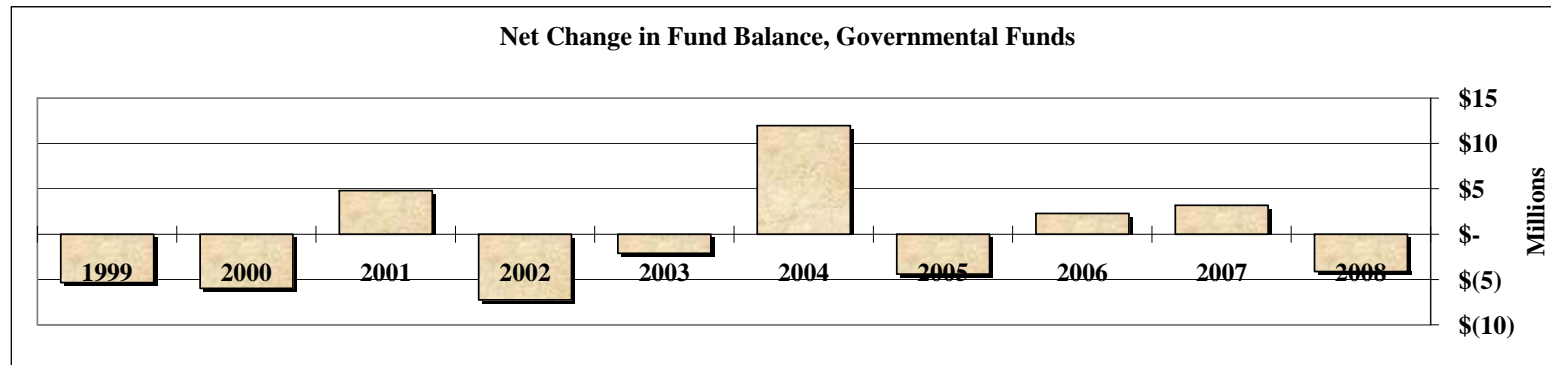


**CITY OF EUCLID, OHIO**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**(Modified Accrual Basis of Accounting)**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>Revenues</b>										
Property and Other Taxes	\$ 5,317,922	\$ 6,511,494	\$ 6,213,540	\$ 5,893,239	\$ 29,815,540	\$ 27,489,246	\$ 26,810,629	\$ 30,368,310	\$ 31,501,707	\$ 31,266,768
Municipal Income Taxes	23,949,387	25,508,186	23,084,613	23,029,224	0	0	0	0	0	0
Charges for Services	4,468,421	5,011,318	4,357,413	4,201,706	4,709,566	4,769,455	4,149,742	4,642,160	4,062,852	4,113,440
Fees, Licenses and Permits	119,297	131,568	45,638	241,899	572,019	436,977	305,921	303,514	259,928	240,531
Fines and Forfeitures	2,115,947	1,843,132	1,760,313	1,350,888	1,488,128	1,443,538	1,363,606	1,506,379	1,464,585	1,608,146
Payments in Lieu of Taxes	123,164	72,269	68,730	59,293	0	0	0	0	0	0
Intergovernmental	10,781,759	8,544,675	8,123,702	8,401,874	4,725,839	5,272,087	5,344,993	5,717,660	5,251,766	5,192,251
Special Assessments	505,921	84,684	190,634	88,111	270,469	232,264	287,221	258,963	342,700	276,387
Rentals	378,566	438,302	370,186	329,315	300,078	277,330	268,929	1,058,189	280,874	220,947
Contributions and Donations	35,658	27,517	144,696	35,280	0	0	0	0	0	0
Interest	862,215	1,286,011	1,162,032	663,536	397,135	252,601	246,511	293,649	1,649,780	1,724,345
Miscellaneous	891,394	18,771	66,875	10,827	186,241	248,911	74,088	251,664	222,102	100,550
<b>Total Revenues</b>	<b>49,549,651</b>	<b>49,477,927</b>	<b>45,588,372</b>	<b>44,305,192</b>	<b>42,465,015</b>	<b>40,422,409</b>	<b>38,851,640</b>	<b>44,400,488</b>	<b>45,036,294</b>	<b>44,743,365</b>
<b>Expenditures</b>										
Current:										
General Government	13,255,819	12,389,735	11,367,827	10,527,754	12,064,453	9,980,456	11,056,302	11,948,092	13,567,309	14,922,100
Security of Persons and Property	22,504,755	20,876,789	20,107,626	18,582,973	20,605,101	19,574,377	20,583,109	21,246,143	21,053,341	20,640,384
Police										
Fire										
Public Health and Welfare	260,044	277,809	257,651	257,846	235,365	287,592	445,574	482,245	716,270	409,636
Leisure Time Services	2,142,829	1,998,691	1,836,370	1,662,926	3,858,686	2,946,549	2,317,867	2,739,069	2,723,594	2,983,011
Community and Economic Development	3,084,899	2,613,273	2,743,472	2,277,566	2,039,604	2,473,339	2,666,776	3,611,075	2,517,605	2,184,926
Refuse Collection and Disposal	2,506,683	2,204,171	1,857,975	1,786,082	1,912,089	1,848,221	1,870,822	1,861,473	1,736,867	2,210,387
Transportation	2,596,559	2,242,299	2,096,922	1,587,855	1,589,464	1,819,574	4,331,625	5,612,092	4,898,168	5,367,946
Capital Outlay	5,376,523	3,579,883	2,780,690	3,227,405	0	0	0	0	0	0
Debt Service:										
Principal Retirement	9,590,395	6,419,365	2,927,010	8,711,529	6,861,073	2,697,510	2,387,632	2,398,902	2,300,908	2,168,811
Interest and Fiscal Charges	1,492,737	1,529,377	1,518,668	1,568,293	2,086,281	1,928,585	1,876,224	2,244,424	1,986,533	1,786,862
Bond Issuance Costs	275,697	0	0	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>63,086,940</b>	<b>54,131,392</b>	<b>47,494,211</b>	<b>50,190,229</b>	<b>51,252,116</b>	<b>43,556,203</b>	<b>47,535,931</b>	<b>52,143,515</b>	<b>51,500,595</b>	<b>52,674,063</b>
Excess of Revenues Over (Under) Expenditures	(13,537,289)	(4,653,465)	(1,905,839)	(5,885,037)	(8,787,101)	(3,133,794)	(8,684,291)	(7,743,027)	(6,464,301)	(7,930,698)

**CITY OF EUCLID, OHIO**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(Continued)**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>Other Financing Sources (Uses)</b>										
Sale of Capital Assets	55,191	224,113	0	0	2,800	724,808	0	0	0	0
Special Assessment Bonds Issued	0	0	0	0	0	0	0	0	0	1,715,000
General Obligation Bonds Issued	10,625,000	0	0	0	13,097,000	0	0	11,495,000	0	0
Premium on Debt Issued	215,765	40,280	0	0	0	0	0	0	0	0
OPWC Loan	1,119,127	434,981	98,000	0	0	0	447,179	0	407,526	1,420,569
Notes Issued	0	6,846,000	3,816,000	100,000	5,981,000	0	0	0	0	0
Inception of Capital Lease	205,758	0	0	1,077,689	1,583,897	15,780	824,509	149,179	301,201	0
Transfers In	1,195,820	825,300	1,085,900	918,056	689,115	586,880	1,304,019	2,547,214	2,067,657	5,737,961
Transfers Out	(528,000)	(538,844)	(799,444)	(631,600)	(602,659)	(300,424)	(1,149,563)	(1,663,023)	(2,283,069)	(6,290,601)
Payment to Refunded Bond Escrow Agent	(3,489,389)	0	0	0	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>9,399,272</b>	<b>7,831,830</b>	<b>4,200,456</b>	<b>1,464,145</b>	<b>20,751,153</b>	<b>1,027,044</b>	<b>1,426,144</b>	<b>12,528,370</b>	<b>493,315</b>	<b>2,582,929</b>
<b>Net Change in Fund Balances</b>	<b>\$ (4,138,017)</b>	<b>\$ 3,178,365</b>	<b>\$ 2,294,617</b>	<b>\$ (4,420,892)</b>	<b>\$ 11,964,052</b>	<b>\$ (2,106,750)</b>	<b>\$ (7,258,147)</b>	<b>\$ 4,785,343</b>	<b>\$ (5,970,986)</b>	<b>\$ (5,347,769)</b>
Debt Service as a Percentage of Noncapital	19.68%	15.38%	9.79%	20.63%	18.47%	11.41%	9.06%	9.65%	8.91%	8.43%



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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b><u>Unvoted Millage</u></b>										
Bond Sinking Fund	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88	3.88
<b>Total Unvoted Millage</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>	<b>3.88</b>
<b><u>Voted Millage</u></b>										
1964 Charter Current Expense	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72
1964 Charter Perm Improvement	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1964 Charter Recreational	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
1964 Charter Recreational	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
1976 Sewage Levy	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Total Voted Millage</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>	<b>11.72</b>
<b>Total Millage</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>
<b><u>Overlapping Rates by Taxing District</u></b>										
<b>City of Euclid</b>										
Residential/Agricultural Effective Rate	6.5566	6.5540	6.5523	6.8792	6.8787	6.8790	7.1638	7.1631	7.1618	7.4763
Commerical/Industrial and Public Utility Effective Rate	10.3296	10.3634	10.3668	10.3549	9.9554	9.7881	9.9331	9.9603	9.9731	10.5918
General Business and Public Utility Personal Property	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000	15.6000
<b>Euclid City Schools</b>										
Residential/Agricultural Effective Rate	46.1446	39.1132	39.0934	43.0313	37.5124	35.0153	37.9854	37.5787	37.6672	40.7154
Commerical/Industrial and Public Utility Effective Rate	66.1743	59.4467	59.4747	59.3941	51.2261	47.5742	48.8727	48.6599	48.8477	53.2070
General Business and Public Utility Personal Property	85.2000	78.2000	78.2000	78.2000	72.8000	70.3000	70.6000	70.2000	70.3000	70.4000
<b>Cuyahoga County</b>										
Residential/Agricultural Effective Rate	12.6607	11.8688	11.8655	11.7227	10.9754	10.9899	9.7642	9.7718	9.7846	11.4113
Commerical/Industrial and Public Utility Effective Rate	12.8153	12.4535	12.4941	12.5881	11.9846	12.0433	10.1235	10.0506	9.9918	12.3735
General Business and Public Utility Personal Property	13.3200	13.4200	13.4200	13.5200	13.5200	13.5200	11.7200	11.7200	11.7200	13.7500
<b>Special Taxing Districts (1)</b>										
Residential/Agricultural Effective Rate	7.2832	7.2794	7.2761	7.7965	6.3793	5.7037	6.2552	5.1689	5.1747	3.0912
Commerical/Industrial and Public Utility Effective Rate	7.8711	7.8782	7.8962	8.0597	6.7804	6.2102	6.3523	5.5500	5.5322	3.3039
General Business and Public Utility Personal Property	8.2800	8.2800	8.2800	8.2800	7.2800	6.9800	6.9800	6.9800	6.9800	3.3500

Source: County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property.

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

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

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

**CITY OF EUCLID, OHIO**  
**ASSESSED VALUE 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
2008	\$ 615,910,790	\$ 183,124,340	\$ 2,282,957,514	\$ 13,964,270	\$ 15,868,489
2007	\$ 617,695,210	\$ 184,247,970	\$ 2,291,266,229	\$ 21,020,000	\$ 23,886,364
2006	\$ 549,090,850	\$ 185,048,420	\$ 2,097,540,771	\$ 22,108,400	\$ 25,123,182
2005	\$ 549,066,990	\$ 196,770,870	\$ 2,130,965,314	\$ 24,167,100	\$ 27,462,614
2004	\$ 549,167,830	\$ 202,727,320	\$ 2,148,271,857	\$ 24,947,560	\$ 28,349,500
2003	\$ 502,349,750	\$ 199,443,630	\$ 2,005,123,943	\$ 24,563,360	\$ 27,912,909
2002	\$ 502,484,040	\$ 195,662,440	\$ 1,994,704,229	\$ 25,710,060	\$ 29,215,977
2001	\$ 502,678,150	\$ 191,537,930	\$ 1,983,474,514	\$ 31,693,220	\$ 36,015,023
2000	\$ 459,297,580	\$ 175,137,390	\$ 1,812,671,343	\$ 32,953,180	\$ 37,446,795
1999	\$ 459,091,630	\$ 184,734,180	\$ 1,839,502,314	\$ 36,010,170	\$ 40,920,648

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

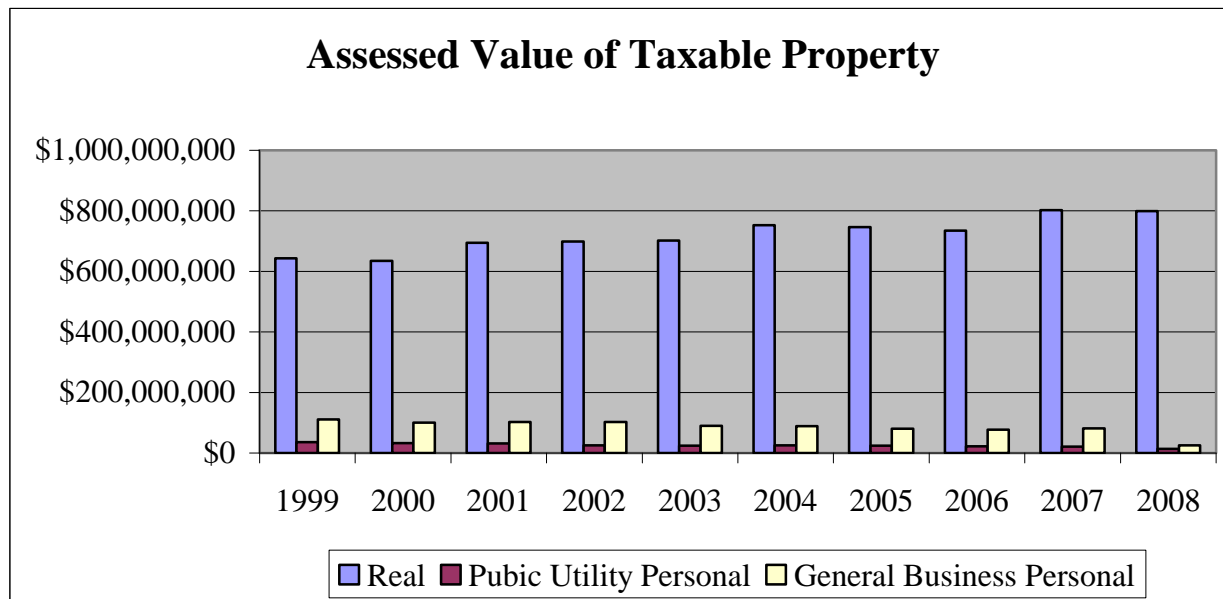
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

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

Source: Ohio Department of Taxation

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

Collection Year	Tangible Personal Property		Assessed Value	Total Estimated Actual Value	Ratio	Weighted Average Tax Rate
	General Business Assessed Value	Estimated Actual Value				
2008	\$ 24,916,620	\$ 132,888,640	\$ 837,916,020	\$ 2,431,714,643	34.46%	7.8008
2007	\$ 81,771,053	\$ 436,112,283	\$ 904,734,233	\$ 2,751,264,875	32.88%	8.3575
2006	\$ 77,001,463	\$ 410,674,469	\$ 833,249,133	\$ 2,533,338,423	32.89%	8.4756
2005	\$ 80,320,200	\$ 321,280,800	\$ 850,325,160	\$ 2,479,708,728	34.29%	8.7551
2004	\$ 88,592,903	\$ 354,371,612	\$ 865,435,613	\$ 2,530,992,969	34.19%	8.7436
2003	\$ 90,128,261	\$ 360,513,044	\$ 816,485,001	\$ 2,393,549,896	34.11%	8.8146
2002	\$ 102,144,004	\$ 408,576,016	\$ 826,000,544	\$ 2,432,496,222	33.96%	9.1256
2001	\$ 102,559,257	\$ 410,237,028	\$ 828,468,557	\$ 2,429,726,565	34.10%	9.1770
2000	\$ 100,830,156	\$ 403,320,624	\$ 768,218,306	\$ 2,253,438,762	34.09%	9.2722
1999	\$ 110,781,356	\$ 443,125,424	\$ 790,617,336	\$ 2,323,548,386	34.03%	9.7126



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

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2008	\$ 7,755,667	\$ 6,345,313	81.82%	\$ 489,718	\$ 6,835,031	88.13%	\$ 511,356	6.59%
2007	\$ 8,248,325	\$ 6,773,525	82.12%	\$ 362,574	\$ 7,136,099	86.52%	\$ 426,602	5.17%
2006	\$ 8,161,127	\$ 6,759,330	82.82	\$ 291,261	\$ 7,050,591	86.39	\$ 659,193	8.08%
2005	\$ 6,571,871	\$ 5,470,854	83.25	\$ 302,983	\$ 5,773,837	87.86	\$ 552,594	8.41%
2004	\$ 7,102,956	\$ 5,765,902	81.18	\$ 416,427	\$ 6,182,329	87.04	\$ 773,180	10.89%
2003	\$ 6,771,824	\$ 5,729,679	84.61	\$ 307,880	\$ 6,037,559	89.16	\$ 797,874	11.78%
2002	\$ 6,824,687	\$ 5,760,886	84.41	\$ 361,604	\$ 6,122,490	89.71	\$ 569,507	8.34%
2001	\$ 6,564,534	\$ 5,848,361	89.09	\$ 138,590	\$ 5,986,951	91.20	\$ 480,160	7.31%
2000	\$ 6,678,329	\$ 5,975,461	89.48	\$ 169,445	\$ 6,144,906	92.01	\$ 621,329	9.30%
1999	\$ 5,990,963	\$ 5,340,761	89.15	\$ 177,714	\$ 5,518,475	92.11	\$ 396,693	6.62%

Source: County Auditor

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

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

**CITY OF EUCLID, OHIO**  
**PRINCIPAL TAXPAYERS - REAL ESTATE TAX**  
**2008 AND 1999**

Taxpayer	<i>2008</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Lincoln Electric Co	\$ 13,361,130	1.67 %
Niederst Indian Hills, LLC	11,822,510	1.48 %
Cleve Electric Illum Co	11,445,700	1.43 %
Northpointe Towers LTD	6,685,000	0.84 %
Harbor Crest LTD.	5,510,970	0.69 %
Willo Arms Euclid LLC	5,023,630	0.63 %
Horizon House LTD	3,638,640	0.46 %
Depot Land Co LTD	3,255,770	0.41 %
AE Portfolio, LLC	2,975,000	0.37 %
Normandy Towers East I & E	2,664,210	0.33 %
Total	<u>\$ 66,382,560</u>	<u>8.31 %</u>
Total Assessed Valuation	<u>\$ 799,035,130</u>	

Taxpayer	<i>1999</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Cleve Electric Illum Co	\$ 16,743,610	2.60 %
Ohio Bell Telephone	12,658,930	1.97 %
Lincoln Electric Co	8,662,120	1.35 %
Indian Hills Senior	8,263,500	1.28 %
Aerc-Wataergatae, Inc.	6,975,150	1.08 %
Argo Tech	5,939,990	0.92 %
Harbor Crest LTD	5,285,000	0.82 %
East Ohio Gas Co	5,136,600	0.80 %
Troy CMBS Property, LLC	4,504,610	0.70 %
Reliance Electric & Eng Co	4,258,460	0.66 %
Total	<u>\$ 78,427,970</u>	<u>12.18 %</u>
Total Assessed Valuation	<u>\$ 643,825,810</u>	

Source: County Auditor

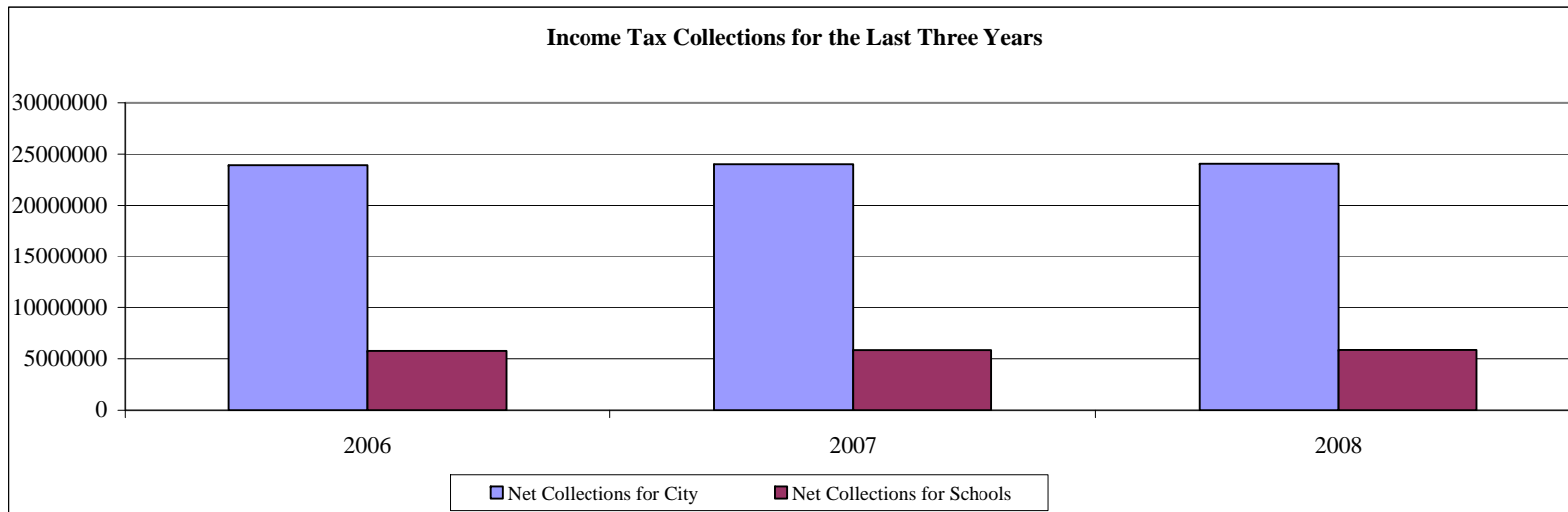
(1) The amounts presented represent the assessed values upon which 2008 and 1999 collections were based.



**CITY OF EUCLID, OHIO  
INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST THREE YEARS**

<u>Year</u>	<u>Tax Rate</u>	<u>Individual</u>	<u>Net Profit</u>	<u>Payroll Withholding</u>	<u>Penalty and Interest</u>	<u>Miscellaneous Revenue</u>	<u>Gross Collections</u>	<u>Refunds and Adjustments</u>	<u>Net Collections</u>	<u>Net Collections for the City</u>	<u>Net Collections for the School District</u>
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**  
**RATIOS OF OUTSTANDING DEBT TO TOTAL PERSONAL INCOME AND DEBT PER CAPITA**  
**LAST TEN YEARS**

Year	Governmental Activities					Business-Type Activities				Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds (1)	Special Assessment Bonds	OPWC Loans	Capital Leases	Development Revenue Bonds	General Obligation Bonds (1)	Capital Leases	OWDA Loans	OPWC Loans			
2008	\$ 28,354,079	\$ 1,160,000	\$ 1,652,108	\$ 1,085,075	\$ 1,235,000	\$ 6,962,444	\$ 449,192	\$ 8,620,444	\$ 6,079,837	\$ 55,598,179	5.36%	\$ 1,055
2007	\$ 23,007,141	\$ 1,235,000	\$ 532,981	\$ 1,304,712	\$ 1,340,000	\$ 6,546,909	\$ 502,859	\$ 10,328,970	\$ 6,352,551	\$ 51,151,123	4.93%	\$ 970
2006	\$ 25,043,297	\$ 1,305,000	\$ 98,000	\$ 1,736,675	\$ 1,440,000	\$ 6,863,551	\$ 540,893	\$ 11,915,515	\$ 6,515,556	\$ 55,458,487	5.35%	\$ 1,052
2005	\$ 27,264,455	\$ 1,375,000	\$ 0	\$ 2,174,685	\$ 1,530,000	\$ 7,165,193	\$ 693,242	\$ 13,389,914	\$ 6,069,001	\$ 59,661,490	5.76%	\$ 1,132
2004	\$ 34,057,000	\$ 1,440,000	\$ 2,393,316	\$ 1,775,901	\$ 1,615,000	\$ 2,918,000	\$ 425,954	\$ 14,765,846	\$ 4,080,513	\$ 63,471,530	6.12%	\$ 1,204
2003	\$ 27,440,000	\$ 1,500,000	\$ 2,534,696	\$ 560,826	\$ 1,695,000	\$ 1,765,000	\$ 480,677	\$ 16,042,064	\$ 4,288,338	\$ 56,306,601	5.43%	\$ 1,068
2002	\$ 29,710,000	\$ 1,560,000	\$ 2,606,540	\$ 744,918	\$ 1,765,000	\$ 1,845,000	\$ 539,513	\$ 17,226,034	\$ 4,296,009	\$ 60,293,014	5.82%	\$ 1,144
2001	\$ 31,880,000	\$ 1,615,000	\$ 2,256,993	\$ 223,541	\$ 1,830,000	\$ 1,930,000	\$ 12,855	\$ 18,333,990	\$ 3,986,226	\$ 62,068,605	5.99%	\$ 1,177
2000	\$ 22,275,000	\$ 1,670,000	\$ 1,952,635	\$ 269,633	\$ 1,890,000	\$ 2,005,000	\$ 32,051	\$ 19,367,447	\$ 2,154,420	\$ 51,616,186	4.98%	\$ 979
1999	\$ 24,255,000	\$ 1,715,000	\$ 1,420,569	\$ 189,340	\$ 1,945,000	\$ 2,080,000	\$ 26,468	\$ 20,303,427	\$ 26,468	\$ 51,961,272	6.57%	\$ 947

(1) Amounts include associated premiums and gains

Note: Population and Personal Income data are presented on page S22.



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

Year	Population (1)		Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Net Bonded Debt Per Capita
2008	52,717	b	\$ 837,916,020	\$35,316,523	4.21 %	\$ 670
2007	52,717	b	\$ 904,734,233	\$29,554,050	3.27 %	\$ 561
2006	52,717	b	\$ 833,249,133	\$31,906,848	3.83 %	\$ 605
2005	52,717	b	\$ 850,325,160	\$34,429,648	4.05 %	\$ 653
2004	52,717	b	\$ 865,435,613	\$36,975,000	4.27 %	\$ 701
2003	52,717	b	\$ 816,485,001	\$29,205,000	3.58 %	\$ 554
2002	52,717	b	\$ 826,000,544	\$31,555,000	3.82 %	\$ 599
2001	52,717	b	\$ 828,468,557	\$33,810,000	4.08 %	\$ 641
2000	52,717	b	\$ 768,218,306	\$24,280,000	3.16 %	\$ 461
1999	54,875	a	\$ 790,617,336	\$26,335,000	3.33 %	\$ 480

Sources:

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

(a) 1990 Federal Census

(b) 2000 Federal Census

(2) County Auditor

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

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

	2008	2007	2006	2005	2004
<b>Total Assessed Property Value</b>	<u>\$ 837,916,020</u>	<u>\$ 904,734,233</u>	<u>\$ 833,249,133</u>	<u>\$ 850,325,160</u>	<u>\$ 865,435,613</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>87,981,182</u>	<u>94,997,094</u>	<u>87,491,159</u>	<u>89,284,142</u>	<u>90,870,739</u>
<b>Debt Outstanding:</b>					
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
<b>Total Gross Indebtedness</b>	<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)
<b>Total Net Debt Applicable to Debt Limit</b>	<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>\$ 63,417,331</u>	<u>\$ 75,743,782</u>	<u>\$ 65,365,596</u>	<u>\$ 65,038,176</u>	<u>\$ 56,767,639</u>
Legal Debt Margin as a Percentage of the Debt Limit	72.08%	79.73%	74.71%	72.84%	62.47%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$ 46,085,381</u>	<u>\$ 49,760,383</u>	<u>\$ 45,828,702</u>	<u>\$ 46,767,884</u>	<u>\$ 47,598,959</u>
<b>Total Gross Indebtedness</b>	<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)
<b>Net Debt Within 5 ½ % Limitations</b>	<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>
<b>Unvoted Legal Debt Margin Within 5 ½ % Limitations</b>	<u>\$ 21,521,530</u>	<u>\$ 30,507,071</u>	<u>\$ 23,703,139</u>	<u>\$ 22,521,918</u>	<u>\$ 13,495,859</u>
<b>Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation</b>	46.70%	61.31%	51.72%	48.16%	28.35%

Source: City Financial Records

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

	2003	2002	2001	2000
<b>Total Assessed Property Value</b>	<u>\$ 816,485,001</u>	<u>\$ 826,000,544</u>	<u>\$ 828,468,557</u>	<u>\$ 768,218,306</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>85,730,925</u>	<u>86,730,057</u>	<u>86,989,198</u>	<u>80,662,922</u>
<b>Debt Outstanding:</b>				
General Obligation Bonds	\$ 27,440,000	\$ 29,710,000	\$ 31,880,000	\$ 25,835,000
General Obligation Bonds - Enterprise	1,765,000	1,845,000	1,930,000	2,005,000
Special Assessment Bonds	1,500,000	1,560,000	1,615,000	0
Notes	0	0	0	10,025,000
Notes - Enterprise	0	0	0	0
OPWC Loans	2,534,696	2,606,540	2,256,993	1,952,635
OPWC Loans - Enterprise	4,288,338	4,296,009	3,986,226	2,154,420
OWDA Loans	16,042,064	17,226,034	18,333,990	19,367,447
Industrial Development Revenue Bonds	1,695,000	1,765,000	1,830,000	0
<b>Total Gross Indebtedness</b>	<u>55,265,098</u>	<u>59,008,583</u>	<u>61,832,209</u>	<u>61,339,502</u>
Less:				
General Obligation Bonds - Enterprise	(1,765,000)	(1,845,000)	(1,930,000)	(2,005,000)
Special Assessment Bonds	0	0	0	0
Notes	0	0	0	0
Notes - Enterprise	0	0	0	0
OPWC Loans	(2,534,696)	(2,606,540)	(2,256,993)	(1,952,635)
OPWC Loans - Enterprise	(4,288,338)	(4,296,009)	(3,986,226)	(2,154,420)
OWDA Loans	(16,042,064)	(17,226,034)	(18,333,990)	(19,367,447)
Industrial Development Revenue Bonds	0	0	0	0
General Obligation Bond Retirement Fund Balance	(2,764,898)	(3,024,670)	(3,533,956)	(4,755,832)
<b>Total Net Debt Applicable to Debt Limit</b>	<u>27,870,102</u>	<u>30,010,330</u>	<u>31,791,044</u>	<u>31,104,168</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 57,860,823</u>	<u>\$ 56,719,727</u>	<u>\$ 55,198,154</u>	<u>\$ 49,558,754</u>
Legal Debt Margin as a Percentage of the Debt Limit	67.49%	65.40%	63.45%	61.44%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$ 44,906,675</u>	<u>\$ 45,430,030</u>	<u>\$ 45,565,771</u>	<u>\$ 42,252,007</u>
<b>Total Gross Indebtedness</b>	\$ 55,265,098	59,008,583	61,832,209	61,339,502
Less:				
General Obligation Bonds - Enterprise	(1,765,000)	(1,845,000)	(1,930,000)	(2,005,000)
Special Assessment Bonds	0	0	0	0
Notes	0	0	0	0
Notes - Enterprise	0	0	0	0
OPWC Loans	(2,534,696)	(2,606,540)	(2,256,993)	(1,952,635)
OPWC Loans - Enterprise	(4,288,338)	(4,296,009)	(3,986,226)	(2,154,420)
OWDA Loans	(16,042,064)	(17,226,034)	(18,333,990)	(19,367,447)
Industrial Development Revenue Bonds	0	0	0	0
General Obligation Bond Retirement Fund Balance	(2,764,898)	(3,024,670)	(3,533,956)	(4,755,832)
<b>Net Debt Within 5 ½ % Limitations</b>	<u>27,870,102</u>	<u>30,010,330</u>	<u>31,791,044</u>	<u>31,104,168</u>
<b>Unvoted Legal Debt Margin Within 5 ½ % Limitations</b>	<u>\$ 17,036,573</u>	<u>\$ 15,419,700</u>	<u>\$ 13,774,727</u>	<u>\$ 11,147,839</u>
<b>Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation</b>	37.94%	33.94%	30.23%	26.38%

**CITY OF EUCLID, OHIO**  
**COMPUTATION OF DIRECT AND OVERLAPPING**  
**GOVERNMENTAL ACTIVITIES DEBT**  
**DECEMBER 31, 2008**

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of</b>			
General Obligation Bonds	\$ 25,043,297	100.00%	\$ 25,043,297
Special Assessment Bonds	1,305,000	100.00%	1,305,000
OPWC Loans	98,000	100.00%	98,000
Capital Leases	1,736,675	100.00%	1,736,675
Police Pension	1,440,000	100.00%	1,440,000
General Obligation Notes	3,816,000	100.00%	3,816,000
<b>Total Direct Debt</b>	<u>33,438,972</u>		<u>33,438,972</u>
<b>Overlapping</b>			
Euclid City School District			
General Obligation Bonds	12,767,954	100.00%	12,767,954
County			
General Obligation Bonds	248,899,326	2.66%	6,615,997
Regional			
Transit Authority	172,765,000	2.66%	4,592,269
<b>Total Overlapping Debt</b>	<u>434,432,280</u>		<u>23,976,220</u>
<b>Total</b>	<u>\$ 467,871,252</u>		<u>\$ 57,415,192</u>

Source: County Auditor

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

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

Year	Net Revenues (1)	Operating Expenses	Net Revenue Available for Debt Service	Debt Service		
				Principal	Interest	Total
2008	\$ 109,336	\$ 0	\$ 109,336	\$ 105,000	\$ 110,550	\$ 215,550
2007	\$ 109,335	\$ 0	\$ 109,335	\$ 100,000	\$ 118,800	\$ 218,800
2006	\$ 109,336	\$ 0	\$ 109,336	\$ 90,000	\$ 126,225	\$ 216,225
2005	\$ 109,336	\$ 0	\$ 109,336	\$ 85,000	\$ 133,238	\$ 218,238
2004	\$ 109,336	\$ 0	\$ 109,336	\$ 80,000	\$ 139,838	\$ 219,838
2003	\$ 109,336	\$ 0	\$ 109,336	\$ 70,000	\$ 145,613	\$ 215,613
2002	\$ 109,336	\$ 0	\$ 109,336	\$ 65,000	\$ 150,975	\$ 215,975
2001	\$ 109,336	\$ 0	\$ 109,336	\$ 60,000	\$ 155,925	\$ 215,925
2000	\$ 40,000	\$ 0	\$ 40,000	\$ 55,000	\$ 160,463	\$ 215,463
1999	\$ 40,000	\$ 0	\$ 40,000	\$ 55,000	\$ 165,000	\$ 220,000
1998	\$ 40,000	\$ 0	\$ 40,000	\$ 50,000	\$ 169,125	\$ 219,125

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

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

**CITY OF EUCLID, OHIO  
PRINCIPAL EMPLOYERS  
CURRENT YEAR (1)**

<b>2008</b>		
Employer	Number of W-2 Issued	Percentage of Total City Employment
Lincoln Electric	2,663	10.86%
Cleveland Clinic	1,454	5.93%
Euclid Board of Education	1,417	5.78%
City of Euclid	712	2.90%
Cuyahoga County	595	2.43%
University Hospitals Health System	521	2.12%
Argo Tech Corp.	448	1.83%
HC Starck Inc.	339	1.38%
Hose Masters	321	1.31%
Nuclear Operations Division	224	0.91%
<b>Total</b>	<b>8,694</b>	<b>35.45%</b>
Total Estimated Employment within the City	24,525	

Source: City Income Tax Department

(1) Information prior to 2006 is not available



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

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
2008	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,117	7.1%	\$ 81,777	\$ 837,916,020
2007	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,833	6.3%	\$ 99,664	\$ 904,734,233
2006	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,466	5.7%	\$ 107,011	\$ 833,249,133
2005	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,572	6.0%	\$ 111,934	\$ 850,325,160
2004	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,503	6.7%	\$ 105,056	\$ 865,435,613
2003	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,420	6.5%	\$ 104,931	\$ 816,485,001
2002	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,140	4.7%	\$ 99,723	\$ 826,000,544
2001	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,179	3.7%	\$ 95,643	\$ 828,468,557
2000	52,717	\$ 1,036,627,088	\$ 19,664	\$ 35,151	38.9	19.6%	6,125	3.4%	\$ 90,300	\$ 768,218,306
1999	54,875	\$ 791,297,500	\$ 14,420	\$ 30,056	35.0	17.3%	5,995	3.4%	\$ 80,900	\$ 790,617,336

(1) Source: U. S. Census

(a) Years 2000 through 2006 - 2000 Federal Census

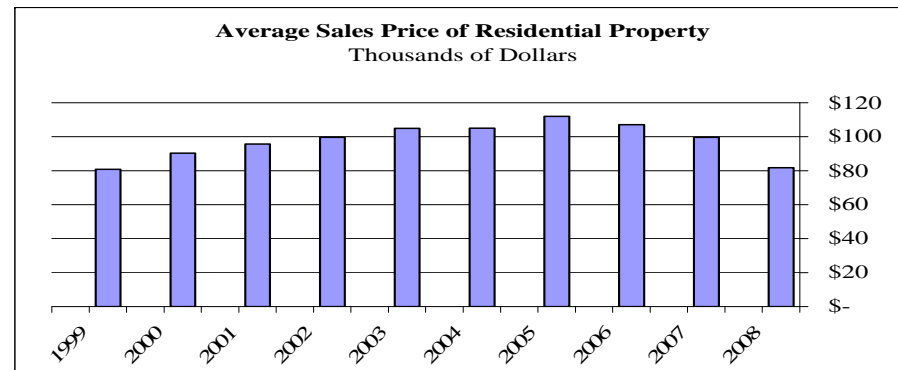
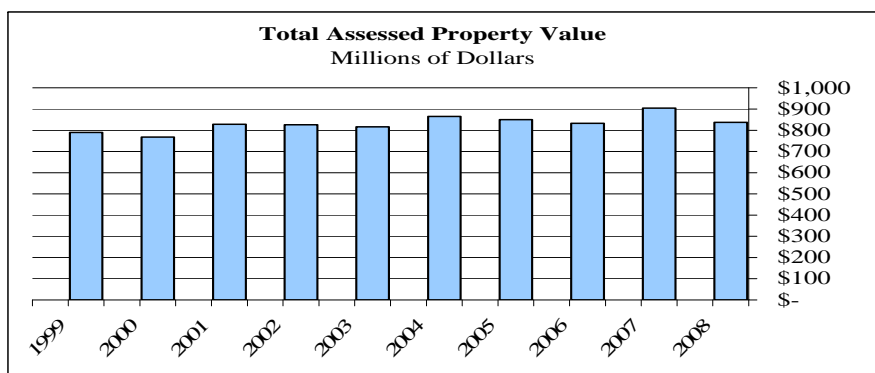
(b) Years 1997 through 1999 - 1990 Federal Census

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

(3) Source: County Planning Commission

(4) Source: County Auditor

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



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

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

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

(1) Information prior to 2002 is not available

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

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

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

(Continued)

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

Function/Program	2008	2007	2006	2005	2004	2003	2002
<b>General Government (Continued)</b>							
<i><b>Building Department Indicators</b></i>							
Estimated Value of Construction	\$ 19,829,373	\$ 19,199,769	\$ 14,337,881	\$ 12,461,795	\$ 12,927,470	\$ 17,409,525	\$ 39,586,980
Number of permits issued	2,430	2,194	2,294	2,291	2,713	2,138	2,100
Amount of Revenue generated from permits	\$ 221,555	\$ 268,817	\$ 218,779	\$ 203,544	\$ 239,570	\$ 174,801	\$ 192,670
Number of contractor registrations issued	919	910	808	785	930	990	915
<i><b>Housing Department Indicators</b></i>							
Total dwelling / housing units	26,235	26,265	26,284	26,284	26,304	26,276	26,280
Number of point of sale inspections	1,218	1,153	1,288	1,229	1,161	1,227	1,068
Number of rental inspections performed	10,435	9,482	9,761	9,017	7,636	7,542	7,778
Revenue generated from Housing Fees	\$ 876,234	\$ 732,683	\$ 720,042	\$ 579,290	\$ 562,178	\$ 576,939	\$ 555,516
<b>Security of Persons &amp; Property</b>							
<i><b>Police</b></i>							
Total Crimes/Offenses	17,187	19,789	21,446	16,677	18,320	20,321	20,456
Motor Vehicle Accidents	1,315	1,428	1,456	1,516	1,488	1,696	1,667
Fatalities from Motor Vehicle Accidents	3	3	1	2	4	2	4
Number of criminal arrests	3,201	2,942	2,883	2,566	2,986	2,823	2,375
Number of traffic citations issued	12,023	10,094	8,498	7,719	10,001	10,545	9,702
Number of parking citations issued	5,133	6,311	3,980	3,997	5,430	5,802	6,513
Narcotics & Vice Criminal Charges	2,524	2,277	2,710	2,252	1,969	1,543	972
Warrants Processed	3,351	4,247	3,335	3,465	4,280	3,723	3,605
Emergency Response Team (ERT) calls for service	25	14	6	10	6	15	12
Police Dept. Auxiliary hours worked	2,330.00	2,818.75	2,976.50	3,068.50	3,216.00	2,589.45	2,233.50
Grant Awards	\$ 296,910	\$ 238,261	\$ 296,860	\$ 265,784	\$ 103,627	\$ 128,090	\$ 371,521
Prisoners (Total Jail Days)	30,364	29,591	29,339	25,416	25,991	23,437	23,514
Prisoner revenue	\$ 678,661	\$ 997,818	\$ 519,437	\$ 666,896	\$ 467,210	\$ 546,320	\$ 555,704
Juvenile Diversion Program - referred	165	557	363	347	159	184	106
Juvenile Diversion Program - accepted	82	456	324	181	115	175	98
<i><b>Fire</b></i>							
EMS Calls	5,575	5,466	5,544	5,452	5,397	5,217	4,993
Ambulance Billing Collections (net)	\$ 1,178,278	\$ 1,175,599	\$ 1,174,427	\$ 1,124,218	\$ 979,105	\$ 925,934	\$ 815,156
Fire Calls	1,403	1,259	1,236	1,165	1,086	1,068	1,148
Fire Losses	\$ 1,585,500	\$ 1,119,925	\$ 917,200	\$ 1,219,400	\$ 1,867,400	\$ 883,325	\$ 3,162,325
Fire Safety Company Inspections	1,355	1,433	1,664	2,273	3,142	3,084	3,059
Fire Prevention Bureau Inspections	2,614	2,841	2,616	2,763	2,920	2,671	2,838
EMS Training (Man Hours)	1334.50	1996.75	1917.75	1071.50	1919.75	1247.25	1501.50
Fire Training (Man Hours)	8591.00	7028.00	6939.75	6784.00	8742.25	8351.50	7960.00
<b>Public Health and Welfare</b>							
Cemetery burials	1	0	0	3	5	3	7
Cemetery cremations	4	0	1	1	1	5	0
Cemetery sale of lots	0	0	0	0	0	0	0
Cemetery receipts	\$ 1,000	\$ 400	\$ 400	\$ 1,415	\$ 2,300	\$ 1,372	\$ 1,725

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

(Continued)

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

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

(Continued)

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

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

**CITY OF EUCLID, OHIO**  
**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM**  
**LAST FIVE YEARS**

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







**Mary Taylor, CPA**  
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 24, 2009**