
CITY OF NORTH OLMSTED, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the Year Ended December 31, 2010

Issued by the Department of Finance

Carrie B. Copfer, CPA

Director of Finance

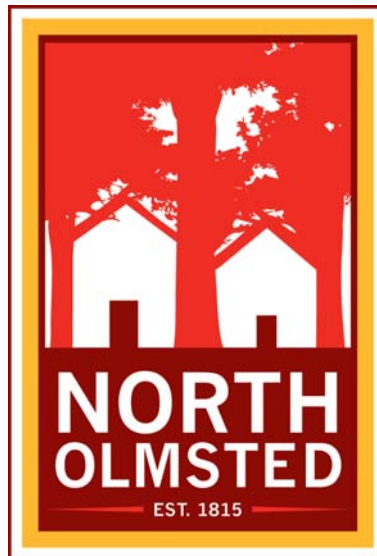
Jessica K. Howlett, CPA

Assistant Director of Finance

City of North Olmsted, Ohio

Comprehensive Annual Financial Report

December 31, 2010



Issued by: Department of Finance
Carrie B. Copfer, CPA, Director of Finance
Jessica K. Howlett, CPA, Assistant Director of Finance

**INTRODUCTORY
SECTION**

City of North Olmsted, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2010

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City of North Olmsted

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Carrie B. Copfer, CPA
Director of Finance

Department of Finance

Phone: (440) 777-8000
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June 24, 2011

Honorable Kevin M. Kennedy
Citizens of North Olmsted, Ohio
And Members of City Council

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all cities file annual audited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended December 31, 2010.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that the City has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Ciuni & Panichi, Inc. (Certified Public Accountants and Business Advisors), have issued an unqualified (“clean”) opinion on the City of North Olmsted’s financial statements for the year ended December 31, 2010. The Independent Auditors’ Report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Basic Information

North Olmsted was once a part of the Connecticut Western Reserve, claimed by the state of Connecticut. Investors bought land from the state, sight unseen, and went west to divide it up and sell it to settlers. Aaron Olmstead was one of the early landowners, but he never lived here. His son, Charles Olmstead, owned much of the land along Butternut Ridge and sold plots to the pioneer settlers beginning in 1815. In 1820 Charles Olmstead offered his father’s library of 500 books to the community, then called Lenox, if they would change the name to Olmstead. They agreed, and the books, brought by oxcart from Connecticut, were used as a circulating library. The remaining 153 books are on display in the City’s library. Over the course of the years, the “a” was omitted and the city became known as “North Olmsted.”

In 1908 the residents voted to incorporate, becoming a village. In 1951 North Olmsted became a city because it had a population of over 5,000 people. The rapid growth was attributed to returning World War II veterans looking to provide a suburban living for their families. At one time the City was considered the fastest growing city in Ohio because it more than doubled in size from 1950 to 1960 and doubled again in 1970. Since the 1970 census, the population of North Olmsted has stayed relatively constant. The 2010 census was 32,718 which represents a four percent decline from the 2000 census.

The City is a suburban community located in Cuyahoga County in Northeastern Ohio, approximately 13 miles southwest of the downtown area of the City of Cleveland and approximately 18 miles southeast of the City of Lorain. The City is served by diversified transportation facilities. There is immediate access to three State and U.S. highways and interstate highways I-80 (the Ohio Turnpike) and I-480, with access to interstate highways I-90 and I-71 within five miles of the City. The City is served by Cleveland Hopkins



International Airport, located within five miles of the City, and is adjacent to areas served by Conrail and Amtrak railroads.

The City of North Olmsted's primary government consists of all funds and departments, which are not legally separate from the City and provide a full range of services including:

- ◆ Police, Emergency Medical Services and Fire Protection
- ◆ Parks and Recreational Activities and Facilities
- ◆ 18 hole Golf Course and Historic Ballroom
- ◆ Senior Center and Related Programs
- ◆ Local Human Services - ministering to youth, disabled, seniors and needy families
- ◆ Planning and Zoning Committees
- ◆ Building Code Enforcement
- ◆ Waste Water Treatment Plant Processing of Sanitary Sewage
- ◆ Maintenance and Improvement of City Roads and Infrastructure
- ◆ Maintenance and Improvement of Storm and Sanitary Sewer Systems
- ◆ Administrative and Legislative functions including Council, Law, Finance, Human Resources and Information Technology

The City of North Olmsted operates under and is governed by its Charter, first adopted by the voters in 1959. The Charter has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven-member Council, of whom three members are at-large and four members are from wards, all elected to four-year terms. The Council sets compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, elected specifically to that office by the voters for a four-year term. The President of Council has no vote except in the event of a tie. The Charter establishes certain administrative departments and the Council may establish divisions of those departments or additional departments and has exercised that authority.

The City's chief executive and administrative officer is the Mayor, elected by the voters specifically to that office for a four-year term. The other elected City officials are the Director of Finance and the Director of Law, each elected to a four-year term. All elected officials, except the Mayor and Director of Finance, serve part-time.

The Mayor has authority to appoint the directors of Public Safety, Public Service, Human Resources, Planning and Economic Development, certain City employees and members of a number of City boards and commissions. The Mayor generally may remove, without the concurrence of Council and in accordance with civil service and collective bargaining agreement requirements, all officers and employees he has appointed, except that directors of the aforementioned departments may only be removed with the concurrence of two-thirds of the members of Council. The Mayor may not remove officers and employees of Council, Finance or the Law departments.

The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

Component Unit

The North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) has been presented as a discretely presented component unit of the primary government, based on the significant services and resources provided by the City. A complete discussion of the City's reporting entity is provided in Notes 1 and 21 of the basic financial statements.

Budgetary Process

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriations at any level of control. Any revisions that alter the appropriations at the legal level of budgetary control must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. The City maintains budgetary control on a cash basis by department for salaries, other expenditures and debt service. Estimated expenditure amounts must be encumbered prior to the release of purchase orders to vendors or finalization of other contracts. Encumbrances that would exceed the available appropriation level are identified on an ongoing basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by City Council throughout the year by supplemental appropriations, which either reallocate or increase the original appropriated amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures, which appear in the statement of budgetary comparisons, represent the original permanent appropriation and the final appropriations amounts, including all amendments and modifications.

FACTORS AFFECTING FINANCIAL CONDITION

Summary of Local Economy

The City is a suburban residential community and a commercial center for the western portion of the County and adjacent Lorain County. The City has actively promoted commercial, residential and light industrial development, and has established a City-wide community reinvestment area and participated in an enterprise zone within the County for that purpose, as hereinafter discussed in more detail.

The largest commercial development in the City includes the Westfield Shopping Mall and the adjacent Great Northern Shopping Center, together constituting a 2.0 million square foot retail complex with approximately 225 stores, professional and medical offices and restaurants; the Great Northern Corporate Center I, II and III, a 267,000 square foot executive office complex; and the Great Northern Technology Center, a 144,000 square foot office complex. All of this development is located adjacent to an interchange on interstate highway I-480. The properties have been developed in phases over the past 35 years, and the businesses located in them now provide employment for approximately 6,500 persons. The local economy has developed and redeveloped around this area. In 2007 the Westfield Group made a significant improvement to the mall and its outlying restaurants and other properties to keep its status of top performing mall complexes.

While the City has several larger taxpayers, it is not dependent on a single revenue source or a single taxpayer which is a strength during an economic downturn. The City Charter allows for 11.1 charter millage to be levied on property, which also is unique to cities. Additionally, the City, which currently offers residents 100 percent credit on up to two percent for taxes paid to their workplace city, can adjust that credit through an ordinance of Council.

The local economy, which is a direct reflection of the region, state, national and global recession saw another year of dramatic declines in jobs and development, and an increase in many struggling businesses. Retail and automotive sales are major businesses in North Olmsted and they continued to suffer. This is evidenced in the two percent decline in total municipal income tax, though the net profit (corporate) income tax ended 23.5 percent below 2009. Unemployment was at nine and one-half percent in the county at the end of 2010.

The County reduced real property tax values by seven percent, mirroring the market value decline. The number of home sales dropped again with the credit crisis and any improvements made to enhance value was limited as evidenced by the type of building permits being issued. The number of foreclosures stayed relatively unchanged from 2009 at approximately 200, which represents 1.64 percent of the 10,414 housing units and 1,664 condominiums.

The State, in its effort to be more aggressive in its economic recovery while balancing a projected 8 billion dollar budget shortfall, has proposed significant cuts in its next biannual budget beginning July 1, 2011 that reduces local government funding. See Management's Discussion and Analysis for a description of these reductions.

Relevant Financial Policies

Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the government are protected from loss, theft or misuse and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, 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 controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

Basis of Accounting

This is the eighth year the City has prepared financial statements following GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." GASB 34 creates basic financial statements for reporting the City's financial activities as follows:

Government-wide financial statements These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

Debt Administration

The Debt Service Fund accounts for the accumulation of resources for the payment of general long-term obligations. Revenue sources for these funds include receipts from property taxes and transfers from other funds consisting of income taxes, hotel/motel taxes, sewer user charges and golf user charges.

The Mayor and his administration prioritize capital projects for which borrowings are required. City Council approves such borrowings for these purposes. Both the Administration and Council have been committed to borrowing for the prioritized list of current capital needs at an amount less than the City is retiring each year in general obligation debt so that each year the City's total general obligation debt is declining. This is a general policy with the Mayor's and City Council's consideration of the impact of voted tax issues and self-supporting enterprise fund debt.

In April of 2006, the City of North Olmsted received a rating increase to an A1 rating from Moody's Investor Service Inc. for limited tax and an Aa3 rating for unlimited tax. Fitch IBCA affirmed the City's A+ rating in April 2006, and again in August 2009. In April of 2010, under pressure from the federal government, all three rating agencies adjusted the way municipal debts were rated to basing it on the likelihood of default, which is the standard for corporate debt. This will increase the market of potential municipal buyers, and theoretically, reduce the cost of borrowing due to the increased competition. The recalibration caused Moody's Investor Services to raise the City's rating to Aa2 on all outstanding debt, while Fitch raised the rating to AA-. Moody's affirmed that rating in July 2010 for the general obligation bond issue and all the City's outstanding debt.

Major Initiatives

The City, by partnering with the unions and other employee groups, obtained concessions between five to ten percent in wages and benefits, resulting in a more than \$1.3 million savings in 2010.

The City Charter was changed by a vote of the people taking the requirement of certain positions out of the Charter and allowing the Council to restructure the City departments and responsibilities to gain efficiencies.

The Staffing for Adequate Fire and Emergency Response (SAFER) grant was awarded to the City through the Federal Emergency Management Agency that enabled the call back of four laid-off emergency responders with wages and benefits for two years and no city matching funds were required.

The City issued bonds for \$4,005,000 to retire 2007-2009 street improvement bond anticipation notes of \$2,700,000. The remaining \$1,015,000 was for 2010 street improvements and \$290,000 for a sanitary sewer jet gap vac truck.

A new National Pollutant Elimination Discharge System permit with requirements to improve both the collection system and plant by December 2014 was obtained by the City from the Environmental Protective Agency (EPA). Also an EPA loan for the necessary improvements to the collection system and plant renovation totaling \$44 million was approved. The collection system will be bid out in fall 2011 with the plant to follow in 2012.

Long-term Financial Planning

The City does not have a formal long-term capital plan; however, the City is layering new borrowing for street improvements at \$1,000,000 annually. The outstanding bonded street debt requirements are reduced substantially in 2013.

The City currently does not have a formal long-range plan for fund balance accumulations, however, through prudent budget management, the General Fund balance at the end of the year was 11.36 percent of General Fund revenues. In the 2011 budget process, the city began a compensated absences fund and a twenty-seventh pay fund both with multiple year funding plans.

AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement

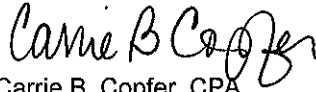
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Olmsted for its comprehensive annual financial report for the fiscal year ended December 31, 2009. This was the eleventh consecutive year that the city has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit 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 a period of one year only. We believe that 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.

Acknowledgments

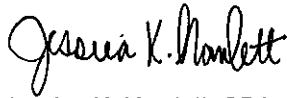
The 2010 Comprehensive Annual Financial Report was prepared by the Finance Department with cooperation from all city departments. We would like to express our appreciation to Ciuni & Panichi, Inc. for their guidance in the preparation of this report.

We would also like to thank the Mayor and members of City Council for supporting the preparation of this report, which expresses their commitment to financial integrity. In closing, we are grateful to the residents and taxpayers of the City of North Olmsted for entrusting us with the fiscal administration of their local government.

Respectfully submitted,

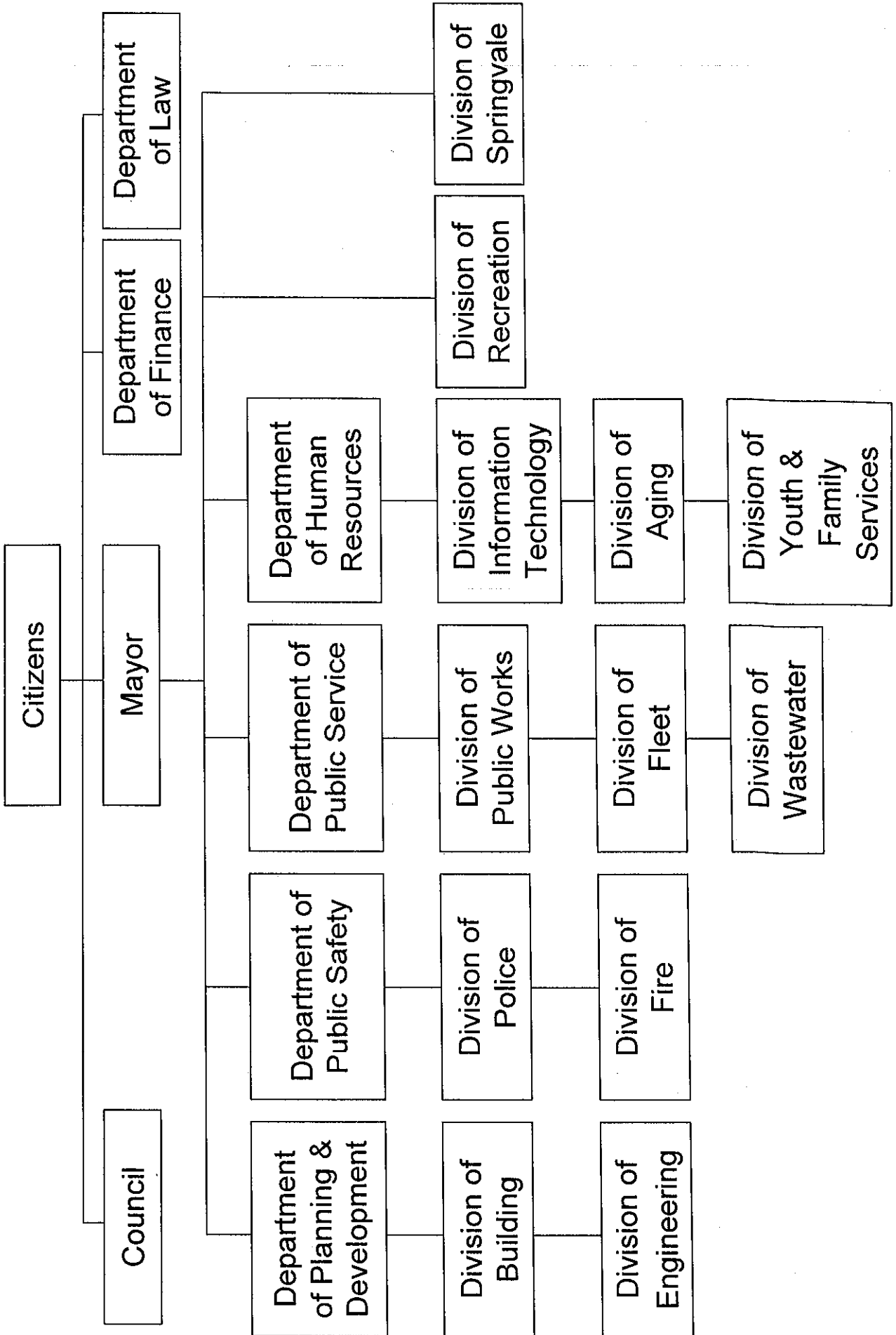


Carrie B. Copfer, CPA
Director of Finance



Jessica K. Howlett, CPA
Assistant Director of Finance

CITY OF NORTH OLMSTED ORGANIZATIONAL CHART



City of North Olmsted, Ohio

Principal City Officials

December 31, 2010

Elected Officials

Kevin M. Kennedy Mayor
Michael R. Gareau, Jr..... Director of Law
Carrie B. Copfer Director of Finance
Duane K. Limpert..... President of Council
Louis Brossard Council Ward 1
Paul R. Barker Council Ward 2
Nicole Dailey Jones..... Council Ward 3
Lawrence R. Orłowski Council Ward 4
Kevin G. Kearney..... Council-At-Large
Mark J. Mahoney Council-At-Large
Angela Williamson..... Council-At-Large

Appointed Officials

Cheryl Farver Director of Human Resources
Chase Ritenauer Director of Public Safety and Service
Kimberly Wenger..... Director of Planning Development

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of North Olmsted
Ohio

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

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



President

Executive Director

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**FINANCIAL
SECTION**

Independent Auditors' Report

Members of the City Council
North Olmsted, Ohio

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

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

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

As described in Note 3, during the year ended December 31, 2010, the City implemented Governmental Accounting Standard Board (GASB) Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*; GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*; and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

Members of the City Council
North Olmsted, Ohio

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 14 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Cini & Parichi, Inc.

Cleveland, Ohio
June 24, 2011

City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2010

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

Financial Highlights

Key financial highlights for 2010 are as follows:

- Total net assets are \$68,364,490 at December 31, 2010, which represents a 16.1 percent increase from the prior year. This increase is primarily attributed to the completion of the Crocker/Stearns road project in 2010, in which \$8,062,080 was contributed by Cuyahoga County and capitalized by the City.
- Total expenses decreased by 6.3 percent in 2010 from 2009. A major factor in this decrease was the impact of employee wage concessions made in 2010.
- The City issued \$4,005,000 in general obligation bonds for various purposes and received an Aa2 rating from Moody's Investor Services on these bonds and on all of the City's bonded debt.
- Total liabilities decreased by \$5,652,080 or 8.4 percent decrease from 2009 primarily from debt service payments.

Using This Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of North Olmsted as a financial whole or as an entire operating entity. The statements proceed to provide an increasingly detailed look at our specific financial condition.

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

City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2010

Reporting the City of North Olmsted as a Whole

Statement of Net Assets and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and measures how the City did financially during fiscal year 2010. The *Statement of Net Assets* and the *Statement of Activities* include assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

Reporting the City of North Olmsted's Most Significant Funds

Fund Financial Statements

The presentation of the City's major funds begins on page 18. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of North Olmsted, the major governmental funds are the General Fund, Permanent Improvements Fund and General Obligation Bond Retirement Fund and the major enterprise funds are North Olmsted Municipal Bus Line (NOMBL) Fund, Springvale Golf Course and Ballroom Fund, and Sewer Revenue Fund.

City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2010

Governmental Funds

Most of the City's activities are reported in the governmental funds which focus on how money flows into and out of those funds and the balances left at year end available for spending in future periods. Governmental funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Government fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the *Statement of Net Assets* and the *Statement of Activities*) and governmental funds is reconciled in the financial statements.

Proprietary Funds

The City of North Olmsted maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities. The City uses enterprise funds to account for the operations of its municipal bus line, golf course and ballroom and sanitary sewer plant and system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains this type of fund for its self-insurance of health related employee benefits and self-insurance of workers' compensation. Because this predominately affects governmental rather than business functions, it has been included within the governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found beginning on page 25 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support the City's own programs. The City of North Olmsted has only one agency fund to report within the fiduciary fund category. Agency funds are reported on a full accrual basis and only present a statement of assets and liabilities.

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 30 of this report.

Other Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all funds. This information can be found starting on page 65 of this report.

City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2010

The City of North Olmsted as a Whole

The *Statement of Net Assets* looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2010 compared to 2009.

Table 1
Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Assets:						
Current and Other Assets	\$ 31,842,736	\$ 30,390,704	\$ 1,404,583	\$ 950,947	\$ 33,247,319	\$ 31,341,651
Capital Assets, Net	<u>69,434,775</u>	<u>66,882,536</u>	<u>27,393,653</u>	<u>28,009,644</u>	<u>96,828,428</u>	<u>94,892,180</u>
Total Assets	<u>101,277,511</u>	<u>97,273,240</u>	<u>28,798,236</u>	<u>28,960,591</u>	<u>130,075,747</u>	<u>126,233,831</u>
Liabilities:						
Current Liabilities	10,828,875	11,327,709	286,177	541,221	11,115,052	11,868,930
Long-term Liabilities	<u>35,741,074</u>	<u>39,879,197</u>	<u>14,855,131</u>	<u>15,615,210</u>	<u>50,596,205</u>	<u>55,494,407</u>
Total Liabilities	<u>46,569,949</u>	<u>51,206,906</u>	<u>15,141,308</u>	<u>16,156,431</u>	<u>61,711,257</u>	<u>67,363,337</u>
Net Assets:						
Invested in Capital Assets, Net of Related Debt	38,558,141	32,357,653	13,079,015	12,896,414	51,637,156	45,254,067
Restricted	11,995,201	12,112,003	-	-	11,995,201	12,112,003
Unrestricted	<u>4,154,220</u>	<u>1,596,678</u>	<u>577,913</u>	<u>(92,254)</u>	<u>4,732,133</u>	<u>1,504,424</u>
Total Net Assets	\$ <u>54,707,562</u>	\$ <u>46,066,334</u>	\$ <u>13,656,928</u>	\$ <u>12,804,160</u>	\$ <u>68,364,490</u>	\$ <u>58,870,494</u>

Net assets may serve over time as a useful indicator of a government's financial position. For the City of North Olmsted, total assets exceed total liabilities by \$68,364,490 as of December 31, 2010, which is a 16.1 percent increase from the prior year, or a \$9,493,996 increase. At the end of the current year, the City of North Olmsted is able to report positive balances in all three categories of net assets.

The largest portion of the City's net assets (75.5 percent) reflects the investments in capital assets (land, construction in progress, buildings, improvements other than buildings, machinery and equipment, furniture and fixtures and infrastructure) less any related debt to acquire those assets that is still outstanding. These capital assets are used to provide services to the City's citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

City of North Olmsted

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Total assets for 2010 increased by \$3,841,916 or 3.0 percent when compared to 2009. Current assets increased by \$1,905,668 or 6.1 percent from 2009. The increase in total assets was mainly due to capital asset additions, including the Crocker/Stearns road project that was completed in 2010. The net affect of depreciation, additions and deletions on governmental activities was an increase of \$2,552,239. Business-type activities capital assets decreased by \$615,991, which is primarily attributed to the accumulated depreciation on capital assets of the sanitary sewer plant and system exceeding the additions and deletions.

The City's total liabilities decreased \$5,652,080 from 2009 to 2010. The total current liabilities declined by \$753,878, primarily from a decrease in accounts payable, which is a result of permanent improvement and water treatment plant design contracts being completed in 2010 and a decline in unearned revenue, which is a result of decreased property tax collections. Total long term liabilities decreased by \$4,898,202 which can be attributed to the annual debt service payments offset by additional borrowing for capital projects for both governmental and business-type activities.

In order to further understand what makes up the changes in net assets for the current year, Table 2 provides further details regarding the results of activities for the current year.

City of North Olmsted
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Table 2
Changes in Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues:						
Program revenues:						
Charges for services	\$ 3,898,794	\$ 3,821,114	\$ 8,074,799	\$ 7,657,348	\$ 11,973,593	\$ 11,478,462
Operating grants and contributions	1,857,890	1,696,873	-	-	1,857,890	1,696,873
Capital grants and contributions	<u>8,162,080</u>	<u>800,379</u>	<u>71,428</u>	<u>124,197</u>	<u>8,233,508</u>	<u>924,576</u>
Total program revenues	<u>13,918,764</u>	<u>6,318,366</u>	<u>8,146,227</u>	<u>7,781,545</u>	<u>22,064,991</u>	<u>14,099,911</u>
General revenues:						
Property taxes and other taxes	9,895,600	11,020,701	-	-	9,895,600	11,020,701
Municipal income taxes	12,142,212	12,239,390	-	-	12,142,212	12,239,390
Grants and entitlements	3,954,223	3,462,553	-	-	3,954,223	3,462,553
Other	<u>85,191</u>	<u>107,974</u>	<u>-</u>	<u>-</u>	<u>85,191</u>	<u>107,974</u>
Total general revenues	<u>26,077,226</u>	<u>26,830,618</u>	<u>-</u>	<u>-</u>	<u>26,077,226</u>	<u>26,830,618</u>
Total revenues	<u>39,995,990</u>	<u>33,148,984</u>	<u>8,146,227</u>	<u>7,781,545</u>	<u>48,142,217</u>	<u>40,930,529</u>
Program expenses:						
General government	3,276,027	3,900,267	-	-	3,276,027	3,900,267
Security of persons and property	11,627,831	12,806,773	-	-	11,627,831	12,806,773
Public health welfare	467,464	536,943	-	-	467,464	536,943
Transportation	9,184,733	9,493,814	-	-	9,184,733	9,493,814
Basic utility services	2,246,112	2,111,966	-	-	2,246,112	2,111,966
Leisure time activities	2,519,617	2,493,927	-	-	2,519,617	2,493,927
Economic development	377,094	548,066	-	-	377,094	548,066
Interest and fiscal charges	1,580,084	1,754,255	-	-	1,580,084	1,754,255
NOMBL	-	-	-	13,158	-	13,158
Springvale	-	-	1,403,969	1,337,078	1,403,969	1,337,078
Sewer	-	-	<u>5,965,290</u>	<u>6,251,896</u>	<u>5,965,290</u>	<u>6,251,896</u>
Total program expenses	<u>31,278,962</u>	<u>33,646,011</u>	<u>7,369,259</u>	<u>7,602,132</u>	<u>38,648,221</u>	<u>41,248,143</u>
Change in net assets before transfers	8,717,028	(497,027)	776,968	179,413	9,493,996	(317,614)
Transfers	<u>(75,800)</u>	<u>(27,781)</u>	<u>75,800</u>	<u>27,781</u>	<u>-</u>	<u>-</u>
Change in net assets	8,641,228	(524,808)	852,768	207,194	9,493,996	(317,614)
Net assets, beginning of year	<u>46,066,334</u>	<u>46,591,142</u>	<u>12,804,160</u>	<u>12,596,966</u>	<u>58,870,494</u>	<u>59,188,108</u>
Net assets, end of year	\$ <u>54,707,562</u>	\$ <u>46,066,334</u>	\$ <u>13,656,928</u>	\$ <u>12,804,160</u>	\$ <u>68,364,490</u>	\$ <u>58,870,494</u>

City of North Olmsted

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For the Fiscal Year Ended December 31, 2010

Governmental Activities

Overall, total governmental activities revenues increased by \$6,847,006. Program revenues represent 34.8 percent of the total governmental activities revenues. This includes charges for services and both operating and capital grants. Program revenues increased in 2010 by \$7,600,398. The increase in program revenues is primarily due to capital grants and contributions of \$8,162,080, of which \$8,062,080 was contributed by Cuyahoga County for the completion of the Crocker/Stearns road project in 2010 and capitalized by the City.

General revenues represent the other 65.2 percent of total governmental activities with municipal income taxes at 30.4 percent, property and other local taxes at 24.7 percent and grants, entitlements and other miscellaneous revenues representing the remaining 10.1 percent. General revenues declined in 2010 by \$753,392. Property taxes decreased by \$1,125,101 or 10.2 percent, which represents the decline in real property values for tax year 2009 as well as recession conditions. Municipal income taxes declined by \$97,178 or 1.0 percent from 2009 which is a direct result of the economic recession. Grants and entitlements increased by \$491,670 or 14.2 percent in 2010. This is primarily due to an increase in estate tax revenues in 2010. Other general revenues decreased by \$22,783 in 2010 primarily from reduced investment earnings from the low investments rates on all sources of allowable investments throughout 2010.

Overall, total program expenses decreased by 7.0 percent from 2009 or \$2,367,049. With the exception of leisure time activities and basic utility services, all functional expenses declined due to the effect of employee wage concessions, and the limit on all but critical capital equipment purchases, materials and supplies, and outside services.

General government represents 10.5 percent of program expenses. This includes all the general governmental expenses used by the entire City such as council, mayor administration, finance, law, etc. These expenses decreased by 16.0 percent. In addition to the aforementioned, savings on wages and benefits were achieved from employee wage concessions in 2010.

Security of persons and property represent 37.2 percent of program expenses. This includes the cost of the police, dispatch, fire and paramedic services. A 9.2 percent decline, \$1,178,942, from 2009 represents a savings in wages and benefits from the wage concessions in effect during 2010.

Transportation expenses, which represent 29.3 percent of program expenses, decreased by 3.3 percent from the prior year. This includes the cost of providing all public works services such as street and storm channel maintenance and improvements, public property maintenance, snow removal, brush removal and equipment maintenance. Program expenses decreased as a result of employee wage concessions, offset by an increase in road maintenance supplies including salt.

Leisure time activities represent 8.1 percent of program expenses. This is the cost of operating the recreation center and parks, recreational programs and programs provided to senior citizens. Despite stringent management of spending in 2010, leisure time activities increased by 1.0 percent due to \$40,000 in emergency repairs to equipment at the recreation center.

Interest and fiscal charges on debt service are 5.1 percent of program expenses. They ended 9.9 percent less as debt service payments represent more principal and less interest each year.

City of North Olmsted

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Business Type Activities

Charges for services are the primary source of program revenues for the business type activities. The municipal bus line (NOMBL) has not operated since 2005, but has not been liquidated due to special assessments still owed on the City land. The Springvale Golf Course and Ballroom (Springvale) has both golf and event revenues. The sewer plant and collection system operations (WWTP) represent the largest share of the charges for services. The City is in year three of a five year rate plan increase. Even with the 9.5 percent rate increase in 2010 over 2009, program revenues only went up 4.7 percent, illustrating the decline in WWTP volume in 2010.

Despite a 5 percent increase in Springvale expenses, business type activity expenses decreased in 2010 by 3.1 percent or \$232,873 from the prior year. Both Springvale and WWTP were not immune from the constraints required on materials and supplies and contractual services due to the economic recession. Wage concessions also applied to employees in these business type activities as well. The increase in Springvale expenditures was due to increased part time staffing levels and supplies required to meet increased golf outing activity in 2010. Additionally, course improvements of approximately \$30,000 were made during 2010.

Financial Analysis of the City's Funds

The City of North Olmsted uses fund accounting as mandated by governmental legal requirements. The importance of accounting and reporting using this method is to demonstrate compliance with these finance related 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. Information about the City's governmental funds begins on page 18. These funds are accounted for by using the modified accrual basis of accounting.

As of December 31, 2010, the City's governmental funds reported combined ending fund balances of \$14,850,300. Of that amount, \$13,555,957 constitutes unreserved fund balances, which is available for spending at the government's discretion. The \$1,294,343 of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchases of the prior period and for advances to other funds.

All governmental funds had total revenues of \$31,546,296 and expenditures of \$34,877,818, leaving a deficiency of revenues under expenditures of \$3,331,522. After consideration of \$3,888,192 in other financing sources and uses, the current year income was \$556,670.

The General Fund is the most significant fund as it is the source for providing a significant portion of major governmental activities such as police, fire, service, legislative and administrative functions. In 2010, the General Fund had total revenues of \$18,342,983 and expenditures of \$17,360,411 resulting in an increase in fund balance of \$902,901, after consideration of \$79,671 in net other financing uses, for an ending General Fund balance at December 31, 2010 of \$4,491,661. General Fund revenues decreased from the prior year

City of North Olmsted

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revenues by 1.1 percent or \$202,307 and expenditures were \$725,979 less than last year's expenditures, a 4.0 percent decrease. Property tax revenues declined by 7.6 percent as the assessed valuation of properties in the City were reduced by 7%. Municipal income taxes decreased by 3.8 percent, which is attributable to the economic recession. Intergovernmental revenues increased by 18.3 percent, which was primarily due to a \$345,186 increase in estate taxes received in 2010. Charges for services increased by 6.2 percent as charges were evaluated and adjusted where possible and EMS runs increased by 3.5 percent. Wage concessions were in effect for all employees in 2010 along with major spending reductions on fuel, materials and supplies and contractual services. Where possible the city broadened the use of special revenue funds to transfer operating costs from the general fund. The largest areas affected were general government, security of persons and property and transportation.

The Permanent Improvements Fund accounts for 15 percent of the municipal income tax receipts and expenditures for the permanent improvement of streets and storm sewer system. In 2010, the Permanent Improvements Fund had total revenues of \$1,776,215 and expenditures of \$4,273,662 resulting in a decrease in fund balance of \$164,645, after consideration of \$2,332,802 in net other financing sources, for an ending fund balance at December 31, 2010 of \$2,081,869. Revenues in 2010 decreased by \$282,169 from the prior year as local share monies from the county for the completed Dover Road resurfacing project were mostly received in 2009, and 3.9 percent less was collected in income tax due to the economic recession. Expenditures increased from the prior year as another year's worth of notes were borrowed to perform street improvements; bonds were then issued in 2010.

The General Obligation Bond Retirement Fund accounts for resources that are used for payments of principal and interest and fiscal charges on general obligation debt. In 2010, the General Obligation Bond Retirement Fund had total revenues of \$3,151,364 and expenditures of \$4,780,416 resulting in an increase in fund balance of \$144,764, after consideration of \$1,773,816 in net other financing sources, for an ending fund balance at December 31, 2010 of \$2,802,057. The General Obligation Bond Retirement fund revenues decreased in 2010 by \$222,311 primarily from significantly lower property tax and homestead and rollback receipts due to the 7 percent decline in property valuations. The expenditures and transfers in are set by the bonds and are comparable to the prior year in total, though more principal and less interest was paid in 2010.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. The City amended its General Fund budget at various times throughout fiscal year 2010. All recommendations for budget amendments are initially presented to the Finance Committee of City Council for review before they are presented to the whole Council for Ordinance enactment on the change. Budgetary modifications between the legal level of control categories may only be made by resolution of the City Council. The City allows intra-department budget modifications if they are within the same legal level of control category. The General Fund supports many of the City's major activities such as the police, fire and service departments, as well as most legislative and administrative activities. The General Fund is monitored closely, looking for possible revenue shortfalls or potential overspending by individual departments.

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For the General Fund, the original budgeted revenues and other financing sources were \$17,516,672. The final budgeted revenues and other financing sources were \$17,515,672. The City actually received \$18,596,433 in 2010. The excess came primarily from greater than anticipated municipal income tax revenues of \$8,418,440, due to conservative projections, and greater than anticipated intergovernmental revenues from estate tax collections. The original appropriations, including other financing uses for the General Fund were \$19,120,786. The final appropriations, including other financing uses, were \$19,064,996. The City's actual expenditures, excluding other financing uses ended \$868,095 below the final budgeted amount primarily from employee wage concessions and limited spending by all divisions in fuel, materials and supplies and outside services. There was a \$612,290 excess of revenues over expenditures before the \$212,284 net other financing uses. This resulted in a net increase of the General Fund balance of \$400,006.

Capital Assets and Debt Administration

Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Land	\$ 4,054,455	\$ 4,054,455	\$ 2,617,895	\$ 2,617,895	\$ 6,672,350	\$ 6,672,350
Land improvements, not depreciated	-	-	19,453	19,453	19,453	19,453
Construction in progress	18,986	154,606	1,232,247	628,446	1,251,233	783,052
Other non-depreciable assets	23,000	23,000	-	-	23,000	23,000
Land improvements	397,501	445,130	652,602	703,361	1,050,103	1,148,491
Buildings and improvements	15,438,311	16,026,357	6,605,358	7,051,256	22,043,669	23,077,613
Furniture and fixtures	170,046	238,301	-	-	170,046	238,301
Vehicles and equipment	2,060,222	2,136,381	10,232,731	10,678,311	12,292,953	12,814,692
Infrastructure	<u>47,272,254</u>	<u>43,804,306</u>	<u>6,033,367</u>	<u>6,310,922</u>	<u>53,305,621</u>	<u>50,115,228</u>
Total	\$ <u>69,434,775</u>	\$ <u>66,882,536</u>	\$ <u>27,393,653</u>	\$ <u>28,009,644</u>	\$ <u>96,828,428</u>	\$ <u>94,892,180</u>

Total capital assets net of depreciation of the City's governmental activities as of December 31, 2010, were \$69,434,775, which was \$2,552,239 higher than December 31, 2009. The most significant additions were in roads of \$9,341,103, of which \$8,062,080 is the completion of the Crocker/Stearns road project. This addition was offset by disposals and annual depreciation expense of \$7,127,222. Business type activities net capital assets decreased by \$615,991 from 2009 which is primarily due to the annual depreciation of \$1,582,999 exceeding the new capital additions, which is primarily the engineering for the significant upgrade of the antiquated wastewater treatment plant and collection system, design services which are substantially complete at \$1,232,247. For additional information see Note 8.

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Management's Discussion and Analysis (Unaudited)
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Debt and Other Long-Term Obligations

As of December 31, 2010, the City of North Olmsted had \$50,596,205 in total debt and other long-term obligations outstanding with \$7,706,452 due within one year.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
General obligation bonds	\$ 30,783,808	\$ 31,165,433	\$ 12,222,846	\$ 13,313,153	\$ 43,006,654	\$ 44,478,586
Special assessment bonds	-	90,000	-	-	-	90,000
OWDA loan	-	-	1,436,697	1,018,076	1,436,697	1,018,076
OPWC loans	40,837	54,450	651,668	782,001	692,505	836,451
Police pension	93,801	96,629	-	-	93,801	96,629
Long-term notes	-	3,215,000	-	-	-	3,215,000
Compensated absences	4,527,146	4,696,106	540,493	501,980	5,067,639	5,198,086
Settlements and judgments	-	205,985	-	-	-	205,985
Claims payable	243,493	355,594	-	-	243,493	355,594
Capital leases	<u>51,989</u>	<u>-</u>	<u>3,427</u>	<u>-</u>	<u>55,416</u>	<u>-</u>
Total	<u>\$ 35,741,074</u>	<u>\$ 39,879,197</u>	<u>\$ 14,855,131</u>	<u>\$ 15,615,210</u>	<u>\$ 50,596,205</u>	<u>\$ 55,494,407</u>

The General Obligation Bonds are composed of many various purposes which include street and storm improvements, sanitary sewer improvements, equipment, computerization, golf course purchase and improvements, recreation center and parks improvements, city building improvements and new library and fire station construction. Many revenue sources assist in the payment of debt service. The Special Assessment Bonds are for the Industrial Parkway construction. The property owners pay for this bond which repayment was complete in 2010.

The City has several OPWC and OWDA loans outstanding, however, the OPWC loans are no interest loans.

The State of Ohio statute limits the amount of general obligation debt a governmental entity may issue to 10.5 percent of the total assessed valuation. The City's overall legal debt margin was \$61,864,300 at December 31, 2010. This represents the aggregate principal amount of additional voted and unvoted debt which the City may issue over and above what the City currently has outstanding without exceeding the limitation. This calculation does not take into account the City's ability to repay such debt levels within current resources. Additional information concerning the City's debt can be found in Notes 12, 13, 14, and 15 to the basic financial statements.

Economic Factors and Next Year's Budget

In 2011, The City of North Olmsted will continue to feel the effects of the economic recession that gripped the global, national and regional economies since 2008. In 2011 the City's income tax collections were projected to stay stagnant, as corporate income tax collections are still down. The State of Ohio, in its efforts to balance its budget beginning in July 2011, reduced intergovernmental revenues in 2011 by 25%, and by 50% in fiscal year 2012, as well as accelerating the CAT tax elimination by \$337,000 and \$400,000 in 2011 and 2012, respectively. There is reopener language for the employee wage concessions to remain in effect in 2011, with several unions already agreeing for 80% of the concessions to remain.

City of North Olmsted

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For the Fiscal Year Ended December 31, 2010

Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information, contact the Director of Finance, City of North Olmsted, 5200 Dover Center Road, North Olmsted, Ohio, 44070; telephone 440-777-8000 or e-mail at finance@north-olmsted.com.

City of North Olmsted, Ohio

Statement of Net Assets

December 31, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	North Olmsted Commission on Paratransit, Inc.
Assets:				
Equity in pooled cash and cash equivalents	\$ 13,471,703	\$ 820,795	\$ 14,292,498	\$ 39,568
Interest receivable	2,391	-	2,391	-
Accounts receivable	274,254	-	274,254	-
Materials and supplies inventory	324,201	170,289	494,490	-
Prepaid items	75,461	48,105	123,566	-
Internal balances	2,244,441	(2,244,441)	-	-
Intergovernmental receivable	2,290,265	2,515,692	4,805,957	10,729
Income taxes receivable	3,045,641	-	3,045,641	-
Taxes receivable - property and other	9,919,196	-	9,919,196	-
Unamortized bond issuance costs	195,183	94,143	289,326	-
Non-depreciable capital assets	4,096,441	3,869,595	7,966,036	-
Depreciable capital assets, net	<u>65,338,334</u>	<u>23,524,058</u>	<u>88,862,392</u>	-
Total assets	<u>101,277,511</u>	<u>28,798,236</u>	<u>130,075,747</u>	<u>50,297</u>
Liabilities:				
Accounts and contracts payable	597,567	132,962	730,529	10,729
Accrued wages and benefits	264,525	60,069	324,594	-
Matured compensated absences	123,261	-	123,261	-
Intergovernmental payable	469,656	37,993	507,649	-
Unearned revenue	9,259,692	-	9,259,692	-
Accrued interest payable	114,174	55,153	169,327	-
Long term liabilities:				
Due within one year	5,792,809	1,913,643	7,706,452	-
Due in more than one year	<u>29,948,265</u>	<u>12,941,488</u>	<u>42,889,753</u>	-
Total liabilities	<u>46,569,949</u>	<u>15,141,308</u>	<u>61,711,257</u>	<u>10,729</u>
Net assets:				
Invested in capital assets, net of related debt	38,558,141	13,079,015	51,637,156	-
Restricted for:				
Debt service	4,680,441	-	4,680,441	-
Capital projects	597,111	-	597,111	-
Community development	50,857	-	50,857	-
Highways and streets	4,654,165	-	4,654,165	-
Public safety	642,429	-	642,429	-
Recreation	87,335	-	87,335	-
Solid waste management	672,589	-	672,589	-
Federal and other grants	610,274	-	610,274	-
Unrestricted	<u>4,154,220</u>	<u>577,913</u>	<u>4,732,133</u>	<u>39,568</u>
Total net assets	<u>\$ 54,707,562</u>	<u>\$ 13,656,928</u>	<u>\$ 68,364,490</u>	<u>\$ 39,568</u>

The accompanying notes are an integral part of these financial statements.

City of North Olmsted, Ohio

Statement of Activities

For the Year Ended December 31, 2010

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 3,276,027	\$ 1,247,442	\$ 48,547	\$ -
Security of persons and property	11,627,831	1,191,835	54,646	-
Public health and welfare	467,464	40,077	63,017	-
Transportation	9,184,733	173,141	1,603,510	8,162,080
Basic utility services	2,246,112	-	3,634	-
Leisure time activities	2,519,617	1,226,424	69,136	-
Economic development	377,094	19,875	15,400	-
Interest and fiscal charges	<u>1,580,084</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>31,278,962</u>	<u>3,898,794</u>	<u>1,857,890</u>	<u>8,162,080</u>
Business-type activities:				
NOMBL	-	-	-	-
Springvale golf course and ballroom	1,403,969	1,304,849	-	-
Sewer revenue	<u>5,965,290</u>	<u>6,769,950</u>	<u>-</u>	<u>71,428</u>
Total business-type activities	<u>7,369,259</u>	<u>8,074,799</u>	<u>-</u>	<u>71,428</u>
Total primary government	\$ <u>38,648,221</u>	\$ <u>11,973,593</u>	\$ <u>1,857,890</u>	\$ <u>8,233,508</u>
Component unit:				
North Olmsted Commission on Paratransit, Inc.	\$ <u>143,455</u>	\$ <u>-</u>	\$ <u>143,139</u>	\$ <u>-</u>

General revenues:

- Property taxes levied for:
 - General purposes
 - Recreation
 - Fire pension
 - Police pension
 - Debt service
- Municipal income taxes levied for:
 - General purposes
 - Solid waste management
 - Capital outlay
- Grants and entitlements not restricted to specific programs
- Investment income
- Miscellaneous income
- Total general revenues
- Transfers
- Total general revenues and transfers
- Change in net assets
- Net assets, beginning of year
- Net assets, end of year

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business- Type Activities	Total	North Olmsted Commission on Paratransit, Inc.
\$ (1,980,038)	\$ -	\$ (1,980,038)	\$ -
(10,381,350)	-	(10,381,350)	-
(364,370)	-	(364,370)	-
753,998	-	753,998	-
(2,242,478)	-	(2,242,478)	-
(1,224,057)	-	(1,224,057)	-
(341,819)	-	(341,819)	-
<u>(1,580,084)</u>	<u>-</u>	<u>(1,580,084)</u>	<u>-</u>
<u>(17,360,198)</u>	<u>-</u>	<u>(17,360,198)</u>	<u>-</u>
-	-	-	-
-	(99,120)	(99,120)	-
-	876,088	876,088	-
-	776,968	776,968	-
<u>(17,360,198)</u>	<u>776,968</u>	<u>(16,583,230)</u>	<u>-</u>
-	-	-	(316)
4,892,614	-	4,892,614	-
869,808	-	869,808	-
217,415	-	217,415	-
219,520	-	219,520	-
3,696,243	-	3,696,243	-
8,500,685	-	8,500,685	-
1,820,763	-	1,820,763	-
1,820,764	-	1,820,764	-
3,954,223	-	3,954,223	-
62,463	-	62,463	-
<u>22,728</u>	<u>-</u>	<u>22,728</u>	<u>-</u>
26,077,226	-	26,077,226	-
<u>(75,800)</u>	<u>75,800</u>	<u>-</u>	<u>-</u>
<u>26,001,426</u>	<u>75,800</u>	<u>26,077,226</u>	<u>-</u>
8,641,228	852,768	9,493,996	(316)
<u>46,066,334</u>	<u>12,804,160</u>	<u>58,870,494</u>	<u>39,884</u>
<u>\$ 54,707,562</u>	<u>\$ 13,656,928</u>	<u>\$ 68,364,490</u>	<u>\$ 39,568</u>

City of North Olmsted, Ohio

Balance Sheet Governmental Funds

December 31, 2010

	<u>General</u>	<u>Permanent Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 2,570,537	\$ 1,830,808	\$ 723,060	\$ 5,681,956	\$ 10,806,361
Income taxes receivable	2,131,949	456,846	-	456,846	3,045,641
Taxes receivable - property and other	4,974,712	-	2,471,925	2,472,559	9,919,196
Intergovernmental receivable	1,101,415	-	202,104	986,746	2,290,265
Interest receivable	1,126	-	1,265	-	2,391
Accounts receivable	271,451	-	-	2,803	274,254
Interfund receivable	276,198	-	2,078,237	-	2,354,435
Materials and supplies inventory	324,201	-	-	-	324,201
Prepaid items	59,323	-	-	16,138	75,461
Non-current assets:					
Advances to other funds	<u>509,781</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>509,781</u>
Total assets	\$ <u>12,220,693</u>	\$ <u>2,287,654</u>	\$ <u>5,476,591</u>	\$ <u>9,617,048</u>	\$ <u>29,601,986</u>
Liabilities and fund balances:					
Liabilities:					
Accounts and contracts payable	\$ 217,485	\$ -	\$ 505	\$ 378,862	\$ 596,852
Accrued wages and benefits	238,978	-	-	25,547	264,525
Matured compensated absences	123,261	-	-	-	123,261
Intergovernmental payable	379,768	-	-	33,538	413,306
Interfund payable	-	-	-	276,198	276,198
Deferred revenue	<u>6,769,540</u>	<u>205,785</u>	<u>2,674,029</u>	<u>3,428,190</u>	<u>13,077,544</u>
Total liabilities	<u>7,729,032</u>	<u>205,785</u>	<u>2,674,534</u>	<u>4,142,335</u>	<u>14,751,686</u>
Fund balances:					
Reserved for encumbrances	361,172	93,010	-	330,380	784,562
Reserved for advance	509,781	-	-	-	509,781
Unreserved, reported in:					
General fund	3,620,708	-	-	-	3,620,708
Special revenue funds	-	1,988,859	-	3,301,565	5,290,424
Debt service funds	-	-	2,802,057	1,272,938	4,074,995
Capital projects funds	-	-	-	569,830	569,830
Total fund balances	<u>4,491,661</u>	<u>2,081,869</u>	<u>2,802,057</u>	<u>5,474,713</u>	<u>14,850,300</u>
Total liabilities and fund balances	\$ <u>12,220,693</u>	\$ <u>2,287,654</u>	\$ <u>5,476,591</u>	\$ <u>9,617,048</u>	\$ <u>29,601,986</u>

The accompanying notes are an integral part of these financial statements.

City of North Olmsted, Ohio

Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities

December 31, 2010

Total governmental fund balances		\$	14,850,300
<i>Amounts reported for governmental activities in the Statement of Net Assets are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			69,434,775
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.			
	Property and other taxes	\$	644,340
	Municipal income taxes		1,371,900
	Intergovernmental		1,713,721
	Miscellaneous		<u>87,891</u>
	Total		3,817,852
In the Statement of Activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due.			(114,174)
In the Statement of Activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds, bond issuance expenditures are reported when bonds are issued.			195,183
Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.			
	OPWC street loan		(40,837)
	Police pension liability		(93,801)
	General obligation bonds		(30,783,808)
	Capital leases payable		(51,989)
	Compensated absences		<u>(4,527,146)</u>
	Total		(35,497,581)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.			
	Net assets		2,364,784
	Internal balances		<u>(343,577)</u>
<i>Net assets of governmental activities</i>		\$	<u><u>54,707,562</u></u>

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

For the Year Ended December 31, 2010

	General	Permanent Improvements	General Obligation Bond Retirement	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Property and other local taxes	\$ 4,683,907	\$ -	\$ 2,631,620	\$ 2,669,786	\$ 9,985,313
Municipal income taxes	8,240,353	1,764,979	-	1,764,978	11,770,310
Charges for services	1,212,043	-	-	1,202,458	2,414,501
Fines, licenses and permits	991,660	-	-	220,477	1,212,137
Intergovernmental	3,186,270	11,236	501,931	2,103,158	5,802,595
Special assessments	-	-	-	90,000	90,000
Investment income	28,720	-	17,813	15,930	62,463
Miscellaneous income	30	-	-	208,947	208,977
Total revenues	<u>18,342,983</u>	<u>1,776,215</u>	<u>3,151,364</u>	<u>8,275,734</u>	<u>31,546,296</u>
Expenditures:					
Current:					
General government	3,361,104	-	8,335	87,763	3,457,202
Security of persons and property	11,074,052	-	-	873,730	11,947,782
Public health and welfare	409,997	-	-	67,743	477,740
Transportation	1,932,654	1,044,823	-	1,444,577	4,422,054
Basic utility services	223,326	-	-	2,022,786	2,246,112
Leisure time activities	-	-	-	2,343,545	2,343,545
Economic development	344,812	-	-	211,655	556,467
Capital outlay	-	-	-	122,399	122,399
Debt service:					
Principal	8,799	3,055,000	3,763,113	761,803	7,588,715
Interest and fiscal charges	5,667	75,467	997,946	527,328	1,606,408
Issuance costs	-	98,372	11,022	-	109,394
Total expenditures	<u>17,360,411</u>	<u>4,273,662</u>	<u>4,780,416</u>	<u>8,463,329</u>	<u>34,877,818</u>
Excess (deficiency) of revenues over expenditures	<u>982,572</u>	<u>(2,497,447)</u>	<u>(1,629,052)</u>	<u>(187,595)</u>	<u>(3,331,522)</u>
Other financing sources (uses):					
Sale of capital assets	18,840	-	-	1,444	20,284
Inception of capital leases	48,815	-	-	10,948	59,763
Transfers - in	-	-	1,743,243	117,526	1,860,769
Transfers - out	(147,326)	(1,520,570)	-	(268,673)	(1,936,569)
General obligation bonds issued	-	3,715,000	-	-	3,715,000
Premium on bonds issued	-	138,372	30,573	-	168,945
Total other financing sources (uses)	<u>(79,671)</u>	<u>2,332,802</u>	<u>1,773,816</u>	<u>(138,755)</u>	<u>3,888,192</u>
Net change in fund balances	902,901	(164,645)	144,764	(326,350)	556,670
Fund balances, beginning of year	<u>3,588,760</u>	<u>2,246,514</u>	<u>2,657,293</u>	<u>5,801,063</u>	<u>14,293,630</u>
Fund balances, end of year	<u>\$ 4,491,661</u>	<u>\$ 2,081,869</u>	<u>\$ 2,802,057</u>	<u>\$ 5,474,713</u>	<u>\$ 14,850,300</u>

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2010

Net change in fund balances - total governmental funds \$ 556,670

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

Governmental funds report capital outlay as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

	\$ 9,797,913	
Capital outlay	(7,127,222)	
Depreciation expense	182,454	
Total		2,670,691

In the Statement of Activities, only the gain or loss on the disposal of capital assets is reported, whereas, in the governmental funds, the proceeds from the disposal increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets. (118,452)

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

	371,902	
Municipal income taxes	(89,713)	
Property and local taxes	8,231	
Charges for services	(90,000)	
Special assessments	182,454	
Intergovernmental	382,874	
Total		382,874

Other financing sources in the governmental funds increase long-term liabilities in the Statement of Net Assets.

	(3,715,000)	
General obligation bonds issued	(168,945)	
Premium on bonds issued	(3,883,945)	
Total		(3,883,945)

Other financing sources in the Governmental Funds that increase long-term liabilities in the Statement of Net Assets. These sources were attributed to the inception of capital leases (59,763)

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

	4,259,500	
General obligation bonds	90,000	
Special assessment bonds	3,215,000	
Long-term notes	13,613	
OPWC street loan	2,828	
Police pension liability	7,774	
Capital leases	7,588,715	
Total		(Continued)

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Continued)

For the Year Ended December 31, 2010

In the Statement of Activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued.

83,372

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

Accrued interest on bonds	57,010
Compensated absences	168,960
Claims and judgments	205,985
Amortization of premium	43,103
Amortization of loss on refunding	(37,033)
Amortization of issuance costs	<u>(10,734)</u>

Total

427,291

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

Change in net assets	1,074,253
Internal balances	<u>(80,478)</u>
Total	

993,775

Change in net assets of governmental activities

\$ 8,641,228

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property and other local taxes	\$ 4,559,795	\$ 4,559,795	\$ 4,683,907	\$ 124,112
Municipal income taxes	8,010,539	8,010,539	8,418,440	407,901
Charges for services	1,107,340	1,106,340	1,225,355	119,015
Licenses and permits	785,100	785,100	836,604	51,504
Fines and forfeitures	211,500	211,500	253,493	41,993
Intergovernmental	2,469,998	2,469,998	3,014,188	544,190
Investment income	50,000	50,000	32,626	(17,374)
Miscellaneous income	<u>15,000</u>	<u>15,000</u>	<u>20,580</u>	<u>5,580</u>
Total revenues	<u>17,209,272</u>	<u>17,208,272</u>	<u>18,485,193</u>	<u>1,276,921</u>
Expenditures:				
Current:				
General government	3,612,412	3,627,253	3,543,215	84,038
Security of persons and property	11,124,209	11,218,331	10,732,303	486,028
Public health and welfare	495,573	427,933	421,464	6,469
Transportation	3,183,996	2,863,367	2,572,302	291,065
Basic utility services	70,000	223,800	223,676	124
Economic development	<u>468,596</u>	<u>380,314</u>	<u>379,943</u>	<u>371</u>
Total expenditures	<u>18,954,786</u>	<u>18,740,998</u>	<u>17,872,903</u>	<u>868,095</u>
Excess (deficiency) of revenues over expenditures	<u>(1,745,514)</u>	<u>(1,532,726)</u>	<u>612,290</u>	<u>2,145,016</u>
Other financing sources (uses):				
Sales of capital assets	10,000	10,000	18,840	8,840
Advances - in	297,400	297,400	92,400	(205,000)
Advances - out	(105,000)	(176,198)	(176,198)	-
Transfers - out	<u>(61,000)</u>	<u>(147,800)</u>	<u>(147,326)</u>	<u>474</u>
Total other financing sources (uses)	<u>141,400</u>	<u>(16,598)</u>	<u>(212,284)</u>	<u>(195,686)</u>
Net change in fund balance	(1,604,114)	(1,549,324)	400,006	1,949,330
Prior year encumbrances	546,955	546,955	546,955	-
Fund balance, beginning of year	<u>1,152,905</u>	<u>1,152,905</u>	<u>1,152,905</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>95,746</u></u>	\$ <u><u>150,536</u></u>	\$ <u><u>2,099,866</u></u>	\$ <u><u>1,949,330</u></u>

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Permanent Improvements Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income taxes	\$ 1,716,544	\$ 1,716,544	\$ 1,803,952	\$ 87,408
Intergovernmental	<u>220,551</u>	<u>416,579</u>	<u>220,976</u>	<u>(195,603)</u>
Total revenues	<u>1,937,095</u>	<u>2,133,123</u>	<u>2,024,928</u>	<u>(108,195)</u>
Expenditures:				
Current:				
Transportation	<u>1,220,698</u>	<u>1,631,582</u>	<u>1,288,109</u>	<u>343,473</u>
Debt service:				
Principal	3,055,000	7,125,000	7,125,000	-
Interest and fiscal charges	<u>76,100</u>	<u>185,780</u>	<u>185,780</u>	<u>-</u>
Total debt service	<u>3,131,100</u>	<u>7,310,780</u>	<u>7,310,780</u>	<u>-</u>
Total expenditures	<u>4,351,798</u>	<u>8,942,362</u>	<u>8,598,889</u>	<u>343,473</u>
Excess (deficiency) of revenues over expenditures	<u>(2,414,703)</u>	<u>(6,809,239)</u>	<u>(6,573,961)</u>	<u>235,278</u>
Other financing sources (uses):				
Long-term notes issued	4,070,000	4,070,000	4,081,941	11,941
Premium on general obligation bonds issued	-	138,372	138,372	-
General obligation bonds issued	-	3,715,000	3,715,000	-
Transfers - out	<u>(1,484,768)</u>	<u>(1,520,571)</u>	<u>(1,520,570)</u>	<u>1</u>
Total other financing sources (uses)	<u>2,585,232</u>	<u>6,402,801</u>	<u>6,414,743</u>	<u>11,942</u>
Net change in fund balance	170,529	(406,438)	(159,218)	247,220
Prior year encumbrances	82,999	82,999	82,999	-
Fund balance, beginning of year	<u>1,814,016</u>	<u>1,814,016</u>	<u>1,814,016</u>	<u>-</u>
Fund balance, end of year	\$ <u>2,067,544</u>	\$ <u>1,490,577</u>	\$ <u>1,737,797</u>	\$ <u>247,220</u>

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Fund Net Assets Proprietary Funds

December 31, 2010

	Business-Type Activities - Enterprise Funds				Governmental
	NOMBL	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Assets:					
Current assets:					
Equity in pooled cash and equivalents	\$ 21,708	\$ 139,525	\$ 659,562	\$ 820,795	\$ 2,665,342
Materials and supplies inventory	-	11,566	158,723	170,289	-
Prepaid items	-	6,580	41,525	48,105	-
Intergovernmental receivable	-	-	<u>2,515,692</u>	<u>2,515,692</u>	-
Total current assets	<u>21,708</u>	<u>157,671</u>	<u>3,375,502</u>	<u>3,554,881</u>	<u>2,665,342</u>
Non-current assets:					
Unamortized bond issuance costs	-	36,383	57,760	94,143	-
Non-depreciable capital assets	391,537	2,245,811	1,232,247	3,869,595	-
Depreciable capital assets, net	-	<u>2,747,497</u>	<u>20,776,561</u>	<u>23,524,058</u>	-
Total non-current assets	<u>391,537</u>	<u>5,029,691</u>	<u>22,066,568</u>	<u>27,487,796</u>	-
Total assets	<u>413,245</u>	<u>5,187,362</u>	<u>25,442,070</u>	<u>31,042,677</u>	<u>2,665,342</u>
Liabilities:					
Current:					
Accounts and contracts payable	-	9,136	123,826	132,962	715
Accrued wages and benefits	-	4,462	55,607	60,069	-
Intergovernmental payable	-	3,642	34,351	37,993	56,350
Interfund payable	-	2,010,811	67,426	2,078,237	-
Accrued interest payable	-	16,072	39,081	55,153	-
Claims payable	-	-	-	-	190,297
Accrued compensated absences	-	22,098	224,860	246,958	-
Capital lease payable	-	-	774	774	-
General obligation bond payable	-	327,000	1,138,000	1,465,000	-
OWDA loan payable	-	-	70,578	70,578	-
OPWC loan payable	-	-	<u>130,333</u>	<u>130,333</u>	-
Total current liabilities	<u>-</u>	<u>2,393,221</u>	<u>1,884,836</u>	<u>4,278,057</u>	<u>247,362</u>
Long-term liabilities (net of current portion):					
Advances from other funds	-	411,771	98,010	509,781	-
Claims payable	-	-	-	-	53,196
Accrued compensated absences	-	40,551	252,984	293,535	-
Capital lease payable	-	-	2,653	2,653	-
General obligation bonds payable	-	3,915,948	6,841,898	10,757,846	-
OWDA loan payable	-	-	1,366,119	1,366,119	-
OPWC loan payable	-	-	<u>521,335</u>	<u>521,335</u>	-
Total long-term liabilities	<u>-</u>	<u>4,368,270</u>	<u>9,082,999</u>	<u>13,451,269</u>	<u>53,196</u>
Total liabilities	<u>-</u>	<u>6,761,491</u>	<u>10,967,835</u>	<u>17,729,326</u>	<u>300,558</u>
Net assets:					
Invested in capital assets, net of related debt	391,537	750,360	11,937,118	13,079,015	-
Unrestricted (deficit)	<u>21,708</u>	<u>(2,324,489)</u>	<u>2,537,117</u>	<u>234,336</u>	<u>2,364,784</u>
Total net assets (deficit)	\$ <u>413,245</u>	\$ <u>(1,574,129)</u>	\$ <u>14,474,235</u>	13,313,351	\$ <u>2,364,784</u>

Net assets reported for business-type activities in the Statement of Net Assets are different because they include accumulated overpayments to the internal service funds:

343,577
Net assets business-type activities \$ 13,656,928

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Revenues, Expenses and Changes in Fund Net Assets Proprietary Funds

For the Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds				Governmental
	NOMBL	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Operating revenues:					
Charges for services	\$ -	\$ 1,304,849	\$ 6,769,950	\$ 8,074,799	\$ 3,098,488
Operating expenses:					
Salaries	-	405,483	1,543,042	1,948,525	-
Benefits	-	79,890	620,722	700,612	-
Contractual services	-	275,464	1,632,381	1,907,845	478,158
Materials and supplies	-	255,216	386,394	641,610	-
Claims	-	-	-	-	1,546,077
Depreciation	-	171,241	1,411,758	1,582,999	-
Total operating expenses	-	1,187,294	5,594,297	6,781,591	2,024,235
Operating income	-	117,555	1,175,653	1,293,208	1,074,253
Nonoperating revenues (expenses):					
Loss on disposal of capital assets	-	-	(1,751)	(1,751)	-
Interest and fiscal charges	-	(219,406)	(446,989)	(666,395)	-
Total nonoperating revenues (expenses)	-	(219,406)	(448,740)	(668,146)	-
Income (loss) before contributions and transfers	-	(101,851)	726,913	625,062	1,074,253
Capital contributions	-	-	71,428	71,428	-
Transfers - in	-	75,800	-	75,800	-
Change in net assets	-	(26,051)	798,341	772,290	1,074,253
Net assets (deficit), beginning of year	413,245	(1,548,078)	13,675,894		1,290,531
Net assets (deficit), end of year	\$ 413,245	\$ (1,574,129)	\$ 14,474,235		\$ 2,364,784

Some amounts reported for business-type activities in the Statement of Activities are different because a portion of the net expense of the internal service funds are reported with business-type activities:

	80,478
Change in net assets business-type activities	\$ 852,768

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Cash Flows Proprietary Funds

For the Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds				Governmental
	NOMBL	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Cash flows from operating activities:					
Receipts from customers and users	\$ -	\$ 1,304,385	\$ 6,299,729	\$ 7,604,114	\$ 3,098,488
Cash payments for goods and services	-	(17,337)	(2,187,639)	(2,204,976)	(478,511)
Cash paid to suppliers for materials and supplies	-	(262,702)	(412,693)	(675,395)	-
Cash payments for employee services and benefits	-	(475,261)	(2,133,240)	(2,608,501)	-
Cash paid for claims	-	-	-	-	(1,658,178)
Net cash provided by operating activities	-	549,085	1,566,157	2,115,242	961,799
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	(7,334)	(958,864)	(966,198)	-
Proceeds from sale of capital assets	-	-	1,542	1,542	-
Tap-in fees	-	-	71,428	71,428	-
Proceeds from capital debt	-	-	776,474	776,474	-
Proceeds from capital debt - notes payable	-	-	320,000	320,000	-
Premium on general obligation bonds	-	-	9,538	9,538	-
Bond issuance costs	-	-	(6,508)	(6,508)	-
Capital lease principal paid	-	-	(676)	(676)	-
Interest paid on capital lease	-	-	(179)	(179)	-
Note principal paid	-	-	(320,000)	(320,000)	-
Note interest paid	-	-	(2,068)	(2,068)	-
Loan principal paid - OPWC	-	-	(130,333)	(130,333)	-
Loan principal paid - OWDA	-	-	(67,853)	(67,853)	-
General obligation bonds principal paid	-	(344,500)	(1,053,500)	(1,398,000)	-
Interest paid	-	(208,769)	(447,587)	(656,356)	-
Net cash used for capital and related financing activities	-	(560,603)	(1,808,586)	(2,369,189)	-
Cash flows from noncapital financing activities:					
Transfers - in	-	75,800	-	75,800	-
Net increase (decrease) in cash and cash equivalents	-	64,282	(242,429)	(178,147)	961,799
Cash and cash equivalents, beginning of year	21,708	75,243	901,991	998,942	1,703,543
Cash and cash equivalents, end of year	\$ 21,708	\$ 139,525	\$ 659,562	\$ 820,795	\$ 2,665,342

(Continued)

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Cash Flows (Continued) Proprietary Funds

For the Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds				Governmental
	NOMBL	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ -	\$ 117,555	\$ 1,175,653	\$ 1,293,208	\$ 1,074,253
Adjustments:					
Depreciation	-	171,241	1,411,758	1,582,999	-
(Increase) decrease in assets and increase (decrease) in liabilities:					
Materials and supplies inventory	-	(7,969)	(26,719)	(34,688)	-
Intergovernmental receivable	-	-	(470,221)	(470,221)	-
Prepaid items	-	1,004	9,133	10,137	-
Accounts and contracts payable	-	125	(189,155)	(189,030)	(580)
Accrued salaries and benefits	-	36	2,528	2,564	-
Intergovernmental payable	-	(690)	(59,558)	(60,248)	227
Interfund payable	-	257,877	(315,869)	(57,992)	-
Claims payable	-	-	-	-	(112,101)
Accrued compensated absences	-	9,906	28,607	38,513	-
Net cash provided by operating activities	\$ -	\$ 549,085	\$ 1,566,157	\$ 2,115,242	\$ 961,799
Non-cash capital financing activities:					
Borrowing under capital lease	\$ -	\$ -	\$ 4,103	\$ 4,103	\$ -

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Fiduciary Assets and Liabilities
Agency Fund

December 31, 2010

Assets:	
Equity in pooled cash and cash equivalents	\$ <u>375,304</u>
Liabilities:	
Deposits held and due to others	\$ <u>375,304</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2010

Note 1: Description of the City and Reporting Entity

The City of North Olmsted, Ohio, was chartered in 1959 under the laws of the State of Ohio. The City operates a Mayor-Council form of government.

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 City's primary government consists of all funds and departments which are not legally separate from the City. They include police and fire fighting forces, sewer services, a municipal bus line, a golf course, a street maintenance service, planning and zoning, and a staff to provide necessary support to these service providers.

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

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize it is legally separated from the City.

North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) provides transportation to the residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who are sixty years of age or older or disabled. N.O.C.O.P. was formed in 1992 and is governed by a Board of Trustees which consists of nine members. The following four members are automatic members of the Board of Trustees: The Mayor of the City of North Olmsted or designee, The Finance Director of the City of North Olmsted or designee, a member of the Finance Committee of the North Olmsted City Council as designated by the Chairman of the Committee and the President of the North Olmsted City Council. The remaining members of the Board of Trustees are elected by the membership as provided in its by-laws. N.O.C.O.P. utilizes the services of a third party provider, Senior Transportation Connection, to provide transportation services to the residents. Fares are collected by the provider based on the destination and frequency that the service is used. The three communities share costs or deficits on a prorated agreement based on each community's population. The current formula is as follows: the City of North Olmsted contributes 68.9 percent, the City of Olmsted Falls contributes 10.0 percent and Olmsted Township contributes 21.1 percent. N.O.C.O.P. operates on a fiscal year ending December 31. Complete financial statements for N.O.C.O.P. may be obtained by writing the North Olmsted Commission on Paratransit, Inc., 5200 Dover Center Road, North Olmsted, Ohio 44070.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 1: Description of the City and Reporting Entity (continued)

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the component unit is presented in Note 21.

The City is associated with one jointly governed organization, the West Shore Council of Governments. This organization is presented in Note 18 to the basic financial statements.

Note 2: Summary of Significant Accounting Policies

The financial statements of the City of North Olmsted 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 business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB codification, pronouncements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City's accounting policies are described below.

A. Basis of Presentation

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

Government-wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

A. Basis of Presentation (continued)

Government-wide Financial Statements (continued)

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 program 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. Internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

B. Fund Accounting

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

Governmental Funds

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

B. Fund Accounting (continued)

Governmental Funds (continued)

General Fund - The General 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 charter of the City of North Olmsted and/or the general laws of Ohio.

Permanent Improvements Fund - The Permanent Improvements Special Revenue Fund accounts for 15 percent of the municipal income tax receipts and expenditures for the permanent improvement of streets and the storm sewer system.

General Obligation Bond Retirement Fund - The General Obligation Bond Retirement Fund accounts for resources that are used for payment of principal and interest and fiscal charges on general obligation 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 City's major enterprise funds are:

North Olmsted Municipal Bus Line Fund (NOMBL) - The NOMBL Fund accounts for the revenues and expenses of the City-owned municipal bus line.

Springvale Golf Course and Ballroom Fund - The Springvale Golf Course and Ballroom Fund accounts for revenues and expenses of the City owned golf course and ballroom facility.

Sewer Revenue Fund - The Sewer Revenue Fund accounts for the revenues and expenses of the sanitary sewer system and waste water treatment plant facilities.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. One internal service fund accounts for a self-insurance program for employee medical, dental and vision benefits. The other internal service fund accounts for assets set aside for claim settlements and related liabilities associated with the workers' compensation self-insurance program.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

B. Fund Accounting (continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency fund accounts for deposits from contractors, developers and individuals to ensure compliance with City ordinances.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All non-fiduciary 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents 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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

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.

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 and entitlements and rentals.

Unearned Revenue/Deferred Revenue

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

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

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

D. Basis of Accounting (continued)

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 Data

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 category level (salaries, benefits, materials and supplies, contractual services, capital outlay, etc). Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. 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 amended certificate of estimated resources in effect at the time the final appropriations were enacted by Council.

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

F. Pooled 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".

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents (continued)

During 2010, investments were limited to repurchase agreements, non-negotiable certificates of deposit, United States Government Obligations, money market savings accounts and federally backed agency securities.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue for 2010 consisted of:

	Actual <u>Interest Credited</u>	From (to) other <u>City Funds</u>
General	\$ 28,720	\$ 18,989
Special Revenue Funds:		
Motor Vehicle License Tax	179	(270)
State Highway	693	(1,018)
Street Maintenance	1,987	(3,146)
Endowment and Grant	15	(1,035)
Senior Center	321	157
Debt Service Funds:		
General Obligation Bond Retirement	17,813	15,109
Special Assessment Bond Retirement	12,735	12,332
All others	-	(41,118)
	\$ <u>62,463</u>	\$ <u>-</u>

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

G. Materials and Supplies Inventory

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

H. Prepaid Items

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

I. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets 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.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	5 to 40 years
Buildings and improvements	8 to 40 years
Furniture and fixtures	10 to 20 years
Vehicles and equipment	2 to 25 years
Roads	10 to 30 years
Bridges and culverts	35 to 50 years
Sanitary sewer lines	50 years

The City's infrastructure consists of roads, bridges, culverts and sanitary sewer lines.

J. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Long-term interfund loans are classified as "advances to/from other funds" on the Balance Sheet and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. Interfund balance amounts are eliminated in the Statement of Net Assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

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 with more than one year of service.

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 that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy.

L. Accrued Liabilities and Long-Term Obligations

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

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

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. Fund balance reserves have been established for encumbrances and advances to other funds.

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 constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide Statement of Net Assets reports \$11,995,201 of restricted net assets, none of which is restricted by enabling legislation. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

O. Operating Revenues 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, 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 non-operating.

P. Bond Issuance Costs

Bond issuance costs for underwriting fees and bond insurance for the various purpose general obligation bonds are being amortized using the straight-line method over the life of the bonds on the government-wide statements and in the City's enterprise funds. The straight-line method of amortization is not materially different from the effective-interest method.

Q. Deferred Loss on Refunding

The difference between the reacquisition price (funds required to refund the old debt) of various refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense. This accounting loss is amortized over the remaining life of the new debt and is presented net of general obligation bonds payable on the Statement of Net Assets.

R. Bond Premiums

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

S. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

T. Interfund Activity

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 2: Summary of Significant Accounting Policies (continued)

U. 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. Neither occurred in 2010.

V. 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.

W. Subsequent Events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through June 24, 2011, the date the financial statements were available to be issued.

Note 3: Change in Accounting Principles

For 2010, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 53 enhances the usefulness and comparability of derivative instrument information reported by the state and local governments. This statement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any changes to the financial statements as the City has not applied for such protection.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 4: Accountability

There are deficits in the Springvale Golf Course and Ballroom Fund and the FEMA Grant Fund of \$1,574,129 and \$132, respectively. The deficit in the Springvale Golf Course and Ballroom Fund is the result of interfund loans which are used to finance the debt payments until resources are accumulated to repay the General Obligation Bond Retirement Fund. The deficit in the FEMA Grant Fund is caused by the application of accounting principles generally accepted in the United States of America to these funds. The General Fund is liable for any deficit in this fund and provides operating transfers when cash is required, not when accruals occur.

Note 5: Budgetary Basis of Accounting

While the City is reporting financial position, results of operations, and changes in fund balances on the accrual basis as required by generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual presented for the General Fund and Permanent Improvements Fund are 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 that:

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

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budget basis statements for the General Fund and Permanent Improvements Fund.

Net Change in Fund Balance

	<u>General</u>	<u>Permanent Improvements</u>
GAAP basis	\$ 902,901	\$ (164,645)
Increase (decrease) due to:		
Revenue accruals	185,795	4,330,654
Expenditure accruals	(218,019)	(4,232,216)
Outstanding encumbrances	<u>(470,671)</u>	<u>(93,011)</u>
Budget basis	\$ <u>400,006</u>	\$ <u>(159,218)</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 6: Deposits and Investments

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

Inactive deposits are 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.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies can be invested in the following obligations:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) of this and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAROhio).

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 6: Deposits and Investments (continued)

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the finance director or, if the securities are not represented by certificate, upon receipt of confirmation of transfer from the custodian.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by eligible securities pledged to and deposited either within 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 and five percent of the deposits being secured.

At year-end, the carrying amount of the City's deposits was \$12,862,873 and the bank balance was \$13,055,886. Of the bank balance \$3,742,067 was covered by Federal depository insurance and \$9,313,819 was uninsured and collateralized with securities held by the pledging institution's trust department, not in the City's name.

Investments

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

	<u>Fair Value</u>	<u>Maturity</u> Less than One Year
Federal Home Loan Bank	\$ 1,555,250	\$ 1,555,250
Federal Home Loan Mortgage Corporation	<u>249,679</u>	<u>249,679</u>
Total	<u>\$ 1,804,929</u>	<u>\$ 1,804,929</u>

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk requiring that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City investment policy also limits security purchases to those that mature no later than five years from purchase unless specifically matched to a specific cash flow. To date, no investments have been purchased with a life greater than one year.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 6: Deposits and Investments (continued)

Custodial Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that requires securities shall be delivered into the custody of the finance director or governing board or an agent designated by the finance director or governing board. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed.

Credit Risk is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that portfolio be diversified both by types of investment and issuer. All investments of the city are registered and carry a rating AAA by Standard & Poor's.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The Federal Home Loan Bank bonds represent 86.17 percent of the City's investments.

Note 7: Receivables

Receivables at December 31, 2010, consisted primarily of municipal income taxes, property and other taxes, special assessments, accounts (billings for user charged services and court fines), and intergovernmental receivables arising from grants, entitlements and shared revenues.

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

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2010 for real and public utility property taxes represents collections of the 2009 taxes.

2010 real property taxes are levied after October 1, 2010, on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2010 real property taxes are collected in and intended to finance 2011. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2010 public utility property taxes which became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 7: Receivables (continued)

A. Property Taxes (continued)

The full tax rate for all City operations for the year ended December 31, 2010, was \$13.30 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based as follows:

Real estate	
Residential/Agriculture	\$ 565,739,130
Commercial/Industrial/Mineral	261,830,480
Public utility	<u>11,432,430</u>
Total valuation	\$ <u>839,002,040</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.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of North Olmsted. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2010 and for which there is an enforceable legal claim. In the General Fund; Recreation, Fire Pension and Police Pension Special Revenue Funds; and General Obligation Bond Retirement, Library Bond Retirement and Fire Station Bond Retirement Debt Service Funds; the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

B. Income Taxes

The City levies and collects an income tax of 2 percent on all income earned within the City as well as income of residents earned outside the City. The City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file an annual return.

Income tax revenues are distributed by a 1991 vote of the people as follows: 70 percent to the General Fund; 15 percent for solid waste management, recycling and disposal (Solid Waste Management Fund); and 15 percent for maintaining and equipping streets, storm water drainage systems and other permanent improvements, including debt charges on obligations issued after 1990 for those purposes (Permanent Improvements Fund).

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 7: Receivables (continued)

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental activities:	
Local government	\$ 612,827
Homestead and rollback	661,404
Gasoline tax	641,500
Estate tax	109,850
CAT tax reimbursement	64,071
Public utility reimbursement	64,421
Permissive tax	34,774
Court fines	25,073
Auto registration	15,636
North Olmsted City School District	9,601
Prisoner care reimbursement	479
City of Cleveland reimbursement	6,271
Miscellaneous	5,370
Miscellaneous grants	1,644
SAFER grant	<u>37,344</u>
Total governmental activities	<u>2,290,265</u>
Business-type activities:	
Sewer charges	2,407,711
City of Fairview Park	<u>107,981</u>
Total business-type activities	<u>2,515,692</u>
Total	<u>\$ 4,805,957</u>

The City financed sanitary sewer system improvements through the issuance of general obligation bonds and an OWDA loan. The sanitary sewer system provides sewer services for part of the City of Fairview Park. The City of Fairview Park has agreed to pay the City 5.24 percent of the debt retirement related to the improvement and a capital surcharge. An intergovernmental receivable of \$107,981 has been recorded on the Statement of Net Assets.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 8: Capital Assets

A summary of changes in capital assets during 2010 follows:

	<u>Balance</u> <u>12/31/09</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/10</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,054,455	\$ -	\$ -	\$ 4,054,455
Art	23,000	-	-	23,000
Construction in progress	<u>154,606</u>	<u>165,477</u>	<u>(301,097)</u>	<u>18,986</u>
Total capital assets not being depreciated	<u>4,232,061</u>	<u>165,477</u>	<u>(301,097)</u>	<u>4,096,441</u>
Capital assets, being depreciated:				
Land improvements	953,428	-	-	953,428
Buildings and improvements	28,998,496	174,109	-	29,172,605
Furniture and fixtures	772,818	19,144	-	791,962
Vehicles and equipment	9,070,014	399,177	(288,719)	9,180,472
Infrastructure:				
Roads	127,338,828	9,341,103	(358,542)	136,321,389
Bridges and culverts	<u>3,101,565</u>	<u>-</u>	<u>-</u>	<u>3,101,565</u>
Total capital assets, being depreciated	<u>170,235,149</u>	<u>9,933,533</u>	<u>(647,261)</u>	<u>179,521,421</u>
Less accumulated depreciation:				
Land improvements	(508,298)	(47,629)	-	(555,927)
Buildings and improvements	(12,972,139)	(762,155)	-	(13,734,294)
Furniture and fixtures	(534,517)	(87,399)	-	(621,916)
Vehicles and equipment	(6,933,633)	(431,008)	244,391	(7,120,250)
Infrastructure:				
Roads	(85,116,084)	(5,724,776)	284,418	(90,556,442)
Bridges and culverts	<u>(1,520,003)</u>	<u>(74,255)</u>	<u>-</u>	<u>(1,594,258)</u>
Total accumulated depreciation	<u>(107,584,674)</u>	<u>(7,127,222)</u>	<u>528,809</u>	<u>(114,183,087)</u>
Total capital assets, being depreciated, net	<u>62,650,475</u>	<u>2,806,311</u>	<u>(118,452)</u>	<u>65,338,334</u>
Total governmental capital assets, net	\$ <u>66,882,536</u>	\$ <u>2,971,788</u>	\$ <u>(419,549)</u>	\$ <u>69,434,775</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 8: Capital Assets (continued)

	<u>Balance</u> <u>12/31/09</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/10</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,617,895	\$ -	\$ -	\$ 2,617,895
Land improvements, not depreciated	19,453	-	-	19,453
Construction in progress	<u>628,446</u>	<u>603,801</u>	-	<u>1,232,247</u>
Total capital assets not being depreciated	<u>3,265,794</u>	<u>603,801</u>	-	<u>3,869,595</u>
Capital assets, being depreciated:				
Land improvements	1,170,155	7,334	-	1,177,489
Buildings and improvements	23,216,653	-	-	23,216,653
Furniture and fixtures	23,058	-	-	23,058
Vehicles and equipment	34,727,807	359,166	(169,382)	34,917,591
Sanitary sewer lines	<u>14,064,897</u>	-	-	<u>14,064,897</u>
Total capital assets, being depreciated	<u>73,202,570</u>	<u>366,500</u>	<u>(169,382)</u>	<u>73,399,688</u>
Less accumulated depreciation:				
Land improvements	(466,794)	(58,093)	-	(524,887)
Buildings and improvements	(16,165,397)	(445,898)	-	(16,611,295)
Furniture and fixtures	(23,058)	-	-	(23,058)
Vehicles and equipment	(24,049,496)	(801,453)	166,089	(24,684,860)
Sanitary sewer lines	<u>(7,753,975)</u>	<u>(277,555)</u>	-	<u>(8,031,530)</u>
Total accumulated depreciation	<u>(48,458,720)</u>	<u>(1,582,999)</u>	<u>166,089</u>	<u>(49,875,630)</u>
Total capital assets, being depreciated, net	<u>24,743,850</u>	<u>(1,216,499)</u>	<u>(3,293)</u>	<u>23,524,058</u>
Total business-type capital assets, net	\$ <u>28,009,644</u>	\$ <u>(612,698)</u>	\$ <u>(3,293)</u>	\$ <u>27,393,653</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 455,339
Security of persons and property	409,768
Transportation	5,949,417
Leisure time activities	<u>312,698</u>
Total	\$ <u>7,127,222</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 9: Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional 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, OH 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2010, member and employer contribution rates were consistent across all three plans. For the year ended December 31, 2010, the members of all three plans were required to contribute 10.0 percent of their annual covered salary to fund pension obligations. The City contributed 14.0 percent of covered payroll.

The City's required contributions for pension obligations to the Traditional and Combined Plans for the years ended December 31, 2010, 2009, and 2008 were \$627,223, \$628,178, and \$593,691, respectively, 93 percent has been contributed for 2010, the remaining 7 percent has been recorded as a liability and 100 percent of contributions have been made for 2009 and 2008. Contributions to the member-directed plan for 2010 were \$5,838 made by the City of North Olmsted and \$4,170 made by the plan members.

B. Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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 OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 9: Defined Benefit Pension Plans (continued)

B. Ohio Police and Fire Pension Fund (continued)

Plan members are required to contribute 10.00 percent of their annual covered salary, while 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 OP&F for police and firefighters (not including health care contributions) were \$445,264 and \$498,199 for the year ended December 31, 2010, \$469,825 and \$514,449 for the year ended December 31, 2009, and \$534,077 and \$592,075 for the year ended December 31, 2008. The full amount has been contributed for 2009 and 2008. For 2010, 76 percent for police and 75 percent for firefighters has been contributed with the remainder being reported as a liability.

Note 10: Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Plan – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit postemployment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage. In order to qualify for post-retirement health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 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. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH, 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, the City contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 10: Postemployment Benefits (continued)

A. Ohio Public Employees Retirement System (continued)

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 the postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73% from January 1 through February 28, 2010, and 4.23% from March 1 through December 31, 2010. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care for the years ended December 31, 2010, 2009, and 2008 were \$360,859, \$454,882, and \$593,691, respectively. The full amount has been contributed for 2009 and 2008. For 2010, 93 percent has been contributed for 2010 with the remainder being reported as a liability.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008, which allowed additional funds to be allocated to the health care plan.

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

OP&F provides access to post retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 10: Postemployment Benefits (continued)

B. Ohio Police and Fire Pension Fund (continued)

The Ohio Revised Code provides for contribution requirements of the participating employers and of the plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of the covered payroll for police employer units and 24.0 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

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

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

The City's contributions to OP&F for police and fire for the years ending December 31, 2010, 2009, and 2008 were \$680,832 and \$692,905, \$718,387 and \$715,506, and \$816,631 and \$823,470, respectively, of which \$235,568 and \$194,706, \$248,562 and \$201,057, and \$282,554 and \$231,395, respectively, was allocated to the health care plan. The full amount has been contributed for 2009 and 2008. For 2010, 76 percent for police and 75 percent for firefighters has been contributed, with the remainder being reported as a liability.

Note 11: 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. By maintaining comprehensive insurance coverage with private carriers, the City has addressed these various types of risk. There were no reductions in insurance coverage from the previous year. Settled claims have not exceeded this commercial coverage in any of the past three years.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 11: Risk Management (continued)

B. Health Insurance Benefits

The City provides health, dental and vision insurance to its employees through a self-insurance plan. The City pays the monthly premium for the self-insurance plan. The City contracts with a third party administrator to direct this program. During 2010, self-insurance was in effect for claims up to \$75,000 per covered individual and \$2,482,417 in aggregate. This aggregate includes both medical and drug coverage. Claims in excess of this aggregated amount are insured by private carriers.

The claims liability of \$172,565 as estimated by the third party administrator and reported in the Hospitalization Internal Service Fund at December 31, 2010, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the Fund's claims liability amount in 2010 and 2009 were as follows:

	<u>2010</u>	<u>2009</u>
Unpaid claims, beginning of year	\$ 246,081	\$ 234,919
Incurred claims	1,541,400	1,832,795
Claims payments	<u>(1,614,916)</u>	<u>(1,821,633)</u>
Unpaid claims, end of year	<u>\$ 172,565</u>	<u>\$ 246,081</u>

C. Workers' Compensation Program

On January 1, 2009, the City was approved for self-insurance status by the Bureau of Workers' Compensation and began to administer its own workers' compensation program (the program). The City established the Workers' Compensation Self-Insurance Internal Service Fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program, and the amount of the claim can be reasonably estimated. The City utilizes the services of Care Works Consultants, Inc., the third party administrator, to review, process, and pay employee claims. The City also maintains excess insurance coverage which would pay the portion of claims that exceed \$500,000 per occurrence for police officers and fire fighters and \$450,000 per occurrence for all other employees, up to a maximum of an additional \$1,000,000 per occurrence.

The claims liability of \$70,928 reported in the Workers' Compensation Self-Insurance Internal Service Fund is based on the requirements of Governmental Standards Board No. 30, which requires a liability for the unpaid claims costs, including estimates of costs relating to incurred but not report claims, be reported. Changes in the Fund's claims liability amount in 2010 and 2009 were as follows:

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 11: Risk Management (continued)

C. Workers' Compensation Program (continued)

	<u>2010</u>	<u>2009</u>
Unpaid claims, beginning of year	\$ 109,513	\$ -
Incurred claims and adjustments	4,677	147,791
Claims payments	<u>(43,262)</u>	<u>(38,278)</u>
Unpaid claims, end of year	<u>\$ 70,928</u>	<u>\$ 109,513</u>

Note 12: Note Debt

Note debt activity for the year ended December 31, 2010 consisted of the following:

	<u>Balances</u> <u>12/31/09</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/10</u>
0.75% 2010 Capital improvement and equipment	\$ -	\$ 4,390,000	\$ 4,390,000	\$ -

In 2010, the City issued \$4,390,000 in bond anticipation notes for the purposes of improving certain designated streets, acquiring a sewer jet truck, and all related equipment. \$4,070,000 and \$320,000 of the proceeds were receipted in the Permanent Improvement Fund and Sewer Fund; respectively. These notes matured on September 30, 2010 and principal was paid out of the respective funds in which the proceeds were receipted. The notes were backed by the full faith and credit of the City and matured within one year.

Note 13: Long-Term Obligations

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

	<u>Original</u> <u>Issue Date</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Original</u> <u>Issue Amount</u>
Governmental activities:				
General obligation bonds:				
Various purpose, series 1996	1996	2016	3.70-6.20%	\$ 21,655,000
Various purpose, series 2000	2000	2020	4.50-5.375	5,650,000
Library improvements	2001	2020	3.15-5.5	10,750,000
Various purpose, series 2001	2001	2021	3.30-5.125	2,305,000
Refunding, series 2001	2001	2012	3.15-5.0	7,652,000
Various purpose refunding, series 2006	2006	2021	4.00-4.25	9,120,000
Library improvements refunding	2006	2020	4.00-5.25	6,795,000
Fire station improvement bonds	2006	2025	4.00-4.25	3,990,000
Capital improvements bonds	2006	2021	4.00-4.375	7,325,000
Street improvement bonds	2010	2020	1.75-4.00	3,715,000
Special assessment bonds - Industrial Park Road	1990	2010	6.00-7.25	1,010,000
OPWC street loan	1994	2014	0	272,240
Police pension	1968	2031	4.25	272,250
Long-term bond anticipation notes	2009	2010	2.00	3,215,000

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 13: Long-Term Obligations (continued)

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
Business-type activities:				
General obligation bonds:				
Various purpose, series 1996	1996	2021	3.70-6.20%	\$ 20,550,000
Various purpose, series 2000	2000	2020	4.50-5.375	1,195,000
Golf course improvements	2001	2021	3.30-5.125	2,500,000
Various purpose and golf course improvements refunding, series 2006	2006	2021	4.00-4.25	10,525,000
Capital improvement bonds	2006	2021	4.00-4.375	450,000
Golf course and ballroom improvements	2007	2011	4.25	112,000
Sewer truck bonds	2010	2020	1.75-4.00	290,000
OWDA sanitary sewer loan	1997	2017	4.12	1,060,795
OWDA sanitary sewer loan	2008	2014	3.20	50,000
OWDA sanitary sewer loan	2009	2015	3.20	1,235,383
OPWC sanitary sewer loan	1994	2014	0	272,250

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City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 13: Long-Term Obligations (continued)

Changes in long-term obligations during the year ended December 31, 2010, consisted of the following:

	Balance 12/31/09	Increase	Decrease	Balance 12/31/10	Amounts Due in One Year
Governmental activities:					
General obligation bonds:					
Various purpose bonds 1996	\$ 2,770,000	\$ -	\$ 1,365,000	\$ 1,405,000	\$ 1,405,000
Various purpose bonds 2000	595,000	-	595,000	-	-
Various purpose bonds 2001	465,000	-	160,000	305,000	165,000
Various purpose bonds refunding	9,017,000	-	21,000	8,996,000	89,000
Premium on various purpose bonds	145,074	-	12,090	132,984	-
Loss on refunding	(166,901)	-	(13,908)	(152,993)	-
Total various purpose bonds	<u>12,825,173</u>	<u>-</u>	<u>2,139,182</u>	<u>10,685,991</u>	<u>1,659,000</u>
Library improvements	510,000	-	510,000	-	-
Library improvements refunding	6,745,000	-	10,000	6,735,000	550,000
Premium on library improvements bonds	341,141	-	31,013	310,128	-
Loss on refunding	(254,381)	-	(23,125)	(231,256)	-
Total library improvements bonds	<u>7,341,760</u>	<u>-</u>	<u>527,888</u>	<u>6,813,872</u>	<u>550,000</u>
Refunding 2001	2,450,000	-	780,000	1,670,000	815,000
Capital improvements bonds	5,073,500	-	668,500	4,405,000	645,000
Fire station improvement bonds	3,475,000	-	150,000	3,325,000	160,000
Street improvement bonds	-	3,715,000	-	3,715,000	145,000
Premium on street improvement bonds	-	168,945	-	168,945	-
Total general obligation bonds	31,165,433	3,883,945	4,265,570	30,783,808	3,974,000
Special assessment bonds	90,000	-	90,000	-	-
OPWC street loan	54,450	-	13,613	40,837	13,612
Police pension liability	96,629	-	2,828	93,801	2,950
Long-term notes	3,215,000	-	3,215,000	-	-
Settlements and judgments	205,985	-	205,985	-	-
Claims payable	355,594	1,546,077	1,658,178	243,493	190,297
Capital lease payable	-	59,763	7,774	51,989	11,937
Compensated absences payable	4,696,106	1,137,623	1,306,583	4,527,146	1,600,013
Total governmental activities	<u>\$ 39,879,197</u>	<u>\$ 6,627,408</u>	<u>\$ 10,765,531</u>	<u>\$ 35,741,074</u>	<u>\$ 5,792,809</u>
Business - type activities:					
General obligation bonds:					
Various purpose bonds 1996	\$ 2,255,000	\$ -	\$ 1,095,000	\$ 1,160,000	\$ 1,160,000
Various purpose bonds 2000	75,000	-	75,000	-	-
Golf course improvements	345,000	-	110,000	235,000	115,000
Various purpose and golf course improvements bonds refunding	10,398,000	-	29,000	10,369,000	76,000
Unamortized premium	167,426	-	13,952	153,474	-
Unamortized loss	(265,273)	-	(22,107)	(243,166)	-
Total various purpose and golf course improvements bonds	12,975,153	-	1,300,845	11,674,308	1,351,000
Capital improvement bonds	291,500	-	66,500	225,000	35,000
Sewer truck bonds	-	290,000	-	290,000	55,000
Unamortized premium	-	9,538	-	9,538	-
Golf course and ballroom improvement bonds	46,500	-	22,500	24,000	24,000
Total general obligation bonds	13,313,153	299,538	1,389,845	12,222,846	1,465,000
OWDA sanitary sewer loans	1,018,076	486,474	67,853	1,436,697	70,578
OPWC sanitary sewer loan	782,001	-	130,333	651,668	130,333
Capital lease payable	-	4,103	676	3,427	774
Compensated absences payable	501,980	295,041	256,528	540,493	246,958
Total business - type activities	<u>\$ 15,615,210</u>	<u>\$ 1,085,156</u>	<u>\$ 1,845,235</u>	<u>\$ 14,855,131</u>	<u>\$ 1,913,643</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 13: Long-Term Obligations (continued)

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and unvoted general property taxes levied on all taxable property located within the City, sewer user charges and golf fees. Tax monies will be received in and the debt will be retired from the General Obligation Bond and Library Bond Retirement Funds.

Special assessment bonds are payable from the proceeds of assessments against the specific property owners who primarily benefited from the project. Special assessment monies will be received in and the debt will be retired from the Special Assessment Fund. In the event that property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

Compensated absences are generally paid from the General Fund and Recreation Fund and the Springvale Golf Course and Ballroom and Sewer Revenue Funds. The police pension liability is paid from the General Fund. The OWDA and OPWC loan liabilities are payable semiannually from the General Obligation Bond Retirement, and Sewer Bond Funds. The OPWC loans are interest free. Claims and judgments will be paid from the General Fund.

During the year, the City obtained partial proceeds from an Ohio Water Development Authority (“OWDA”) loan that relates to the waste water treatment plant improvements to be repaid in semi-annual principal and interest payments beginning in 2012. The City has not yet collected the total proceeds to be received on this loan and as a result, the debt maturity schedule below does not reflect any amounts for principal or interest. When the loan is finalized, the principal and interest will be included below.

In 2006, the City defeased a portion of library improvement bonds, various general obligation bonds and golf course improvement bonds in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City’s basic financial statements. At December 31, 2010, \$26,040,000 of the defeased bonds are still outstanding.

In 2001, the City defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City’s basic financial statements. At December 31, 2010, \$1,715,000 of bonds outstanding are considered to be defeased.

The City’s overall legal debt margin was \$61,864,300 at December 31, 2010. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2010, are as follows:

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 13: Long-Term Obligations (continued)

Year	Governmental Activities			
	General Obligation Bonds		OPWC Loans	
	Principal	Interest	Principal	
2011	\$ 3,974,000	\$ 1,362,175	\$ 13,612	
2012	3,868,000	1,170,295	13,612	
2013	3,372,000	1,008,898	13,613	
2014	3,452,000	875,691	-	
2015	3,572,000	713,516	-	
2016-2020	9,758,000	2,012,329	-	
2021-2025	<u>2,560,000</u>	<u>352,075</u>	<u>-</u>	
Totals	\$ <u>30,556,000</u>	\$ <u>7,494,979</u>	\$ <u>40,837</u>	

Year	Governmental Activities		Total	
	Police Pension		Governmental Activities	
	Principal	Interest	Principal	Interest
2011	\$ 2,950	\$ 3,956	\$ 3,990,562	\$ 1,366,131
2012	3,077	3,829	3,884,689	1,174,124
2013	3,209	3,697	3,388,822	1,012,595
2014	3,347	3,559	3,455,347	879,250
2015	3,490	3,415	3,575,490	716,931
2016-2020	19,833	14,694	9,777,833	2,027,023
2021-2025	24,475	10,052	2,584,475	362,127
2026-2030	30,202	4,325	30,202	4,325
2031	<u>3,218</u>	<u>68</u>	<u>3,218</u>	<u>68</u>
Totals	\$ <u>93,801</u>	\$ <u>47,595</u>	\$ <u>30,690,638</u>	\$ <u>7,542,574</u>

Year	Business-Type Activities			
	General Obligation Bonds		OWDA Loans	
	Principal	Interest	Principal	Interest
2011	\$ 1,465,000	\$ 550,447	\$ 70,578	\$ 18,700
2012	1,517,000	466,727	73,423	15,854
2013	1,598,000	406,085	76,384	12,893
2014	1,673,000	341,636	74,056	9,811
2015	1,763,000	259,086	71,508	4,168
2016-2020	3,797,000	481,167	112,881	4,682
2021	<u>490,000</u>	<u>20,825</u>	<u>-</u>	<u>-</u>
Totals	\$ <u>12,303,000</u>	\$ <u>2,525,973</u>	\$ <u>478,830</u>	\$ <u>66,108</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 13: Long-Term Obligations (continued)

Year	Business-Type		Total	
	Activities		Business-Type Activities	
	OPWC Loans		Principal	Interest
2011	\$ 130,333		\$ 1,665,911	\$ 569,147
2012	130,333		1,720,756	482,581
2013	130,334		1,804,718	418,978
2014	130,334		1,877,390	351,447
2015	130,334		1,964,842	263,254
2016-2020	-		3,909,881	485,849
2021	-		490,000	20,825
Totals	\$ <u>651,668</u>		\$ <u>13,433,498</u>	\$ <u>2,592,081</u>

Note 14: Lease Obligations

The City entered into lease agreements for several copiers. The City's lease obligations meet the criteria of a capital lease and have been recorded on the government-wide statements. Capital lease payments have been reclassified and are reflected as debt service expenses in the fund financial statements for the General Fund, Recreation Fund and Senior Center Fund. These expenditures are reflected as capital outlay expenditures on a budgetary basis.

The original amounts capitalized for the capital leases and the book value as of December 31, 2010 follows:

	Governmental	Business-Type
	Activities	Activities
Assets:		
Vehicles and equipment	\$ 59,763	\$ 4,103
Less: accumulated depreciation	(4,269)	(293)
Current book value	\$ <u>55,494</u>	\$ <u>3,810</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2010.

Year	Governmental	Business-Type
	Activities	Activities
2011	\$ 14,487	\$ 932
2012	14,487	932
2013	14,487	932
2014	13,723	932
2015	823	78
Total minimum lease payments	58,007	3,806
Less: amount representing interest	(6,018)	(379)
Present value of minimum lease payments	\$ <u>51,989</u>	\$ <u>3,427</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 14: Lease Obligations (continued)

The following is a schedule of the future long-term minimum lease payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of December 31, 2010.

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2011	\$ 1,447	\$ 69,650
2012	1,447	-
2013	598	-
Total minimum lease payments	\$ <u>3,492</u>	\$ <u>69,650</u>

The total costs for operating leases in 2010 were \$1,447 and \$69,650 for governmental activities and business-type activities, respectively.

Note 15: Compensated Absences

Vacation leave is earned at rates which vary depending upon length of service and standard work week. City employees are paid for earned, unused vacation leave at the time of termination of employment if the employee has acquired at least one year of service to the City. Sick leave is earned at the rate of 10 hours for each month worked. Each employee upon retirement is paid for a portion of the employee's earned unused sick leave balances, from 900 hours to 1,500 hours, depending upon the union contract and termination with the City.

Note 16: Construction and Other Significant Commitments

At December 31, 2010, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
Emergency food cupboard renovation	\$ <u>148,400</u>	\$ <u>18,986</u>	\$ <u>129,414</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 17: Interfund Transfers and Balances

A. Interfund Transfers

Interfund transfers for the year ended December 31, 2010 consisted of the following:

	Transfer From			Total
	General Fund	Permanent Improvements Fund	Nonmajor Governmental Funds	
Transfer to:				
General Obligation Bond Retirement Fund	\$ -	\$ 1,520,570	\$ 222,673	\$ 1,743,243
Nonmajor Governmental Funds	71,526	-	46,000	117,526
Springvale Golf and Ballroom Fund	75,800	-	-	75,800
Total	<u>\$ 147,326</u>	<u>\$ 1,520,570</u>	<u>\$ 268,673</u>	<u>\$ 1,936,569</u>

The transfer to the General Obligation Bond Retirement Fund was made for the payment of debt. The transfer to the CDBG Fund from the Land and Building Acquisition Fund was for the City's share of the Emergency Food Pantry relocation.

B. Interfund Balances

As of December 31, 2010, interfund balances were as follows:

	Receivable		Payable	
	Interfund	Advance to Other Funds	Interfund	Advance from Other Funds
Major Funds:				
General Fund	\$ 276,198	\$ 509,781	\$ -	\$ -
General Obligation Bond Retirement Fund	2,078,237	-	-	-
Nonmajor Funds:				
CDBG Fund	-	-	205,000	-
FEMA Fund	-	-	71,198	-
Total Governmental Activities	<u>2,354,435</u>	<u>509,781</u>	<u>276,198</u>	<u>-</u>
Business-type Activities:				
Springvale Golf Course and Ballroom Fund	-	-	2,010,811	411,771
Sewer Fund	-	-	67,426	98,010
Total Business Type Activities	<u>-</u>	<u>-</u>	<u>2,078,237</u>	<u>509,781</u>
Total	<u>\$ 2,354,435</u>	<u>\$ 509,781</u>	<u>\$ 2,354,435</u>	<u>\$ 509,781</u>

The General Obligation Bond Retirement Fund loaned the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund additional resources to meet the debt service requirements for the year. The General Fund loaned the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund operating monies that will be paid back in future years. The loans from the General Fund to the Community Development Block Grant Fund and FEMA Fund were to help pay operating expenses for these reimbursement grants.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 18: Jointly Governed Organizations

West Shore Council of Governments

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the six participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each city's degree of control is limited to its representation on the Board. In 2010, the City contributed \$57,820. Complete financial information can be obtained from the City of Bay Village 350 Dover Center Road, Bay Village, Ohio 44140.

The Council has established two subsidiary organizations, the West Shore Hazardous Materials Committee ("HAZ MAT") which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team.

Note 19: Contingent Liabilities

The City of North Olmsted is a party to legal proceedings seeking damages. City management 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 20: Subsequent Events

On June 8, 2011, the City issued \$1,365,000 in bond anticipation notes for the purposes of improving certain designated City streets, acquiring a rescue squad, acquiring equipment for Springvale Golf Course, certain improvements to Springvale Golf Course, and certain improvements to the Recreation Center. The notes mature in June, 2012 and have an interest rate of 0.809%.

Note 21: Component Unit

A. Summary of Significant Accounting Policies

Nature of Organization - North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) is a non-profit corporation that provides transportation to residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who are 60 years of age or older or disabled. N.O.C.O.P utilizes the services of a third party provider, Senior Transportation Connection, to provide transportation services to the residents. Fares are collected by the provider based on the destination and frequency that the service is used. The three communities share costs or deficits on a prorated agreement based on each community's population. The current formula is as follows: the City of North Olmsted contributes 68.9 percent, the City of Olmsted Falls contributes 10.0 percent and Olmsted Township contributes 21.1 percent.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2010

Note 21: Component Unit (continued)

A. Summary of Significant Accounting Policies (continued)

The N.O.C.O.P. is exempt under Internal Revenue Code Section 501(c) (3) from Federal income tax. It is also currently exempt from Federal unemployment tax and Ohio franchise, personal property, and sales taxes.

Financial Statement Presentation - The N.O.C.O.P. has prepared financial statements in conformity with general 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 N.O.C.O.P. also applies Financial Accounting Standards Board (FASB) Codification, Statements and Interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements.

Classification of Net Assets - Unrestricted net assets are comprised of amounts upon which donors have placed no restriction on expenditure of these assets themselves or their investment income.

Temporarily restricted net assets and investment income generated by these assets comprise those amounts the expenditure of which has been restricted by donors for use during a specific time period or for a particular purpose. When such a restriction expires; that is, when a stipulated time restriction ends or a program restriction is accomplished, temporarily restricted net assets are released to unrestricted net assets and are reported in the Statement of Activities and changes in net assets.

Permanently restricted net assets comprise those assets contributed to the N.O.C.O.P. by donors who have indicated an intention that the assets are to remain in perpetuity as permanent endowments of the N.O.C.O.P. Investment income generated by these assets is reported as unrestricted or temporarily restricted, depending upon whether the donors have limited the expenditure of income to a particular purpose or purposes or have indicated that such income is to be available for the general purposes of the N.O.C.O.P.

At December 31, 2010, all of the assets of the N.O.C.O.P. are unrestricted.

Intergovernmental Receivables - Intergovernmental receivables are derived from the monthly shared cost of services among the three communities. At December 31, 2010, intergovernmental receivables were reported at \$10,729.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. Cash Equivalents and Cash on Hand

At year end the carrying amount of the N.O.C.O.P.'s deposits were \$39,568 and the bank balance was \$39,568, all of which was covered by the Federal Deposit Insurance Coverage (FDIC).

City of North Olmsted, Ohio

Combining Statements
Non-Major Funds

For the Year Ended December 31, 2010

Non-Major Special Revenue Funds

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

Casualty Loss Fund - Accounts for resources designated to pay for property damages that are not covered by insurance.

Community Development Block Grant Fund (CDBG) - Accounts for block grants received and grant reimbursement expenditures.

Alcohol Education Fund - Accounts for court fees obtained from DUI cases and approved alcohol education related expenditures.

Economic Development Fund - Accounts for the revenues generated from annual fees paid by new development agreements through tax abatement and community reinvestment incentives and expenditures in promoting economic development and compliance.

FEMA Grant Fund - Accounts for revenues received from the federal government and expenditures as prescribed under the Federal Emergency Management Agency's Assistance to Firefighters and Staffing for Adequate Fire and Emergency Response Grant Programs.

Federal Grants Fund - Accounts for revenues received for Federal Grants and the expenditures for those grants when the terms of the grant do not require that the grant be tracked in another fund.

Motor Vehicle License Tax Fund - Accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

Recreation Fund - Accounts for real and personal property taxes and program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and the recreation center facility.

Clague Park Fund - Accounts for the receipt of a sale of land proceeds and Clague Park wireless communication tower upfront proceeds and the expenditures related to revitalizing and improving Clague Park.

Hotel/Motel Tax Fund - Accounts for the three percent Hotel/Motel Tax Levy and emergency medical service nonresident ambulance receipts. Expenditures are restricted to safety equipment and up to 15% for capital improvements or building maintenance for safety use. Surplus monies from this fund can also be used to pay for any other operational needs of the police, fire and dispatch divisions, with the exception of wages and benefits.

Emergency Medical Services Fund - Accounts for 25% of the resident emergency medical service's receipts. Expenditures are restricted to capital improvements for the Fire Division of the Department of Public Safety.

State Highway Fund - Accounts for the portion of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

City of North Olmsted, Ohio

Combining Statements
Non-Major Funds

For the Year Ended December 31, 2010

Non-Major Special Revenue Funds (continued)

Street Maintenance Fund - Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

Solid Waste Management Fund - Accounts for 15% of the municipal income tax receipts and expenditures associated with tax collection, solid waste removal, and costs of recycling services provided to residents.

Community Diversion Fund - Accounts for the federal grant receipts, County and local program fees and expenditures related to the youth community diversion program contracted with the County juvenile court system.

Drug Enforcement Fund - Accounts for fines and forfeitures from drug court cases and expenditures for use in drug enforcement.

Endowment and Grant Fund - Accounts for donations restricted for a specific purpose and expenditures for those specific restricted uses.

Fair Capacity Housing Fund - Accounts for revenue and expenditures related to the Housing and Urban Development (HUD) Fair Capacity Housing Grant.

Fire Pension Fund - Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

Law Enforcement Fund - Accounts for other monies seized from criminals by law enforcement officers or the sale of contraband in the course of their work restricted for expenditures that would enhance the police services.

Stop Program Fund - Accounts for fines on traffic violations restricted to paying overtime wages and benefits to officers issuing tickets under this program, wages of the prosecuting attorney and police equipment used in the STOP program. Surplus monies from this fund can be used to pay any other operational expenditure that meets the need of the police and dispatch divisions, with the exception of wages and benefits unrelated to STOP.

Police Pension Fund - Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

Senior Center Fund - Accounts for the daily operations of the senior center and its programs and the services provided on a cost reimbursement basis to senior citizens.

Title III Fund - Accounts for the hot lunch program which provides lunch to senior citizens on a cost reimbursement basis.

City of North Olmsted, Ohio

Combining Statements
Non-Major Funds

For the Year Ended December 31, 2010

Non-Major Special Revenue Funds (continued)

Public Way Management Fund - Accounts for fees that are levied by the City on service providers that install above ground facilities in public right of way areas and the expenditures associated with maintaining the right of way areas.

Non-Major Debt Service Funds

Library Bond Retirement Fund - Accounts for resources restricted to pay the principal, interest and related fiscal charges on the library bonded debt.

Special Assessment Bond Retirement Fund - Accounts for the collected taxes levied by special assessment where specified improvements were levied to specific taxpayers and expenditures to pay the related applicable debt payments and the costs associated with collection and payment.

Fire Station Bond Retirement Fund - Accounts for resources restricted to pay the principal, interest and related fiscal charges on the fire station funded debt.

Non-Major Capital Projects Funds

Capital Improvements Fund - Accounts for resources allocated for specific major capital improvements and the related expenditures.

Library Construction Fund - Accounts for financial resources designated to construct a free and public library and related expenditures.

Building and Land Acquisition and Improvement Fund - Accounts for financial resources for acquiring real property, constructing improvements, including additions to buildings, upon lands owned by the City, or for substantially rehabilitating or renovating existing City-owned buildings.

Fire Construction Fund - Accounts for the financial resources designated to construct, furnish, equipment and otherwise improve a fire station.

Non-Major Internal Service Funds

Hospitalization Fund - Accounts for a self-insurance program for employee medical, dental and vision benefits.

Workers' Compensation Fund - Accounts for assets set aside for claim settlements and related liabilities associated with the workers' compensation self-insurance program.

City of North Olmsted, Ohio

Combining Balance Sheet Non-Major Governmental Funds

December 31, 2010

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 3,811,227	\$ 1,272,938	\$ 597,791	\$ 5,681,956
Income taxes receivable	456,846	-	-	456,846
Taxes receivable - property and other	1,355,562	1,116,997	-	2,472,559
Intergovernmental receivable	912,151	74,595	-	986,746
Accounts receivable	2,803	-	-	2,803
Prepaid items	16,138	-	-	16,138
Total assets	<u>\$ 6,554,727</u>	<u>\$ 2,464,530</u>	<u>\$ 597,791</u>	<u>\$ 9,617,048</u>
Liabilities and fund balances:				
Liabilities:				
Accounts and contracts payable	\$ 378,182	\$ -	\$ 680	\$ 378,862
Accrued wages and benefits	25,547	-	-	25,547
Intergovernmental payable	33,538	-	-	33,538
Interfund payable	276,198	-	-	276,198
Deferred revenue	<u>2,236,598</u>	<u>1,191,592</u>	<u>-</u>	<u>3,428,190</u>
Total liabilities	<u>2,950,063</u>	<u>1,191,592</u>	<u>680</u>	<u>4,142,335</u>
Fund balances:				
Reserved for encumbrances	303,099	-	27,281	330,380
Unreserved, reported in:				
Special revenue funds	3,301,565	-	-	3,301,565
Debt service funds	-	1,272,938	-	1,272,938
Capital projects funds	<u>-</u>	<u>-</u>	<u>569,830</u>	<u>569,830</u>
Total fund balances	<u>3,604,664</u>	<u>1,272,938</u>	<u>597,111</u>	<u>5,474,713</u>
Total liabilities and fund balances	<u>\$ 6,554,727</u>	<u>\$ 2,464,530</u>	<u>\$ 597,791</u>	<u>\$ 9,617,048</u>

City of North Olmsted, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Governmental Funds

For the Year Ended December 31, 2010

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
Revenues:				
Property and other local taxes	\$ 1,570,734	\$ 1,099,052	\$ -	\$ 2,669,786
Municipal income taxes	1,764,978	-	-	1,764,978
Charges for services	1,202,458	-	-	1,202,458
Fines, licenses and permits	218,867	-	1,610	220,477
Intergovernmental	1,966,399	136,759	-	2,103,158
Special assessments	-	90,000	-	90,000
Investment income	3,195	12,735	-	15,930
Miscellaneous income	208,947	-	-	208,947
Total revenues	<u>6,935,578</u>	<u>1,338,546</u>	<u>1,610</u>	<u>8,275,734</u>
Expenditures:				
Current:				
General government	84,039	3,044	680	87,763
Security of persons and property	873,730	-	-	873,730
Public health and welfare	67,743	-	-	67,743
Transportation	1,444,577	-	-	1,444,577
Basic utility services	2,022,786	-	-	2,022,786
Leisure time activities	2,343,545	-	-	2,343,545
Economic development	211,655	-	-	211,655
Capital outlay	-	-	122,399	122,399
Debt service:				
Principal	1,803	760,000	-	761,803
Interest and fiscal charges	475	526,853	-	527,328
Total expenditures	<u>7,050,353</u>	<u>1,289,897</u>	<u>123,079</u>	<u>8,463,329</u>
Excess (deficiency) of revenues over expenditures	<u>(114,775)</u>	<u>48,649</u>	<u>(121,469)</u>	<u>(187,595)</u>
Other financing sources (uses):				
Sale of capital assets	1,444	-	-	1,444
Inception of capital leases	10,948	-	-	10,948
Transfers - in	117,526	-	-	117,526
Transfers - out	(222,673)	-	(46,000)	(268,673)
Total other financing sources (uses)	<u>(92,755)</u>	<u>-</u>	<u>(46,000)</u>	<u>(138,755)</u>
Net change in fund balances	(207,530)	48,649	(167,469)	(326,350)
Fund balances, beginning of year	<u>3,812,194</u>	<u>1,224,289</u>	<u>764,580</u>	<u>5,801,063</u>
Fund balances, end of year	\$ <u>3,604,664</u>	\$ <u>1,272,938</u>	\$ <u>597,111</u>	\$ <u>5,474,713</u>

City of North Olmsted, Ohio

Combining Balance Sheet Non-Major Special Revenue Funds

December 31, 2010

	<u>Casualty Loss</u>	<u>CDBG</u>	<u>Alcohol Education</u>	<u>Economic Development</u>	<u>FEMA Grant</u>	<u>Federal Grants</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 79,770	\$ 233,927	\$ 17,651	\$ 50,857	\$ 41,702	\$ 29,988
Income taxes receivable	-	-	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-
Intergovernmental receivable	-	-	242	-	37,344	-
Accounts receivable	1,009	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 80,779</u>	<u>\$ 233,927</u>	<u>\$ 17,893</u>	<u>\$ 50,857</u>	<u>\$ 79,046</u>	<u>\$ 29,988</u>
Liabilities and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ 21,445	\$ -	\$ 186	\$ -	\$ -	\$ -
Accrued wages and benefits	-	-	-	-	-	-
Intergovernmental payable	980	-	-	-	7,980	-
Interfund payable	-	205,000	-	-	71,198	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>22,425</u>	<u>205,000</u>	<u>186</u>	<u>-</u>	<u>79,178</u>	<u>-</u>
Fund balances:						
Reserved for encumbrances	16,096	131,217	650	12,772	-	-
Unreserved (deficit)	<u>42,258</u>	<u>(102,290)</u>	<u>17,057</u>	<u>38,085</u>	<u>(132)</u>	<u>29,988</u>
Total fund balances	<u>58,354</u>	<u>28,927</u>	<u>17,707</u>	<u>50,857</u>	<u>(132)</u>	<u>29,988</u>
Total liabilities and fund balances	<u>\$ 80,779</u>	<u>\$ 233,927</u>	<u>\$ 17,893</u>	<u>\$ 50,857</u>	<u>\$ 79,046</u>	<u>\$ 29,988</u>

(Continued)

<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/ Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>
\$ 101,641	\$ 173,413	\$ 3,065	\$ 286,192	\$ 2,773	\$ 422,212	\$ 1,106,584
-	-	-	-	-	-	-
-	893,598	-	15,164	-	-	-
110,250	72,421	-	-	-	47,500	594,000
-	1,794	-	-	-	-	-
-	16,138	-	-	-	-	-
<u>\$ 211,891</u>	<u>\$ 1,157,364</u>	<u>\$ 3,065</u>	<u>\$ 301,356</u>	<u>\$ 2,773</u>	<u>\$ 469,712</u>	<u>\$ 1,700,584</u>
\$ -	\$ 139,077	\$ -	\$ -	\$ -	\$ 900	\$ 49,780
-	17,854	-	-	-	-	6,989
-	13,125	-	-	-	-	5,711
-	-	-	-	-	-	-
<u>75,476</u>	<u>966,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,360</u>	<u>468,948</u>
<u>75,476</u>	<u>1,136,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,260</u>	<u>531,428</u>
54,663	11,374	-	16,295	-	5,600	32,068
<u>81,752</u>	<u>9,915</u>	<u>3,065</u>	<u>285,061</u>	<u>2,773</u>	<u>425,852</u>	<u>1,137,088</u>
<u>136,415</u>	<u>21,289</u>	<u>3,065</u>	<u>301,356</u>	<u>2,773</u>	<u>431,452</u>	<u>1,169,156</u>
<u>\$ 211,891</u>	<u>\$ 1,157,364</u>	<u>\$ 3,065</u>	<u>\$ 301,356</u>	<u>\$ 2,773</u>	<u>\$ 469,712</u>	<u>\$ 1,700,584</u>

City of North Olmsted, Ohio

Combining Balance Sheet Non-Major Special Revenue Funds (Continued)

December 31, 2010

	<u>Solid Waste Management</u>	<u>Community Diversion</u>	<u>Drug Enforcement</u>	<u>Endowment and Grant</u>	<u>Fair Capacity Housing</u>
Assets:					
Equity in pooled cash and cash equivalents	\$ 379,813	\$ 9,342	\$ 22,330	\$ 251,111	\$ 263,353
Income taxes receivable	456,846	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	<u>\$ 836,659</u>	<u>\$ 9,342</u>	<u>\$ 22,330</u>	<u>\$ 251,111</u>	<u>\$ 263,353</u>
Liabilities and fund balances:					
Liabilities:					
Accounts and contracts payable	\$ 164,070	\$ 200	\$ -	\$ 750	\$ -
Accrued wages and benefits	-	-	-	-	577
Intergovernmental payable	-	248	-	-	215
Interfund payable	-	-	-	-	-
Deferred revenue	<u>205,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>369,855</u>	<u>448</u>	<u>-</u>	<u>750</u>	<u>792</u>
Fund balances:					
Reserved for encumbrances	5,990	-	-	60	-
Unreserved (deficit)	<u>460,814</u>	<u>8,894</u>	<u>22,330</u>	<u>250,301</u>	<u>262,561</u>
Total fund balances	<u>466,804</u>	<u>8,894</u>	<u>22,330</u>	<u>250,361</u>	<u>262,561</u>
Total liabilities and fund balances	<u>\$ 836,659</u>	<u>\$ 9,342</u>	<u>\$ 22,330</u>	<u>\$ 251,111</u>	<u>\$ 263,353</u>

(Continued)

<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>Stop Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Total</u>
\$ 29,792	\$ 36,445	\$ 101,993	\$ 48,584	\$ 33,917	\$ 37,068	\$ 47,704	\$ 3,811,227
-	-	-	-	-	-	-	456,846
223,400	-	-	223,400	-	-	-	1,355,562
18,105	-	12,540	18,105	-	1,644	-	912,151
-	-	-	-	-	-	-	2,803
-	-	-	-	-	-	-	16,138
<u>\$ 271,297</u>	<u>\$ 36,445</u>	<u>\$ 114,533</u>	<u>\$ 290,089</u>	<u>\$ 33,917</u>	<u>\$ 38,712</u>	<u>\$ 47,704</u>	<u>\$ 6,554,727</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,774	\$ -	\$ -	\$ 378,182
-	-	-	-	-	127	-	25,547
-	-	5,131	-	-	148	-	33,538
-	-	-	-	-	-	-	276,198
<u>241,505</u>	<u>-</u>	<u>-</u>	<u>241,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,236,598</u>
<u>241,505</u>	<u>-</u>	<u>5,131</u>	<u>241,505</u>	<u>1,774</u>	<u>275</u>	<u>-</u>	<u>2,950,063</u>
-	-	-	-	847	-	15,467	303,099
<u>29,792</u>	<u>36,445</u>	<u>109,402</u>	<u>48,584</u>	<u>31,296</u>	<u>38,437</u>	<u>32,237</u>	<u>3,301,565</u>
<u>29,792</u>	<u>36,445</u>	<u>109,402</u>	<u>48,584</u>	<u>32,143</u>	<u>38,437</u>	<u>47,704</u>	<u>3,604,664</u>
<u>\$ 271,297</u>	<u>\$ 36,445</u>	<u>\$ 114,533</u>	<u>\$ 290,089</u>	<u>\$ 33,917</u>	<u>\$ 38,712</u>	<u>\$ 47,704</u>	<u>\$ 6,554,727</u>

City of North Olmsted, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Special Revenue Funds

For the Year Ended December 31, 2010

	Casualty Loss	CDBG	Alcohol Education	Economic Development	FEMA Grant	Federal Grants
Revenues:						
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	-	-	-	-	-
Charges for services	29,664	-	-	4,600	-	-
Fines, licenses and permits	-	-	2,629	-	-	-
Intergovernmental	-	100,000	-	-	37,344	26,882
Investment income	-	-	-	-	-	-
Miscellaneous income	-	-	-	15,275	-	-
Total revenues	<u>29,664</u>	<u>100,000</u>	<u>2,629</u>	<u>19,875</u>	<u>37,344</u>	<u>26,882</u>
Expenditures:						
Current:						
General government	55,691	-	-	-	-	-
Security of persons and property	8,702	-	793	-	45,324	12,220
Public health and welfare	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Basic utility services	-	-	-	-	-	-
Leisure time activities	-	-	-	-	-	-
Economic development	-	169,939	-	40,516	-	1,200
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>64,393</u>	<u>169,939</u>	<u>793</u>	<u>40,516</u>	<u>45,324</u>	<u>13,420</u>
Excess (deficiency) of revenues over expenditures	<u>(34,729)</u>	<u>(69,939)</u>	<u>1,836</u>	<u>(20,641)</u>	<u>(7,980)</u>	<u>13,462</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Inception of capital leases	-	-	-	-	-	-
Transfers - in	50,000	46,000	-	-	-	11,000
Transfers - out	-	-	-	-	-	-
Total other financing sources (uses)	<u>50,000</u>	<u>46,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,000</u>
Net change in fund balances	15,271	(23,939)	1,836	(20,641)	(7,980)	24,462
Fund balances (deficit), beginning of year	<u>43,083</u>	<u>52,866</u>	<u>15,871</u>	<u>71,498</u>	<u>7,848</u>	<u>5,526</u>
Fund balances, end of year	\$ <u>58,354</u>	\$ <u>28,927</u>	\$ <u>17,707</u>	\$ <u>50,857</u>	\$ <u>(132)</u>	\$ <u>29,988</u>

(Continued)

<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/ Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>
\$ -	\$ 877,884	\$ -	\$ 253,908	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	1,122,954	-	-	-	-	-
-	-	-	-	-	-	-
221,186	173,659	-	-	-	92,335	1,138,805
179	-	-	-	-	693	1,987
-	<u>76,631</u>	-	-	-	-	-
<u>221,365</u>	<u>2,251,128</u>	<u>-</u>	<u>253,908</u>	<u>-</u>	<u>93,028</u>	<u>1,140,792</u>
-	-	-	-	-	-	-
-	-	-	114,297	-	-	-
-	-	-	-	-	-	-
214,711	-	-	-	-	4,572	1,208,493
-	-	-	-	-	-	-
-	2,251,015	-	-	-	-	-
-	-	-	-	-	-	-
-	1,010	-	-	-	-	-
-	<u>266</u>	-	-	-	-	-
<u>214,711</u>	<u>2,252,291</u>	<u>-</u>	<u>114,297</u>	<u>-</u>	<u>4,572</u>	<u>1,208,493</u>
<u>6,654</u>	<u>(1,163)</u>	<u>-</u>	<u>139,611</u>	<u>-</u>	<u>88,456</u>	<u>(67,701)</u>
-	1,444	-	-	-	-	-
-	6,131	-	-	-	-	-
-	10,526	-	-	-	-	-
-	<u>(77,333)</u>	-	<u>(145,340)</u>	-	-	-
-	<u>(59,232)</u>	-	<u>(145,340)</u>	-	-	-
6,654	(60,395)	-	(5,729)	-	88,456	(67,701)
<u>129,761</u>	<u>81,684</u>	<u>3,065</u>	<u>307,085</u>	<u>2,773</u>	<u>342,996</u>	<u>1,236,857</u>
\$ <u>136,415</u>	\$ <u>21,289</u>	\$ <u>3,065</u>	\$ <u>301,356</u>	\$ <u>2,773</u>	\$ <u>431,452</u>	\$ <u>1,169,156</u>

City of North Olmsted, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Special Revenue Funds (Continued)

For the Year Ended December 31, 2010

	Solid Waste Management	Community Diversion	Drug Enforcement	Endowment and Grant	Fair Capacity Housing
Revenues:					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	1,764,978	-	-	-	-
Charges for services	-	14,640	-	259	-
Fines, licenses and permits	-	-	33	-	-
Intergovernmental	14,870	16,800	-	-	38,310
Investment income	-	-	-	15	-
Miscellaneous income	-	-	-	110,859	-
Total revenues	<u>1,779,848</u>	<u>31,440</u>	<u>33</u>	<u>111,133</u>	<u>38,310</u>
Expenditures:					
Current:					
General government	-	-	-	-	28,348
Security of persons and property	-	-	-	1,278	-
Public health and welfare	-	26,075	-	14,154	-
Transportation	-	-	-	-	-
Basic utility services	2,022,786	-	-	-	-
Leisure time activities	-	-	-	56,130	-
Economic development	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>2,022,786</u>	<u>26,075</u>	<u>-</u>	<u>71,562</u>	<u>28,348</u>
Excess (deficiency) of revenues over expenditures	<u>(242,938)</u>	<u>5,365</u>	<u>33</u>	<u>39,571</u>	<u>9,962</u>
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Inception of capital leases	-	-	-	-	-
Transfers - in	-	-	-	-	-
Transfers - out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(242,938)	5,365	33	39,571	9,962
Fund balances (deficit), beginning of year	<u>709,742</u>	<u>3,529</u>	<u>22,297</u>	<u>210,790</u>	<u>252,599</u>
Fund balances, end of year	<u>\$ 466,804</u>	<u>\$ 8,894</u>	<u>\$ 22,330</u>	<u>\$ 250,361</u>	<u>\$ 262,561</u>

(Continued)

<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>Stop Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Total</u>
\$ 219,471	\$ -	\$ -	\$ 219,471	\$ -	\$ -	\$ -	\$ 1,570,734
-	-	-	-	-	-	-	1,764,978
-	-	-	-	20,657	8,637	1,047	1,202,458
-	-	212,505	-	1,700	-	2,000	218,867
42,790	-	-	42,790	-	20,628	-	1,966,399
-	-	-	-	321	-	-	3,195
-	-	-	-	6,182	-	-	208,947
<u>262,261</u>	<u>-</u>	<u>212,505</u>	<u>262,261</u>	<u>28,860</u>	<u>29,265</u>	<u>3,047</u>	<u>6,935,578</u>
-	-	-	-	-	-	-	84,039
261,242	7,201	165,223	257,450	-	-	-	873,730
-	-	-	-	-	27,514	-	67,743
-	-	-	-	-	-	16,801	1,444,577
-	-	-	-	-	-	-	2,022,786
-	-	-	-	36,400	-	-	2,343,545
-	-	-	-	-	-	-	211,655
-	-	-	-	793	-	-	1,803
-	-	-	-	209	-	-	475
<u>261,242</u>	<u>7,201</u>	<u>165,223</u>	<u>257,450</u>	<u>37,402</u>	<u>27,514</u>	<u>16,801</u>	<u>7,050,353</u>
<u>1,019</u>	<u>(7,201)</u>	<u>47,282</u>	<u>4,811</u>	<u>(8,542)</u>	<u>1,751</u>	<u>(13,754)</u>	<u>(114,775)</u>
-	-	-	-	-	-	-	1,444
-	-	-	-	4,817	-	-	10,948
-	-	-	-	-	-	-	117,526
-	-	-	-	-	-	-	(222,673)
-	-	-	-	4,817	-	-	(92,755)
1,019	(7,201)	47,282	4,811	(3,725)	1,751	(13,754)	(207,530)
<u>28,773</u>	<u>43,646</u>	<u>62,120</u>	<u>43,773</u>	<u>35,868</u>	<u>36,686</u>	<u>61,458</u>	<u>3,812,194</u>
\$ <u>29,792</u>	\$ <u>36,445</u>	\$ <u>109,402</u>	\$ <u>48,584</u>	\$ <u>32,143</u>	\$ <u>38,437</u>	\$ <u>47,704</u>	\$ <u>3,604,664</u>

City of North Olmsted, Ohio

Combining Balance Sheet Non-Major Debt Service Funds

December 31, 2010

	Library Bond <u>Retirement</u>	Special Assessment Bond <u>Retirement</u>	Fire Station Bond <u>Retirement</u>	<u>Total</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 653,645	\$ 90,952	\$ 528,341	\$ 1,272,938
Taxes receivable - property and other	819,131	-	297,866	1,116,997
Intergovernmental receivable	<u>54,703</u>	<u>-</u>	<u>19,892</u>	<u>74,595</u>
Total assets	<u>\$ 1,527,479</u>	<u>\$ 90,952</u>	<u>\$ 846,099</u>	<u>\$ 2,464,530</u>
Liabilities and fund balances:				
Liabilities:				
Deferred revenue	\$ 873,834	\$ -	\$ 317,758	\$ 1,191,592
Fund balances:				
Unreserved	<u>653,645</u>	<u>90,952</u>	<u>528,341</u>	<u>1,272,938</u>
Total liabilities and fund balances	<u>\$ 1,527,479</u>	<u>\$ 90,952</u>	<u>\$ 846,099</u>	<u>\$ 2,464,530</u>

City of North Olmsted, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Debt Service Funds

For the Year Ended December 31, 2010

	<u>Library Bond Retirement</u>	<u>Special Assessment Bond Retirement</u>	<u>Fire Station Bond Retirement</u>	<u>Total</u>
Revenues:				
Property and other local taxes	\$ 806,424	\$ -	\$ 292,628	\$ 1,099,052
Intergovernmental	99,031	-	37,728	136,759
Special assessments	-	90,000	-	90,000
Investment income	-	12,735	-	12,735
Total revenues	<u>905,455</u>	<u>102,735</u>	<u>330,356</u>	<u>1,338,546</u>
Expenditures:				
Current:				
General government	2,174	-	870	3,044
Debt service:				
Principal	520,000	90,000	150,000	760,000
Interest and fiscal charges	<u>356,073</u>	<u>7,767</u>	<u>163,013</u>	<u>526,853</u>
Total expenditures	<u>878,247</u>	<u>97,767</u>	<u>313,883</u>	<u>1,289,897</u>
Net change in fund balances	27,208	4,968	16,473	48,649
Fund balances, beginning of year	<u>626,437</u>	<u>85,984</u>	<u>511,868</u>	<u>1,224,289</u>
Fund balances, end of year.	\$ <u>653,645</u>	\$ <u>90,952</u>	\$ <u>528,341</u>	\$ <u>1,272,938</u>

City of North Olmsted, Ohio

Combining Balance Sheet Non-Major Capital Projects Funds

December 31, 2010

	<u>Capital Improvements</u>	<u>Library Construction</u>	<u>Building and Land Acquisition and Improvement</u>	<u>Fire Construction</u>	<u>Total</u>
Assets:					
Equity in pooled cash and cash equivalents	\$ <u>155,040</u>	\$ <u>113,169</u>	\$ <u>175,196</u>	\$ <u>154,386</u>	\$ <u>597,791</u>
Liabilities and fund balances:					
Liabilities:					
Accounts and contracts payable	\$ <u>680</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>680</u>
Fund balances:					
Reserved for encumbrances	27,056	-	-	225	27,281
Unreserved	<u>127,304</u>	<u>113,169</u>	<u>175,196</u>	<u>154,161</u>	<u>569,830</u>
Total fund balances	<u>154,360</u>	<u>113,169</u>	<u>175,196</u>	<u>154,386</u>	<u>597,111</u>
Total liabilities and fund balances	\$ <u>155,040</u>	\$ <u>113,169</u>	\$ <u>175,196</u>	\$ <u>154,386</u>	\$ <u>597,791</u>

City of North Olmsted, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Capital Projects Funds

For the Year Ended December 31, 2010

	<u>Capital Improvements</u>	<u>Library Construction</u>	<u>Building and Land Acquisition and Improvement</u>	<u>Fire Construction</u>	<u>Total</u>
Revenues:					
Fines, licenses, and permits	\$ <u>1,610</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,610</u>
Expenditures:					
Current:					
General government	680	-	-	-	680
Capital outlay	<u>122,399</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>122,399</u>
Total expenditures	<u>123,079</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,079</u>
Excess (deficiency) of revenues over expenditures	(121,469)	-	-	-	(121,469)
Other financing sources (uses):					
Transfers - out	<u>-</u>	<u>-</u>	<u>(46,000)</u>	<u>-</u>	<u>(46,000)</u>
Net change in fund balances	(121,469)	-	(46,000)	-	(167,469)
Fund balances, beginning of year	<u>275,829</u>	<u>113,169</u>	<u>221,196</u>	<u>154,386</u>	<u>764,580</u>
Fund balances, end of year	\$ <u><u>154,360</u></u>	\$ <u><u>113,169</u></u>	\$ <u><u>175,196</u></u>	\$ <u><u>154,386</u></u>	\$ <u><u>597,111</u></u>

City of North Olmsted, Ohio

Combining Statement of Fund Net Assets Non-Major Internal Service Funds

December 31, 2010

	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ <u>2,186,809</u>	\$ <u>478,533</u>	\$ <u>2,665,342</u>
Liabilities:			
Current liabilities:			
Accounts and contracts payable	-	715	715
Intergovernmental payable	-	56,350	56,350
Claims payable	<u>172,565</u>	<u>17,732</u>	<u>190,297</u>
Total current liabilities	<u>172,565</u>	<u>74,797</u>	<u>247,362</u>
Long-term liabilities:			
Claims payable	<u>-</u>	<u>53,196</u>	<u>53,196</u>
Total liabilities	<u>172,565</u>	<u>127,993</u>	<u>300,558</u>
Net assets:			
Unrestricted	\$ <u>2,014,244</u>	\$ <u>350,540</u>	\$ <u>2,364,784</u>

City of North Olmsted, Ohio

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets Non-Major Internal Service Funds

For the Year Ended December 31, 2010

	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services	\$ <u>2,511,040</u>	\$ <u>587,448</u>	\$ <u>3,098,488</u>
Operating expenses:			
Contractual services	344,511	133,647	478,158
Claims	<u>1,541,400</u>	<u>4,677</u>	<u>1,546,077</u>
Total operating expenses	<u>1,885,911</u>	<u>138,324</u>	<u>2,024,235</u>
Change in net assets	625,129	449,124	1,074,253
Net assets, beginning of year	<u>1,389,115</u>	<u>(98,584)</u>	<u>1,290,531</u>
Net assets (deficit), end of year	\$ <u><u>2,014,244</u></u>	\$ <u><u>350,540</u></u>	\$ <u><u>2,364,784</u></u>

City of North Olmsted, Ohio

Combining Statement of Cash Flows Non-Major Internal Service Funds

For the Year Ended December 31, 2010

	<u>Hospitalization</u>	<u>Workers'</u> <u>Compensation</u>	<u>Total</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 2,511,040	\$ 587,448	\$ 3,098,488
Cash payments for goods and services	(344,511)	(134,000)	(478,511)
Cash paid for claims	<u>(1,614,916)</u>	<u>(43,262)</u>	<u>(1,658,178)</u>
Net cash provided by operating activities	<u>551,613</u>	<u>410,186</u>	<u>961,799</u>
Net increase in cash and cash equivalents	551,613	410,186	961,799
Cash and cash equivalents, beginning of year	<u>1,635,196</u>	<u>68,347</u>	<u>1,703,543</u>
Cash and cash equivalents, end of year	\$ <u><u>2,186,809</u></u>	\$ <u><u>478,533</u></u>	\$ <u><u>2,665,342</u></u>
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income	\$ 625,129	\$ 449,124	\$ 1,074,253
Adjustments:			
Changes in assets/liabilities:			
Decrease in accounts and contracts payable	-	(580)	(580)
Increase in intergovernmental payable	-	227	227
Decrease in claims payable	<u>(73,516)</u>	<u>(38,585)</u>	<u>(112,101)</u>
Net cash provided by operating activities	\$ <u><u>551,613</u></u>	\$ <u><u>410,186</u></u>	\$ <u><u>961,799</u></u>

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

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property and other local taxes	\$ 4,559,795	\$ 4,559,795	\$ 4,683,907	\$ 124,112
Municipal income taxes	8,010,539	8,010,539	8,418,440	407,901
Charges for services	1,107,340	1,106,340	1,225,355	119,015
Licenses and permits	785,100	785,100	836,604	51,504
Fines and forfeitures	211,500	211,500	253,493	41,993
Intergovernmental	2,469,998	2,469,998	3,014,188	544,190
Investment income	50,000	50,000	32,626	(17,374)
Miscellaneous income	<u>15,000</u>	<u>15,000</u>	<u>20,580</u>	<u>5,580</u>
Total revenues	<u>17,209,272</u>	<u>17,208,272</u>	<u>18,485,193</u>	<u>1,276,921</u>
Expenditures:				
Current:				
General government - legislative and executive				
Council				
Salaries	143,489	143,489	142,989	500
Benefits	32,902	32,902	32,856	46
Materials and supplies	700	700	492	208
Contractual services	<u>17,848</u>	<u>20,848</u>	<u>19,403</u>	<u>1,445</u>
Total council	<u>194,939</u>	<u>197,939</u>	<u>195,740</u>	<u>2,199</u>
Mayor				
Salaries	166,239	135,869	135,627	242
Benefits	56,345	44,872	44,799	73
Materials and supplies	29,100	2,900	2,051	849
Contractual services	<u>15,450</u>	<u>11,250</u>	<u>8,095</u>	<u>3,155</u>
Total mayor	<u>267,134</u>	<u>194,891</u>	<u>190,572</u>	<u>4,319</u>
Finance department				
Salaries	316,463	321,552	313,932	7,620
Benefits	128,983	129,770	129,704	66
Materials and supplies	12,225	12,225	9,795	2,430
Contractual services	<u>707,090</u>	<u>746,632</u>	<u>744,415</u>	<u>2,217</u>
Total finance department	<u>1,164,761</u>	<u>1,210,179</u>	<u>1,197,846</u>	<u>12,333</u>

(Continued)

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund (Continued)

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Law department				
Salaries	203,855	195,855	185,415	10,440
Benefits	77,168	86,918	86,326	592
Materials and supplies	1,025	1,025	713	312
Contractual services	<u>15,480</u>	<u>15,480</u>	<u>15,251</u>	<u>229</u>
Total law department	<u>297,528</u>	<u>299,278</u>	<u>287,705</u>	<u>11,573</u>
Information systems				
Salaries	59,648	61,558	60,364	1,194
Benefits	25,010	26,373	26,328	45
Materials and supplies	7,600	7,600	7,553	47
Contractual services	80,218	84,508	70,989	13,519
Capital outlay	<u>40,970</u>	<u>40,970</u>	<u>40,530</u>	<u>440</u>
Total information systems	<u>213,446</u>	<u>221,009</u>	<u>205,764</u>	<u>15,245</u>
Department of human resources				
Salaries	158,637	189,808	189,210	598
Benefits	63,366	75,936	75,821	115
Materials and supplies	515	26,715	25,532	1,183
Contractual services	<u>209,426</u>	<u>183,376</u>	<u>168,960</u>	<u>14,416</u>
Total department of human resources	<u>431,944</u>	<u>475,835</u>	<u>459,523</u>	<u>16,312</u>
Civil service department				
Salaries	1,250	497	493	4
Benefits	194	77	76	1
Materials and supplies	400	400	355	45
Contractual services	<u>15,800</u>	<u>15,800</u>	<u>11,996</u>	<u>3,804</u>
Total civil service department	<u>17,644</u>	<u>16,774</u>	<u>12,920</u>	<u>3,854</u>
Boards and commissions				
Salaries	43,097	43,097	43,090	7
Benefits	22,214	22,196	22,192	4
Materials and supplies	1,804	1,804	1,605	199
Contractual services	<u>1,700</u>	<u>2,250</u>	<u>1,753</u>	<u>497</u>
Total boards and commissions	<u>68,815</u>	<u>69,347</u>	<u>68,640</u>	<u>707</u>

(Continued)

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund (Continued)

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Building department				
Salaries	452,070	453,826	448,449	5,377
Benefits	213,565	208,572	208,138	434
Materials and supplies	12,510	12,510	12,074	436
Contractual services	<u>57,533</u>	<u>50,033</u>	<u>44,631</u>	<u>5,402</u>
Total building department	<u>735,678</u>	<u>724,941</u>	<u>713,292</u>	<u>11,649</u>
Engineering department				
Salaries	62,000	71,300	69,146	2,154
Benefits	13,587	15,024	14,987	37
Materials and supplies	1,500	4,885	4,049	836
Contractual services	<u>143,436</u>	<u>125,851</u>	<u>123,031</u>	<u>2,820</u>
Total engineering department	<u>220,523</u>	<u>217,060</u>	<u>211,213</u>	<u>5,847</u>
Total general government - legislative and executive	<u>3,612,412</u>	<u>3,627,253</u>	<u>3,543,215</u>	<u>84,038</u>
Security of persons and property				
Safety director				
Salaries	109,323	114,323	112,914	1,409
Benefits	26,473	27,295	27,205	90
Materials and supplies	735	655	491	164
Contractual services	<u>-</u>	<u>80</u>	<u>80</u>	<u>-</u>
Total safety director	<u>136,531</u>	<u>142,353</u>	<u>140,690</u>	<u>1,663</u>
Fire department				
Salaries	3,115,133	3,115,133	2,955,659	159,474
Benefits	1,114,836	1,114,836	1,114,692	144
Materials and supplies	56,400	56,400	51,811	4,589
Contractual services	323,019	321,069	300,526	20,543
Capital outlay	<u>1,500</u>	<u>3,450</u>	<u>1,372</u>	<u>2,078</u>
Total fire department	<u>4,610,888</u>	<u>4,610,888</u>	<u>4,424,060</u>	<u>186,828</u>
Central dispatch				
Salaries	436,327	436,327	399,910	36,417
Benefits	144,773	144,773	144,712	61
Materials and supplies	1,000	1,000	26	974
Contractual services	<u>25,804</u>	<u>25,804</u>	<u>25,211</u>	<u>593</u>
Total central dispatch	<u>607,904</u>	<u>607,904</u>	<u>569,859</u>	<u>38,045</u>

(Continued)

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund (Continued)

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Police department				
Salaries	3,905,041	3,905,041	3,736,320	168,721
Benefits	1,358,750	1,358,750	1,358,690	60
Materials and supplies	63,200	151,500	130,261	21,239
Contractual services	<u>310,760</u>	<u>310,760</u>	<u>267,206</u>	<u>43,554</u>
Total police department	<u>5,637,751</u>	<u>5,726,051</u>	<u>5,492,477</u>	<u>233,574</u>
Corrections				
Salaries	51,650	51,650	43,384	8,266
Benefits	24,035	24,035	24,006	29
Materials and supplies	1,200	1,200	561	639
Contractual services	<u>54,250</u>	<u>54,250</u>	<u>37,266</u>	<u>16,984</u>
Total corrections	<u>131,135</u>	<u>131,135</u>	<u>105,217</u>	<u>25,918</u>
Total security of persons and property	<u>11,124,209</u>	<u>11,218,331</u>	<u>10,732,303</u>	<u>486,028</u>
Public health and welfare				
Division of aging				
Salaries	98,943	101,800	101,725	75
Benefits	38,113	43,302	43,210	92
Materials and supplies	600	600	215	385
Contractual services	32,430	27,684	23,007	4,677
Capital outlay	<u>110</u>	<u>110</u>	<u>-</u>	<u>110</u>
Total division of aging	<u>170,196</u>	<u>173,496</u>	<u>168,157</u>	<u>5,339</u>
Department of community and youth services				
Salaries	161,983	91,624	91,152	472
Benefits	59,726	54,895	54,780	115
Materials and supplies	1,005	1,005	837	168
Contractual services	<u>102,663</u>	<u>106,913</u>	<u>106,538</u>	<u>375</u>
Total department of community and youth services	<u>325,377</u>	<u>254,437</u>	<u>253,307</u>	<u>1,130</u>
Total public health and welfare	<u>495,573</u>	<u>427,933</u>	<u>421,464</u>	<u>6,469</u>
Transportation				
Service director				
Salaries	121,681	53,656	53,117	539
Benefits	34,824	12,686	12,606	80
Materials and supplies	1,600	1,600	1,073	527
Contractual services	<u>691,051</u>	<u>593,385</u>	<u>562,700</u>	<u>30,685</u>
Total service director	<u>849,156</u>	<u>661,327</u>	<u>629,496</u>	<u>31,831</u>

(Continued)

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund (Continued)

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Service department				
Salaries	559,457	566,386	537,258	29,128
Benefits	255,145	256,216	255,890	326
Materials and supplies	75,087	72,087	50,134	21,953
Contractual services	354,116	342,316	295,129	47,187
Capital outlay	<u>46,582</u>	<u>70,582</u>	<u>38,104</u>	<u>32,478</u>
Total service department	<u>1,290,387</u>	<u>1,307,587</u>	<u>1,176,515</u>	<u>131,072</u>
Fleet maintenance department				
Salaries	361,828	362,423	360,973	1,450
Benefits	157,233	159,638	159,542	96
Materials and supplies	509,190	356,190	231,901	124,289
Contractual services	10,042	10,042	9,278	764
Capital outlay	<u>6,160</u>	<u>6,160</u>	<u>4,597</u>	<u>1,563</u>
Total fleet maintenance	<u>1,044,453</u>	<u>894,453</u>	<u>766,291</u>	<u>128,162</u>
Total transportation	<u>3,183,996</u>	<u>2,863,367</u>	<u>2,572,302</u>	<u>291,065</u>
Basic utility services				
Service Department				
Contractual services	<u>70,000</u>	<u>223,800</u>	<u>223,676</u>	<u>124</u>
Economic development				
Planning department				
Salaries	116,478	116,478	116,476	2
Benefits	40,678	40,696	40,685	11
Materials and supplies	400	400	218	182
Contractual services	<u>311,040</u>	<u>222,740</u>	<u>222,564</u>	<u>176</u>
Total economic development	<u>468,596</u>	<u>380,314</u>	<u>379,943</u>	<u>371</u>
Total expenditures	<u>18,954,786</u>	<u>18,740,998</u>	<u>17,872,903</u>	<u>868,095</u>
Excess (deficiency) of revenues over expenditures	<u>(1,745,514)</u>	<u>(1,532,726)</u>	<u>612,290</u>	<u>2,145,016</u>
Other financing sources (uses):				
Sale of capital assets	10,000	10,000	18,840	8,840
Advances - in	297,400	297,400	92,400	(205,000)
Advances - out	(105,000)	(176,198)	(176,198)	-
Transfers - out	<u>(61,000)</u>	<u>(147,800)</u>	<u>(147,326)</u>	<u>474</u>
Total other financing sources (uses)	<u>141,400</u>	<u>(16,598)</u>	<u>(212,284)</u>	<u>(195,686)</u>
Net change in fund balance	(1,604,114)	(1,549,324)	400,006	1,949,330
Prior year encumbrances	546,955	546,955	546,955	-
Fund balance, beginning of year	<u>1,152,905</u>	<u>1,152,905</u>	<u>1,152,905</u>	<u>-</u>
Fund balance, end of year	\$ <u>95,746</u>	\$ <u>150,536</u>	\$ <u>2,099,866</u>	\$ <u>1,949,330</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Permanent Improvements Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Municipal income taxes	\$ 1,716,544	\$ 1,716,544	\$ 1,803,952	\$ 87,408
Intergovernmental	<u>220,551</u>	<u>416,579</u>	<u>220,976</u>	<u>(195,603)</u>
Total revenues	<u>1,937,095</u>	<u>2,133,123</u>	<u>2,024,928</u>	<u>(108,195)</u>
Expenditures:				
Current:				
Transportation				
Service				
Materials and supplies	-	600	-	600
Contractual services	150,940	175,088	170,714	4,374
Capital outlay	<u>1,069,758</u>	<u>1,455,894</u>	<u>1,117,395</u>	<u>338,499</u>
Total transportation	<u>1,220,698</u>	<u>1,631,582</u>	<u>1,288,109</u>	<u>343,473</u>
Debt service:				
Principal	3,055,000	7,125,000	7,125,000	-
Interest and fiscal charges	<u>76,100</u>	<u>185,780</u>	<u>185,780</u>	<u>-</u>
Total debt service	<u>3,131,100</u>	<u>7,310,780</u>	<u>7,310,780</u>	<u>-</u>
Total expenditures	<u>4,351,798</u>	<u>8,942,362</u>	<u>8,598,889</u>	<u>343,473</u>
Excess (deficiency) of revenues over expenditures	<u>(2,414,703)</u>	<u>(6,809,239)</u>	<u>(6,573,961)</u>	<u>235,278</u>
Other financing sources (uses):				
Long-term notes issued	4,070,000	4,070,000	4,081,941	11,941
Premium on general obligation bonds issued	-	138,372	138,372	-
General obligation bonds issued	-	3,715,000	3,715,000	-
Transfers - out	<u>(1,484,768)</u>	<u>(1,520,571)</u>	<u>(1,520,570)</u>	<u>1</u>
Total other financing sources (uses)	<u>2,585,232</u>	<u>6,402,801</u>	<u>6,414,743</u>	<u>11,942</u>
Net change in fund balance	170,529	(406,438)	(159,218)	247,220
Prior year encumbrances	82,999	82,999	82,999	-
Fund balance, beginning of year	<u>1,814,016</u>	<u>1,814,016</u>	<u>1,814,016</u>	<u>-</u>
Fund balance, end of year	\$ <u>2,067,544</u>	\$ <u>1,490,577</u>	\$ <u>1,737,797</u>	\$ <u>247,220</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Obligation Bond Retirement Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 2,564,886	\$ 2,564,886	\$ 2,631,619	\$ 66,733
Intergovernmental	485,481	485,481	501,930	16,449
Investment income	<u>60,000</u>	<u>60,000</u>	<u>16,548</u>	<u>(43,452)</u>
Total revenues	<u>3,110,367</u>	<u>3,110,367</u>	<u>3,150,097</u>	<u>39,730</u>
Expenditures:				
Current:				
General government - legislative and executive				
Finance department				
Contractual services	<u>-</u>	<u>7,828</u>	<u>7,828</u>	<u>-</u>
Debt service:				
Principal	5,709,764	5,709,764	5,349,763	360,001
Interest and fiscal charges	<u>1,675,571</u>	<u>1,675,571</u>	<u>1,640,050</u>	<u>35,521</u>
Total debt service	<u>7,385,335</u>	<u>7,385,335</u>	<u>6,989,813</u>	<u>395,522</u>
Total expenditures	<u>7,385,335</u>	<u>7,393,163</u>	<u>6,997,641</u>	<u>395,522</u>
Excess (deficiency) of revenues over expenditures	<u>(4,274,968)</u>	<u>(4,282,796)</u>	<u>(3,847,544)</u>	<u>435,252</u>
Other financing sources (uses):				
Premium on general obligation bonds issued	-	30,573	30,573	-
Transfers - in	<u>4,065,878</u>	<u>4,076,844</u>	<u>4,076,844</u>	<u>-</u>
Total other financing sources (uses)	<u>4,065,878</u>	<u>4,107,417</u>	<u>4,107,417</u>	<u>-</u>
Net change in fund balance	(209,090)	(175,379)	259,873	435,252
Fund balance, beginning of year	<u>463,187</u>	<u>463,187</u>	<u>463,187</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>254,097</u></u>	\$ <u><u>287,808</u></u>	\$ <u><u>723,060</u></u>	\$ <u><u>435,252</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Casualty Loss Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 25,000	\$ 25,000	\$ 30,993	\$ 5,993
Expenditures:				
Current:				
General government - legislative and executive				
Department of human resources				
Contractual services	82,664	82,664	82,348	316
Excess (deficiency) of revenues over expenditures	(57,664)	(57,664)	(51,355)	6,309
Other financing sources (uses):				
Transfers - in	50,000	50,000	50,000	-
Net change in fund balance	(7,664)	(7,664)	(1,355)	6,309
Prior year encumbrances	22,664	22,664	22,664	-
Fund balance, beginning of year	20,919	20,919	20,919	-
Fund balance, end of year	\$ 35,919	\$ 35,919	\$ 42,228	\$ 6,309

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - CDBG Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 205,000	\$ 205,000	\$ 100,000	\$ (105,000)
Expenditures:				
Current:				
Leisure time activities				
Planning department				
Contractual services	21,502	7,502	7,219	283
Capital outlay	<u>268,641</u>	<u>312,641</u>	<u>291,640</u>	<u>21,001</u>
Total leisure time activities	290,143	320,143	298,859	21,284
Public health and welfare				
Youth and community life services				
Materials and supplies	<u>5,000</u>	<u>5,000</u>	<u>3,574</u>	<u>1,426</u>
Total expenditures	<u>295,143</u>	<u>325,143</u>	<u>302,433</u>	<u>22,710</u>
Excess (deficiency) of revenues over expenditures	<u>(90,143)</u>	<u>(120,143)</u>	<u>(202,433)</u>	<u>(82,290)</u>
Other financing sources (uses):				
Advances - in	105,000	125,000	105,000	(20,000)
Advances - out	(205,000)	(205,000)	-	205,000
Transfers - in	<u>36,000</u>	<u>46,000</u>	<u>46,000</u>	<u>-</u>
Total other financing sources (uses)	<u>(64,000)</u>	<u>(34,000)</u>	<u>151,000</u>	<u>185,000</u>
Net change in fund balance	(154,143)	(154,143)	(51,433)	102,710
Prior year encumbrances	143,582	143,582	143,582	-
Fund balance, beginning of year	<u>10,561</u>	<u>10,561</u>	<u>10,561</u>	<u>-</u>
Fund balance, end of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>102,710</u>	\$ <u>102,710</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Alcohol Education Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 2,000	\$ 2,000	\$ 2,490	\$ 490
Expenditures:				
Current:				
Security of persons and property				
Police department				
Materials and supplies	12,063	12,063	1,493	10,570
Net change in fund balance	(10,063)	(10,063)	997	11,060
Fund balance, beginning of year	15,818	15,818	15,818	-
Fund balance, end of year	\$ 5,755	\$ 5,755	\$ 16,815	\$ 11,060

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Economic Development Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 5,600	\$ 5,600	\$ 4,600	\$ (1,000)
Miscellaneous income	<u>13,919</u>	<u>13,919</u>	<u>15,275</u>	<u>1,356</u>
Total revenues	<u>19,519</u>	<u>19,519</u>	<u>19,875</u>	<u>356</u>
Expenditures:				
Current:				
Economic development				
Finance department				
Salaries	4,433	4,433	4,433	-
Benefits	<u>802</u>	<u>802</u>	<u>802</u>	<u>-</u>
Total economic development	<u>5,235</u>	<u>5,235</u>	<u>5,235</u>	<u>-</u>
Planning department				
Salaries	4,000	9,000	7,404	1,596
Benefits	618	1,391	1,144	247
Contractual services	46,765	46,765	37,053	9,712
Capital outlay	<u>6,000</u>	<u>6,000</u>	<u>2,802</u>	<u>3,198</u>
Total planning department	<u>57,383</u>	<u>63,156</u>	<u>48,403</u>	<u>14,753</u>
Total expenditures	<u>62,618</u>	<u>68,391</u>	<u>53,638</u>	<u>14,753</u>
Net change in fund balance	(43,099)	(48,872)	(33,763)	15,109
Prior year encumbrances	1,756	1,756	1,756	-
Fund balance, beginning of year	<u>70,092</u>	<u>70,092</u>	<u>70,092</u>	<u>-</u>
Fund balance, end of year	\$ <u>28,749</u>	\$ <u>22,976</u>	\$ <u>38,085</u>	\$ <u>15,109</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - FEMA Grant Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Salaries	\$ -	\$ 39,715	\$ 33,249	\$ 6,466
Benefits	-	31,483	4,095	27,388
Total expenditures	-	71,198	37,344	33,854
Excess (deficiency) of revenues over expenditures	-	(71,198)	(37,344)	(33,854)
Other financing sources (uses):				
Advances - in	-	71,198	71,198	-
Net change in fund balance	-	-	33,854	(33,854)
Fund balance, beginning of year	7,848	7,848	7,848	-
Fund balance, end of year	\$ 7,848	\$ 7,848	\$ 41,702	\$ (33,854)

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Federal Grants Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 15,400	\$ 46,882	\$ 46,882	\$ -
Expenditures:				
Current:				
Security of persons and property				
Safety department				
Salaries	-	2,482	2,482	-
Capital outlay	82,063	92,686	91,801	885
Total security of persons and property	82,063	95,168	94,283	885
Economic development				
Planning				
Contractual services	11,000	11,000	1,200	9,800
Total expenditures	93,063	106,168	95,483	10,685
Excess (deficiency) of revenues over expenditures	(77,663)	(59,286)	(48,601)	10,685
Other financing sources (uses):				
Advances - out	(90,000)	(90,000)	(90,000)	-
Transfers - in	11,000	11,000	11,000	-
Total other financing sources (uses)	(79,000)	(79,000)	(79,000)	-
Net change in fund balance	(156,663)	(138,286)	(127,601)	10,685
Prior year encumbrances	82,063	82,063	82,063	-
Fund balance, beginning of year	75,526	75,526	75,526	-
Fund balance, end of year	\$ 926	\$ 19,303	\$ 29,988	\$ 10,685

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Motor Vehicle License Tax Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 212,000	\$ 212,000	\$ 220,965	\$ 8,965
Investment income	-	-	179	179
Total revenues	<u>212,000</u>	<u>212,000</u>	<u>221,144</u>	<u>9,144</u>
Expenditures:				
Current:				
Transportation				
Department of public service				
Materials and supplies	167,000	167,000	150,676	16,324
Contractual services	<u>140,000</u>	<u>140,000</u>	<u>118,698</u>	<u>21,302</u>
Total expenditures	<u>307,000</u>	<u>307,000</u>	<u>269,374</u>	<u>37,626</u>
Net change in fund balance	(95,000)	(95,000)	(48,230)	46,770
Fund balance, beginning of year	<u>95,208</u>	<u>95,208</u>	<u>95,208</u>	-
Fund balance, end of year	\$ <u><u>208</u></u>	\$ <u><u>208</u></u>	\$ <u><u>46,978</u></u>	\$ <u><u>46,770</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Recreation Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property and other local taxes	\$ 854,962	\$ 854,962	\$ 877,883	\$ 22,921
Charges for services	1,149,460	1,148,710	1,158,089	9,379
Intergovernmental	184,422	184,422	192,312	7,890
Miscellaneous income	<u>40,323</u>	<u>40,323</u>	<u>39,701</u>	<u>(622)</u>
Total revenues	<u>2,229,167</u>	<u>2,228,417</u>	<u>2,267,985</u>	<u>39,568</u>
Expenditures:				
Current:				
Leisure time activities				
Recreation department				
Salaries	838,130	830,030	818,841	11,189
Benefits	277,427	291,527	280,445	11,082
Materials and supplies	114,563	103,263	99,336	3,927
Contractual services	946,989	971,351	943,606	27,745
Capital outlay	<u>50,441</u>	<u>118,594</u>	<u>114,453</u>	<u>4,141</u>
Total expenditures	<u>2,227,550</u>	<u>2,314,765</u>	<u>2,256,681</u>	<u>58,084</u>
Excess (deficiency) of revenues over expenditures	<u>1,617</u>	<u>(86,348)</u>	<u>11,304</u>	<u>97,652</u>
Other financing sources (uses):				
Sale of capital assets	-	-	1,444	1,444
Transfers - in	-	11,000	10,526	(474)
Transfers - out	<u>(77,333)</u>	<u>(77,333)</u>	<u>(77,333)</u>	<u>-</u>
Other financing sources (uses)	<u>(77,333)</u>	<u>(66,333)</u>	<u>(65,363)</u>	<u>970</u>
Net change in fund balance	(75,716)	(152,681)	(54,059)	98,622
Prior year encumbrances	52,561	52,561	52,561	-
Fund balance, beginning of year	<u>131,321</u>	<u>131,321</u>	<u>131,321</u>	<u>-</u>
Fund balance, end of year	\$ <u>108,166</u>	\$ <u>31,201</u>	\$ <u>129,823</u>	\$ <u>98,622</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual - Clague Park Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund balance, beginning of year	\$ <u>3,065</u>	\$ <u>3,065</u>	\$ <u>3,065</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>3,065</u></u>	\$ <u><u>3,065</u></u>	\$ <u><u>3,065</u></u>	\$ <u><u>-</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Hotel/Motel Tax Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 250,000	\$ 250,000	\$ 251,803	\$ 1,803
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Contractual services	14,800	14,800	14,093	707
Capital outlay	24,078	24,078	18,864	5,214
Total fire department	38,878	38,878	32,957	5,921
Police department				
Materials and supplies	15,000	15,000	10,577	4,423
Contractual services	10,800	10,800	10,800	-
Capital outlay	100,648	100,648	79,757	20,891
Total police department	126,448	126,448	101,134	25,314
Total expenditures	165,326	165,326	134,091	31,235
Excess (deficiency) of revenues over expenditures	84,674	84,674	117,712	33,038
Other financing sources (uses):				
Transfers - out	(145,340)	(145,340)	(145,340)	-
Net change in fund balance	(60,666)	(60,666)	(27,628)	33,038
Prior year encumbrances	3,526	3,526	3,526	-
Fund balance, beginning of year	293,999	293,999	293,999	-
Fund balance, end of year	\$ 236,859	\$ 236,859	\$ 269,897	\$ 33,038

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual - Emergency Medical Services Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund balance, beginning of year	\$ <u>2,773</u>	\$ <u>2,773</u>	\$ <u>2,773</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>2,773</u></u>	\$ <u><u>2,773</u></u>	\$ <u><u>2,773</u></u>	\$ <u><u>-</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - State Highway Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 94,000	\$ 94,000	\$ 96,586	\$ 2,586
Investment earnings	-	-	693	693
Total revenues	<u>94,000</u>	<u>94,000</u>	<u>97,279</u>	<u>3,279</u>
Expenditures:				
Current:				
Transportation				
Service department				
Materials and supplies	98,000	98,000	10,173	87,827
Contractual services	<u>10,000</u>	<u>10,000</u>	-	<u>10,000</u>
Total expenditures	<u>108,000</u>	<u>108,000</u>	<u>10,173</u>	<u>97,827</u>
Net change in fund balance	(14,000)	(14,000)	87,106	101,106
Fund balance, beginning of year	<u>328,606</u>	<u>328,606</u>	<u>328,606</u>	-
Fund balance, end of year	\$ <u><u>314,606</u></u>	\$ <u><u>314,606</u></u>	\$ <u><u>415,712</u></u>	\$ <u><u>101,106</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Street Maintenance Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,146,500	\$ 1,146,500	\$ 1,191,222	\$ 44,722
Investment earnings	-	-	1,987	1,987
Total revenues	<u>1,146,500</u>	<u>1,146,500</u>	<u>1,193,209</u>	<u>46,709</u>
Expenditures:				
Current:				
Transportation				
Service department				
Salaries	547,842	547,842	504,012	43,830
Benefits	207,786	238,356	224,385	13,971
Materials and supplies	504,078	504,078	369,247	134,831
Contractual services	239,102	239,102	157,964	81,138
Capital outlay	<u>60,000</u>	<u>60,000</u>	<u>58,182</u>	<u>1,818</u>
Total expenditures	<u>1,558,808</u>	<u>1,589,378</u>	<u>1,313,790</u>	<u>275,588</u>
Net change in fund balance	(412,308)	(442,878)	(120,581)	322,297
Prior year encumbrances	94,825	94,825	94,825	-
Fund balance, beginning of year	<u>1,050,492</u>	<u>1,050,492</u>	<u>1,050,492</u>	-
Fund balance, end of year	\$ <u><u>733,009</u></u>	\$ <u><u>702,439</u></u>	\$ <u><u>1,024,736</u></u>	\$ <u><u>322,297</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Solid Waste Management Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Municipal income taxes	\$ 1,716,544	\$ 1,716,544	\$ 1,803,952	\$ 87,408
Intergovernmental	<u>12,750</u>	<u>12,750</u>	<u>14,058</u>	<u>1,308</u>
Total revenues	<u>1,729,294</u>	<u>1,729,294</u>	<u>1,818,010</u>	<u>88,716</u>
Expenditures:				
Current:				
Basic utility services				
Service department				
Contractual services	<u>2,140,419</u>	<u>2,146,767</u>	<u>2,028,820</u>	<u>117,947</u>
Net change in fund balance	(411,125)	(417,473)	(210,810)	206,663
Fund balance, beginning of year	<u>420,565</u>	<u>420,565</u>	<u>420,565</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>9,440</u></u>	\$ <u><u>3,092</u></u>	\$ <u><u>209,755</u></u>	\$ <u><u>206,663</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Community Diversion Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 19,500	\$ 19,500	\$ 17,040	\$ (2,460)
Intergovernmental	<u>14,400</u>	<u>14,400</u>	<u>16,800</u>	<u>2,400</u>
Total revenues	<u>33,900</u>	<u>33,900</u>	<u>33,840</u>	<u>(60)</u>
Expenditures:				
Current:				
Public health and welfare				
Department of youth services				
Salaries	24,500	24,500	20,274	4,226
Benefits	4,295	4,295	3,607	688
Materials and supplies	858	858	763	95
Contractual services	<u>6,825</u>	<u>6,825</u>	<u>2,683</u>	<u>4,142</u>
Total expenditures	<u>36,478</u>	<u>36,478</u>	<u>27,327</u>	<u>9,151</u>
Excess (deficiency) of revenues over expenditures	(2,578)	(2,578)	6,513	9,091
Other financing sources (uses):				
Advances - out	<u>(2,400)</u>	<u>(2,400)</u>	<u>(2,400)</u>	<u>-</u>
Net change in fund balance	(4,978)	(4,978)	4,113	9,091
Prior year encumbrances	208	208	208	-
Fund balance, beginning of year	<u>4,821</u>	<u>4,821</u>	<u>4,821</u>	<u>-</u>
Fund balance, end of year	\$ <u>51</u>	\$ <u>51</u>	\$ <u>9,142</u>	\$ <u>9,091</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Drug Enforcement Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 33	\$ 33
Expenditures:				
Current:				
Security of persons and property				
Police department				
Other	21,941	21,941	-	21,941
Net change in fund balance	(21,941)	(21,941)	33	21,974
Fund balance, beginning of year	22,297	22,297	22,297	-
Fund balance, end of year	\$ 356	\$ 356	\$ 22,330	\$ 21,974

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Endowment and Grant Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ 15	\$ 15
Miscellaneous income	<u>78,350</u>	<u>78,350</u>	<u>119,686</u>	<u>41,336</u>
Total revenues	<u>78,350</u>	<u>78,350</u>	<u>119,701</u>	<u>41,351</u>
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Materials and supplies	1,000	1,000	-	1,000
Police department				
Materials and supplies	<u>-</u>	<u>37,531</u>	<u>1,279</u>	<u>36,252</u>
Total security of persons and property	<u>1,000</u>	<u>38,531</u>	<u>1,279</u>	<u>37,252</u>
Leisure time activities				
Parks and recreation				
Materials and supplies	82,744	82,744	50,359	32,385
Contractual services	7,875	7,875	7,354	521
Capital outlay	<u>1,500</u>	<u>1,500</u>	<u>179</u>	<u>1,321</u>
Total leisure time activities	<u>92,119</u>	<u>92,119</u>	<u>57,892</u>	<u>34,227</u>
Public health and welfare				
Department of youth and community services				
Materials and supplies	10,115	45,189	16,991	28,198
Department of senior services				
Materials and supplies	-	3,000	2,987	13
Department of public service				
Materials and supplies	<u>1,798</u>	<u>1,798</u>	<u>-</u>	<u>1,798</u>
Total public health and welfare	<u>11,913</u>	<u>49,987</u>	<u>19,978</u>	<u>30,009</u>
Total expenditures	<u>105,032</u>	<u>180,637</u>	<u>79,149</u>	<u>101,488</u>
Net change in fund balance	(26,682)	(102,287)	40,552	142,839
Prior year encumbrances	2,004	2,004	2,004	-
Fund balance, beginning of year	<u>207,745</u>	<u>207,745</u>	<u>207,745</u>	<u>-</u>
Fund balance, end of year	\$ <u>183,067</u>	\$ <u>107,462</u>	\$ <u>250,301</u>	\$ <u>142,839</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Fair Capacity Housing Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 38,310	\$ 38,310
Expenditures:				
Current:				
General government - legislative and executive				
Law department				
Salaries	22,487	25,487	23,000	2,487
Benefits	3,754	4,218	4,218	-
Materials and supplies	2,250	2,250	5	2,245
Contractual services	<u>56,100</u>	<u>56,100</u>	<u>1,240</u>	<u>54,860</u>
Total expenditures	<u>84,591</u>	<u>88,055</u>	<u>28,463</u>	<u>59,592</u>
Net change in fund balance	(84,591)	(88,055)	9,847	97,902
Fund balance, beginning of year	<u>253,506</u>	<u>253,506</u>	<u>253,506</u>	-
Fund balance, end of year	\$ <u>168,915</u>	\$ <u>165,451</u>	\$ <u>263,353</u>	\$ <u>97,902</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Fire Pension Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 213,741	\$ 213,741	\$ 219,471	\$ 5,730
Intergovernmental	<u>41,441</u>	<u>41,441</u>	<u>42,789</u>	<u>1,348</u>
Total revenues	<u>255,182</u>	<u>255,182</u>	<u>262,260</u>	<u>7,078</u>
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Benefits	283,955	283,302	260,588	22,714
Contractual services	<u>-</u>	<u>653</u>	<u>653</u>	<u>-</u>
Total expenditures	<u>283,955</u>	<u>283,955</u>	<u>261,241</u>	<u>22,714</u>
Net change in fund balance	(28,773)	(28,773)	1,019	29,792
Fund balance, beginning of year	<u>28,773</u>	<u>28,773</u>	<u>28,773</u>	<u>-</u>
Fund balance, end of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>29,792</u>	\$ <u>29,792</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Law Enforcement Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons and property				
Police department				
Materials and supplies	\$ 22,583	\$ 22,583	\$ 2,665	\$ 19,918
Capital outlay	9,239	9,239	4,536	4,703
Other	<u>11,804</u>	<u>11,804</u>	-	<u>11,804</u>
Total expenditures	<u>43,626</u>	<u>43,626</u>	<u>7,201</u>	<u>36,425</u>
Net change in fund balance	(43,626)	(43,626)	(7,201)	36,425
Fund balance, beginning of year	<u>43,646</u>	<u>43,646</u>	<u>43,646</u>	-
Fund balance, end of year	\$ <u><u>20</u></u>	\$ <u><u>20</u></u>	\$ <u><u>36,445</u></u>	\$ <u><u>36,425</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Stop Program Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 180,000	\$ 180,000	\$ 211,898	\$ 31,898
Expenditures:				
Current:				
Security of persons and property				
Law department				
Salaries	13,004	13,004	13,004	-
Benefits	6,667	6,667	6,667	-
Total law department	19,671	19,671	19,671	-
Police department				
Salaries	104,000	104,000	91,368	12,632
Benefits	36,684	36,812	36,812	-
Materials and supplies	5,000	4,872	2,730	2,142
Contractual services	32,500	32,500	14,110	18,390
Total police department	178,184	178,184	145,020	33,164
Total expenditures	197,855	197,855	164,691	33,164
Net change in fund balance	(17,855)	(17,855)	47,207	65,062
Fund balance, beginning of year	54,786	54,786	54,786	-
Fund balance, end of year	\$ 36,931	\$ 36,931	\$ 101,993	\$ 65,062

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Police Pension Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 213,741	\$ 213,741	\$ 219,471	\$ 5,730
Intergovernmental	<u>41,441</u>	<u>41,441</u>	<u>42,789</u>	<u>1,348</u>
Total revenues	<u>255,182</u>	<u>255,182</u>	<u>262,260</u>	<u>7,078</u>
Expenditures:				
Current:				
Security of persons and property				
Police department				
Benefits	298,955	298,302	256,796	41,506
Contractual services	<u>-</u>	<u>653</u>	<u>653</u>	<u>-</u>
Total expenditures	<u>298,955</u>	<u>298,955</u>	<u>257,449</u>	<u>41,506</u>
Net change in fund balance	(43,773)	(43,773)	4,811	48,584
Fund balance, beginning of year	<u>43,773</u>	<u>43,773</u>	<u>43,773</u>	<u>-</u>
Fund balance, end of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>48,584</u>	\$ <u>48,584</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Senior Center Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 18,000	\$ 18,000	\$ 20,657	\$ 2,657
Fines and forfeitures	1,800	1,800	1,700	(100)
Investment income	4,500	4,500	321	(4,179)
Miscellaneous income	<u>300</u>	<u>300</u>	<u>6,182</u>	<u>5,882</u>
Total revenues	<u>24,600</u>	<u>24,600</u>	<u>28,860</u>	<u>4,260</u>
Expenditures:				
Current:				
Leisure time activities				
Department of community life services				
Materials and supplies	16,151	13,751	9,343	4,408
Contractual services	<u>23,000</u>	<u>30,400</u>	<u>26,241</u>	<u>4,159</u>
Total expenditures	<u>39,151</u>	<u>44,151</u>	<u>35,584</u>	<u>8,567</u>
Net change in fund balance	(14,551)	(19,551)	(6,724)	12,827
Prior year encumbrances	3,230	3,230	3,230	-
Fund balance, beginning of year	<u>34,790</u>	<u>34,790</u>	<u>34,790</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>23,469</u></u>	\$ <u><u>18,469</u></u>	\$ <u><u>31,296</u></u>	\$ <u><u>12,827</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Title III Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 7,600	\$ 7,600	\$ 6,993	\$ (607)
Intergovernmental	<u>12,500</u>	<u>12,500</u>	<u>11,844</u>	<u>(656)</u>
Total revenues	<u>20,100</u>	<u>20,100</u>	<u>18,837</u>	<u>(1,263)</u>
Expenditures:				
Current:				
Public health and welfare				
Department of senior services				
Salaries	14,749	14,749	14,460	289
Benefits	<u>2,643</u>	<u>2,643</u>	<u>2,601</u>	<u>42</u>
Total expenditures	<u>17,392</u>	<u>17,392</u>	<u>17,061</u>	<u>331</u>
Net change in fund balances	2,708	2,708	1,776	(932)
Fund balance, beginning of year	<u>35,292</u>	<u>35,292</u>	<u>35,292</u>	<u>-</u>
Fund balance, end of year	\$ <u>38,000</u>	\$ <u>38,000</u>	\$ <u>37,068</u>	\$ <u>(932)</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Public Way Management Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 10,000	\$ 10,000	\$ 1,047	\$ (8,953)
Licenses and permits	<u>10,000</u>	<u>10,000</u>	<u>2,000</u>	<u>(8,000)</u>
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>3,047</u>	<u>(16,953)</u>
Expenditures:				
Current:				
Transportation				
Public service and properties				
Contractual services	<u>23,237</u>	<u>73,237</u>	<u>32,268</u>	<u>40,969</u>
Net change in fund balance	(3,237)	(53,237)	(29,221)	24,016
Prior year encumbrances	8,237	8,237	8,237	-
Fund balance, beginning of year	<u>53,221</u>	<u>53,221</u>	<u>53,221</u>	<u>-</u>
Fund balance, end of year	\$ <u>58,221</u>	\$ <u>8,221</u>	\$ <u>32,237</u>	\$ <u>24,016</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Library Bond Retirement Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 792,802	\$ 792,802	\$ 806,424	\$ 13,622
Intergovernmental	<u>90,877</u>	<u>90,877</u>	<u>99,032</u>	<u>8,155</u>
Total revenues	<u>883,679</u>	<u>883,679</u>	<u>905,456</u>	<u>21,777</u>
Expenditures:				
Current:				
General government - legislative and executive				
Finance department				
Contractual services	<u>10,000</u>	<u>12,175</u>	<u>2,175</u>	<u>10,000</u>
Debt service:				
Principal	520,000	520,000	520,000	-
Interest and fiscal charges	<u>361,078</u>	<u>361,078</u>	<u>356,073</u>	<u>5,005</u>
Total debt service	<u>881,078</u>	<u>881,078</u>	<u>876,073</u>	<u>5,005</u>
Total expenditures	<u>891,078</u>	<u>893,253</u>	<u>878,248</u>	<u>15,005</u>
Net change in fund balance	(7,399)	(9,574)	27,208	36,782
Fund balance, beginning of year	<u>626,437</u>	<u>626,437</u>	<u>626,437</u>	-
Fund balance, end of year	\$ <u>619,038</u>	\$ <u>616,863</u>	\$ <u>653,645</u>	\$ <u>36,782</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Special Assessment Bond Retirement Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special assessments	\$ 96,750	\$ 96,750	\$ 102,735	\$ 5,985
Expenditures:				
Current:				
General government - legislative and executive				
Finance department				
Contractual services	1,200	1,200	1,017	183
Debt service:				
Principal	90,000	90,000	90,000	-
Interest and fiscal charges	7,950	7,950	6,750	1,200
Total debt service	97,950	97,950	96,750	1,200
Total expenditures	99,150	99,150	97,767	1,383
Net change in fund balance	(2,400)	(2,400)	4,968	7,368
Fund balance, beginning of year	85,984	85,984	85,984	-
Fund balance, end of year	\$ 83,584	\$ 83,584	\$ 90,952	\$ 7,368

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Fire Station Bond Retirement Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 284,987	\$ 284,987	\$ 292,628	\$ 7,641
Intergovernmental	<u>36,350</u>	<u>36,350</u>	<u>37,728</u>	<u>1,378</u>
Total revenues	<u>321,337</u>	<u>321,337</u>	<u>330,356</u>	<u>9,019</u>
Expenditures:				
Current:				
General government - legislative and executive				
Finance department				
Contractual services	<u>-</u>	<u>870</u>	<u>870</u>	<u>-</u>
Debt service:				
Principal	150,000	150,000	150,000	-
Interest and fiscal charges	<u>168,013</u>	<u>168,013</u>	<u>163,013</u>	<u>5,000</u>
Total debt service	<u>318,013</u>	<u>318,013</u>	<u>313,013</u>	<u>5,000</u>
Total expenditures	<u>318,013</u>	<u>318,883</u>	<u>313,883</u>	<u>5,000</u>
Net change in fund balance	3,324	2,454	16,473	14,019
Fund balance, beginning of year	<u>511,868</u>	<u>511,868</u>	<u>511,868</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>515,192</u></u>	\$ <u><u>514,322</u></u>	\$ <u><u>528,341</u></u>	\$ <u><u>14,019</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Capital Improvements Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ -	\$ -	\$ 1,610	\$ 1,610
Expenditures:				
Current:				
General government - legislative and executive				
Finance department				
Capital outlay	113,586	113,586	19,656	93,930
Information systems				
Capital outlay	145,139	145,139	130,478	14,661
Total expenditures	258,725	258,725	150,134	108,591
Net change in fund balance	(258,725)	(258,725)	(148,524)	110,201
Prior year encumbrances	19,656	19,656	19,656	-
Fund balance, beginning of year	256,172	256,172	256,172	-
Fund balance, end of year	\$ 17,103	\$ 17,103	\$ 127,304	\$ 110,201

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual - Library Construction Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund balance, beginning of year	\$ <u>113,169</u>	\$ <u>113,169</u>	\$ <u>113,169</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>113,169</u></u>	\$ <u><u>113,169</u></u>	\$ <u><u>113,169</u></u>	\$ <u><u>-</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Building and Land Acquisition and Improvement Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Transfers - out	\$ <u>(36,000)</u>	\$ <u>(26,000)</u>	\$ <u>(46,000)</u>	\$ <u>(20,000)</u>
Net change in fund balance	(36,000)	(26,000)	(46,000)	(20,000)
Fund balance, beginning of year	<u>221,196</u>	<u>221,196</u>	<u>221,196</u>	<u>-</u>
Fund Balance, end of year	\$ <u><u>185,196</u></u>	\$ <u><u>195,196</u></u>	\$ <u><u>175,196</u></u>	\$ <u><u>(20,000)</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - Issue I Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 72,400	\$ 72,400	\$ 72,399	\$ (1)
Expenditures:				
Current:				
Transportation				
Engineering department				
Contractual services	6,038	6,038	6,038	-
Capital outlay	72,400	72,400	72,399	1
Total expenditures	78,438	78,438	78,437	1
Net change in fund balance	(6,038)	(6,038)	(6,038)	-
Prior year encumbrances	6,038	6,038	6,038	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual - Fire Construction Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund balance, beginning of year	\$ <u>154,161</u>	\$ <u>154,161</u>	\$ <u>154,161</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>154,161</u></u>	\$ <u><u>154,161</u></u>	\$ <u><u>154,161</u></u>	\$ <u><u>-</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity
 Budget (Non-GAAP Basis) and Actual - NOMBL Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund equity, beginning of year	\$ <u>21,708</u>	\$ <u>21,708</u>	\$ <u>21,708</u>	\$ <u>-</u>
Fund equity, end of year	\$ <u><u>21,708</u></u>	\$ <u><u>21,708</u></u>	\$ <u><u>21,708</u></u>	\$ <u><u>-</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual - Springvale Golf Course and Ballroom Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ <u>1,295,000</u>	\$ <u>1,295,000</u>	\$ <u>1,304,384</u>	\$ <u>9,384</u>
Expenses:				
Golf course and ballroom				
Salaries	364,440	392,440	387,765	4,675
Benefits	78,677	90,477	87,496	2,981
Contractual services	296,473	280,273	267,415	12,858
Materials and supplies	226,465	232,465	217,289	15,176
Capital outlay	<u>17,019</u>	<u>96,219</u>	<u>19,812</u>	<u>76,407</u>
Total expenses	<u>983,074</u>	<u>1,091,874</u>	<u>979,777</u>	<u>112,097</u>
Excess (deficiency) of revenues over expenses	<u>311,926</u>	<u>203,126</u>	<u>324,607</u>	<u>121,481</u>
Other financing sources (uses):				
Transfers - in	-	75,800	75,800	-
Transfers - out	<u>(353,269)</u>	<u>(353,269)</u>	<u>(353,269)</u>	<u>-</u>
Total other financing sources (uses)	<u>(353,269)</u>	<u>(277,469)</u>	<u>(277,469)</u>	<u>-</u>
Net change in fund equity	(41,343)	(74,343)	47,138	121,481
Prior year encumbrances	10,288	10,288	10,288	-
Fund equity, beginning of year	<u>64,955</u>	<u>64,955</u>	<u>64,955</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>33,900</u></u>	\$ <u><u>900</u></u>	\$ <u><u>122,381</u></u>	\$ <u><u>121,481</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual - Sewer Revenue Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 6,449,810	\$ 6,449,810	\$ 6,299,729	\$ (150,081)
Tap - in fees	-	-	71,428	71,428
Total revenues	<u>6,449,810</u>	<u>6,449,810</u>	<u>6,371,157</u>	<u>(78,653)</u>
Expenses:				
Sewer				
Salaries	1,784,075	1,784,075	1,511,918	272,157
Benefits	662,668	662,668	621,336	41,332
Materials and supplies	535,982	540,982	447,160	93,822
Contractual services	2,590,549	2,585,549	2,478,213	107,336
Capital outlay	<u>611,447</u>	<u>609,347</u>	<u>406,287</u>	<u>203,060</u>
Total sewer	<u>6,184,721</u>	<u>6,182,621</u>	<u>5,464,914</u>	<u>717,707</u>
Debt service:				
Principal	9,537	329,537	329,536	1
Interest and fiscal charges	<u>1,378</u>	<u>9,955</u>	<u>9,954</u>	<u>1</u>
Total debt service	<u>10,915</u>	<u>339,492</u>	<u>339,490</u>	<u>2</u>
Total expenses	<u>6,195,636</u>	<u>6,522,113</u>	<u>5,804,404</u>	<u>717,709</u>
Excess (deficiency) of revenues over expenses	<u>254,174</u>	<u>(72,303)</u>	<u>566,753</u>	<u>639,056</u>
Other financing sources (uses):				
Sale of capital assets	-	-	1,542	1,542
Note proceeds	320,000	320,000	320,000	-
Loan proceeds	763,990	763,990	462,577	(301,413)
Premium on general obligation bonds	-	9,538	9,538	-
General obligation bond proceeds	-	290,000	290,000	-
Transfers - out	<u>(2,005,168)</u>	<u>(1,980,331)</u>	<u>(1,980,331)</u>	<u>-</u>
Total other financing sources (uses)	<u>(921,178)</u>	<u>(596,803)</u>	<u>(896,674)</u>	<u>(299,871)</u>
Net change in fund equity	(667,004)	(669,106)	(329,921)	339,185
Prior year encumbrances	901,991	901,991	901,991	-
Fund equity, beginning of year	-	-	-	-
Fund equity, end of year	\$ <u>234,987</u>	\$ <u>232,885</u>	\$ <u>572,070</u>	\$ <u>339,185</u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual - Hospitalization Fund

For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ <u>2,537,572</u>	\$ <u>2,537,572</u>	\$ <u>2,511,040</u>	\$ <u>(26,532)</u>
Expenses:				
Claims	<u>2,628,378</u>	<u>2,628,378</u>	<u>1,959,427</u>	<u>668,951</u>
Net change in fund equity	(90,806)	(90,806)	551,613	642,419
Fund equity, beginning of year	<u>1,635,196</u>	<u>1,635,196</u>	<u>1,635,196</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>1,544,390</u></u>	\$ <u><u>1,544,390</u></u>	\$ <u><u>2,186,809</u></u>	\$ <u><u>642,419</u></u>

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual - Workers' Compensation Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 400,000	\$ 400,000	\$ 587,448	\$ 187,448
Expenses:				
Claims	236,657	236,657	177,262	59,395
Net change in fund equity	163,343	163,343	410,186	246,843
Fund equity, beginning of year	68,347	68,347	68,347	-
Fund equity, end of year	\$ 231,690	\$ 231,690	\$ 478,533	\$ 246,843

City of North Olmsted, Ohio

Fund Description

For the Year Ended December 31, 2010

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Agency Fund

Deposits Fund - Accounts for deposits held by the City from contractors, developers and individuals to ensure compliance with City ordinances. These monies net of inspection charges are returned when the work is properly completed.

City of North Olmsted, Ohio

Statement of Changes in Assets and Liabilities Deposits Fund

For the Year Ended December 31, 2010

	<u>Beginning Balance 12/31/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance 12/31/10</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>255,314</u>	\$ <u>160,906</u>	\$ <u>40,916</u>	\$ <u>375,304</u>
Liabilities:				
Accounts and contracts payable	\$ 26,714	\$ -	\$ 26,714	\$ -
Deposits held and due to others	<u>228,600</u>	<u>160,906</u>	<u>14,202</u>	<u>375,304</u>
Total liabilities	\$ <u>255,314</u>	\$ <u>160,906</u>	\$ <u>40,916</u>	\$ <u>375,304</u>

**STATISTICAL
SECTION**

City of North Olmsted, Ohio

Statistical Section

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	134-141
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and municipal income tax.	142-146
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.	147-151
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	152-153
Operating Information These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	154-160

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 include information beginning in that year.

City of North Olmsted, Ohio

Net Assets by Component Accrual Basis of Accounting

Last Eight Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental activities:								
Invested in capital assets, net of related debt	\$ 38,558,141	\$ 32,357,653	\$ 34,062,983	\$ 35,283,840	\$ 34,684,616	\$ 36,706,457	\$ 38,944,202	\$ 44,107,156
Restricted for:								
Debt services	4,680,441	4,516,771	3,609,078	3,131,035	3,063,298	3,324,549	3,769,338	3,073,546
Capital projects	597,111	716,489	622,757	1,709,930	1,724,072	1,990,031	1,692,979	258,561
Community development	50,857	71,498	63,763	59,323	71,779	64,885	68,031	73,523
Highways and streets	4,654,165	4,582,846	4,042,357	3,707,648	2,587,209	1,426,595	1,632,809	811,161
Public safety	642,429	604,339	531,438	560,447	492,274	641,165	484,942	461,499
Recreation	87,335	148,141	24,215	38,575	51,999	4,366	166,263	283,588
Solid waste	672,589	859,742	1,119,036	1,191,771	1,054,852	666,406	374,793	502,192
Federal and other grants	610,274	612,177	336,920	514,869	136,985	150,409	135,510	107,253
Unrestricted	<u>4,154,220</u>	<u>1,596,678</u>	<u>2,178,595</u>	<u>2,709,305</u>	<u>5,344,936</u>	<u>2,145,522</u>	<u>1,621,857</u>	<u>775,410</u>
Total net assets – governmental activities	<u>54,707,562</u>	<u>46,066,334</u>	<u>46,591,142</u>	<u>48,906,743</u>	<u>49,212,020</u>	<u>47,120,385</u>	<u>48,890,724</u>	<u>50,453,889</u>
Business-type activities:								
Invested in capital assets, net of related debt	13,079,015	12,896,414	12,775,644	12,986,719	13,247,138	14,009,805	14,330,592	14,708,996
Unrestricted	<u>577,913</u>	<u>(92,254)</u>	<u>(178,678)</u>	<u>586,799</u>	<u>935,392</u>	<u>896,297</u>	<u>1,349,733</u>	<u>2,228,273</u>
Total net assets – business-type activities	<u>13,656,928</u>	<u>12,804,160</u>	<u>12,596,966</u>	<u>13,573,518</u>	<u>14,182,530</u>	<u>14,906,102</u>	<u>15,680,325</u>	<u>16,937,269</u>
Primary government:								
Invested in capital assets, net of related debt	51,637,156	45,254,067	46,838,627	48,270,559	47,931,754	50,716,262	53,274,794	58,816,152
Restricted	11,995,201	12,112,003	10,349,564	10,913,598	9,182,468	8,268,406	8,324,665	5,571,323
Unrestricted	<u>4,732,133</u>	<u>1,504,424</u>	<u>1,999,917</u>	<u>3,296,104</u>	<u>6,280,328</u>	<u>3,041,819</u>	<u>2,971,590</u>	<u>3,003,683</u>
Total net assets – primary government	\$ <u>68,364,490</u>	\$ <u>58,870,494</u>	\$ <u>59,188,108</u>	\$ <u>62,480,261</u>	\$ <u>63,394,550</u>	\$ <u>62,026,487</u>	\$ <u>64,571,049</u>	\$ <u>67,391,158</u>

Source: City financial records

City of North Olmsted, Ohio

Changes in Net Assets Accrual Basis of Accounting

Last Eight Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental activities:								
Charges for services:								
General government	\$ 1,247,442	\$ 1,245,426	\$ 1,294,947	\$ 1,380,444	\$ 1,377,673	\$ 2,112,111	\$ 2,028,781	\$ 1,913,520
Security of persons and property	1,191,835	1,132,436	983,509	913,899	919,841	960,897	658,766	675,496
Public health and welfare	40,077	32,742	35,723	34,924	17,076	8,140	6,470	8,910
Transportation	173,141	230,351	370,720	257,444	234,374	261,165	132,714	123,303
Basic utility services	-	-	-	-	10,379	88,498	-	16,931
Leisure time activities	1,226,424	1,158,712	1,188,305	1,115,611	1,132,666	991,352	1,080,826	1,092,362
Economic development	19,875	21,447	20,826	20,771	18,969	14,752	-	-
Total charges for services	<u>3,898,794</u>	<u>3,821,114</u>	<u>3,894,030</u>	<u>3,723,093</u>	<u>3,710,978</u>	<u>4,436,915</u>	<u>3,907,557</u>	<u>3,830,522</u>
Operating grants and contributions:								
General government	48,547	29,998	53,548	259,898	18,911	134,699	54,304	39,683
Security of persons and property	54,646	55,111	73,554	52,724	69,342	39,828	122,702	102,673
Public health and welfare	63,017	46,530	53,436	42,152	63,097	36,582	-	-
Transportation	1,603,510	1,442,017	1,506,885	1,532,237	1,576,013	1,393,585	1,281,106	1,166,058
Basic utility services	3,634	4,350	-	8,018	-	-	-	-
Leisure time activities	69,136	64,267	75,757	71,678	75,495	63,915	69,406	73,190
Community environment	-	-	-	-	-	21,601	-	-
Economic development	15,400	54,600	19,975	-	-	27,503	-	-
Total operating grants and contributions	<u>1,857,890</u>	<u>1,696,873</u>	<u>1,783,155</u>	<u>1,966,707</u>	<u>1,802,858</u>	<u>1,717,713</u>	<u>1,527,518</u>	<u>1,381,604</u>
Capital grants and contributions:								
General government	-	-	-	-	-	-	-	1,037,239
Security of persons and property	-	100,000	-	-	47,834	313,443	-	-
Transportation	8,162,080	681,725	161,267	1,086,471	2,966,101	609,370	-	-
Basic utility services	-	-	-	-	-	-	-	942,051
Leisure time activities	-	18,654	-	112,200	-	-	-	-
Total capital grants and contributions	<u>8,162,080</u>	<u>800,379</u>	<u>161,267</u>	<u>1,198,671</u>	<u>3,013,935</u>	<u>922,813</u>	<u>-</u>	<u>1,979,290</u>
Total governmental activities program revenues	<u>13,918,764</u>	<u>6,318,366</u>	<u>5,838,452</u>	<u>6,888,471</u>	<u>8,527,771</u>	<u>7,077,441</u>	<u>5,435,075</u>	<u>7,191,416</u>

(Continued)

City of North Olmsted, Ohio

Changes in Net Assets Accrual Basis of Accounting (Continued)

Last Eight Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Business-type activities:								
Charges for services:								
NOMBL	-	-	-	1,608	31,277	1,191,441	4,525,424	4,497,011
Springvale golf course and ballroom	1,304,849	1,286,334	1,309,635	1,236,571	1,311,244	1,316,095	1,234,847	1,356,442
Sewer	<u>6,769,950</u>	<u>6,371,014</u>	<u>6,291,597</u>	<u>5,902,415</u>	<u>5,705,603</u>	<u>5,897,826</u>	<u>5,704,261</u>	<u>5,996,694</u>
Total charges for services	<u>8,074,799</u>	<u>7,657,348</u>	<u>7,601,232</u>	<u>7,140,594</u>	<u>7,048,124</u>	<u>8,405,362</u>	<u>11,464,532</u>	<u>11,850,147</u>
Capital grants and contributions:								
Sewer	<u>71,428</u>	<u>124,197</u>	<u>40,886</u>	<u>141,130</u>	<u>471,157</u>	<u>185,705</u>	<u>362,240</u>	<u>135,336</u>
Total business-type activities program revenues	<u>8,146,227</u>	<u>7,781,545</u>	<u>7,642,118</u>	<u>7,281,724</u>	<u>7,519,281</u>	<u>8,591,067</u>	<u>11,826,772</u>	<u>11,985,483</u>
Total primary government program revenues	<u>22,064,991</u>	<u>14,099,911</u>	<u>13,480,570</u>	<u>14,170,195</u>	<u>16,047,052</u>	<u>15,668,508</u>	<u>17,261,847</u>	<u>19,176,899</u>
Expenses:								
Governmental activities:								
General government	3,276,027	3,900,267	4,556,304	4,272,866	4,272,186	4,165,796	4,483,169	4,537,200
Security of persons and property	11,627,831	12,806,773	14,754,497	14,450,742	14,334,131	13,245,013	12,377,981	12,210,303
Public health services	467,464	536,943	565,271	567,033	549,892	546,222	471,085	437,691
Transportation	9,184,733	9,493,814	10,144,063	9,877,064	9,899,888	10,358,230	9,405,883	9,155,956
Basic utility services	2,246,112	2,111,966	2,162,069	1,806,726	1,678,150	1,645,096	1,579,622	1,681,386
Leisure time activities	2,519,617	2,493,927	2,618,770	2,451,564	2,479,209	2,594,345	2,827,622	2,447,232
Community environment	-	-	-	-	-	24,843	-	-
Economic development	377,094	548,066	562,343	343,280	156,942	202,149	-	-
Interest and fiscal charges	<u>1,580,084</u>	<u>1,754,255</u>	<u>1,947,244</u>	<u>2,125,469</u>	<u>2,320,133</u>	<u>2,344,396</u>	<u>2,213,332</u>	<u>2,354,210</u>
Total governmental activities expenses	<u>31,278,962</u>	<u>33,646,011</u>	<u>37,310,561</u>	<u>35,894,744</u>	<u>35,690,531</u>	<u>35,126,090</u>	<u>33,358,694</u>	<u>32,823,978</u>

(Continued)

City of North Olmsted, Ohio

Changes in Net Assets Accrual Basis of Accounting (Continued)

Last Eight Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Business-type activities:								
NOMBL	-	13,158	13,158	13,158	42,057	984,208	4,714,687	4,467,129
Springvale golf course and ballroom	1,403,969	1,337,078	1,417,950	1,470,220	1,451,094	1,480,190	1,412,396	1,509,294
Sewer revenue	<u>5,965,290</u>	<u>6,251,896</u>	<u>6,659,020</u>	<u>6,735,440</u>	<u>6,752,055</u>	<u>6,900,892</u>	<u>7,024,422</u>	<u>6,702,118</u>
Total business-type activities expenses	<u>7,369,259</u>	<u>7,602,132</u>	<u>8,090,128</u>	<u>8,218,818</u>	<u>8,245,206</u>	<u>9,365,290</u>	<u>13,151,505</u>	<u>12,678,541</u>
Total primary government expenses	<u>38,648,221</u>	<u>41,248,143</u>	<u>45,400,689</u>	<u>44,113,562</u>	<u>43,935,737</u>	<u>44,491,380</u>	<u>46,510,199</u>	<u>45,502,519</u>
Net (expense) revenue:								
Governmental activities	(17,360,198)	(27,327,645)	(31,472,109)	(29,006,273)	(27,162,760)	(28,048,649)	(27,923,619)	(25,632,562)
Business-type activities	<u>776,968</u>	<u>179,413</u>	<u>(448,010)</u>	<u>(937,094)</u>	<u>(725,925)</u>	<u>(774,223)</u>	<u>(1,324,733)</u>	<u>(693,058)</u>
Total primary government net expense	<u>(16,583,230)</u>	<u>(27,148,232)</u>	<u>(31,920,119)</u>	<u>(29,943,367)</u>	<u>(27,888,685)</u>	<u>(28,822,872)</u>	<u>(29,248,352)</u>	<u>(26,325,620)</u>
General revenues and other changes in net assets:								
Governmental activities:								
Property taxes and other local taxes	9,895,600	11,020,701	10,868,791	11,396,531	10,701,905	10,354,341	10,507,940	10,238,732
Municipal income taxes	12,142,212	12,239,390	13,021,313	13,014,677	14,164,807	12,159,878	12,491,922	10,927,745
Grants and entitlements	3,954,223	3,462,553	4,145,745	3,492,684	3,429,556	3,102,792	3,088,546	2,906,433
Investment earnings	62,463	84,227	531,565	1,029,342	917,948	596,488	240,155	295,832
Other	22,728	23,747	60,552	95,844	42,532	64,811	31,891	43,411
Transfers	<u>(75,800)</u>	<u>(27,781)</u>	<u>528,542</u>	<u>(328,082)</u>	<u>(2,353)</u>	<u>-</u>	<u>-</u>	<u>(46,256)</u>
Total governmental activities general revenues and other changes in net assets	<u>26,001,426</u>	<u>26,802,837</u>	<u>29,156,508</u>	<u>28,700,996</u>	<u>29,254,395</u>	<u>26,278,310</u>	<u>26,360,454</u>	<u>24,365,897</u>

(Continued)

City of North Olmsted, Ohio

Changes in Net Assets Accrual Basis of Accounting (Continued)

Last Eight Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Business-type activities:								
Other	-	-	-	-	-	-	67,789	22,295
Transfers	<u>75,800</u>	<u>27,781</u>	<u>(528,542)</u>	<u>328,082</u>	<u>2,353</u>	-	-	<u>46,256</u>
Total business-type activities general revenues and other changes in net assets	<u>75,800</u>	<u>27,781</u>	<u>(528,542)</u>	<u>328,082</u>	<u>2,353</u>	-	<u>67,789</u>	<u>68,551</u>
Total primary government general revenues and other changes in net assets	<u>26,077,226</u>	<u>26,830,618</u>	<u>28,627,966</u>	<u>29,029,078</u>	<u>29,256,748</u>	<u>26,278,310</u>	<u>26,428,243</u>	<u>24,434,448</u>
Change in net assets:								
Governmental activities	8,641,228	(524,808)	(2,315,601)	(305,277)	2,091,635	(1,770,339)	(1,563,165)	(1,266,665)
Business-type activities	<u>852,768</u>	<u>207,194</u>	<u>(976,552)</u>	<u>(609,012)</u>	<u>(723,572)</u>	<u>(774,223)</u>	<u>(1,256,944)</u>	<u>(624,507)</u>
Total primary government change in net assets	\$ <u>9,493,996</u>	\$ <u>(317,614)</u>	\$ <u>(3,292,153)</u>	\$ <u>(914,289)</u>	\$ <u>1,368,063</u>	\$ <u>(2,544,562)</u>	\$ <u>(2,820,109)</u>	\$ <u>(1,891,172)</u>

Source: City financial records

City of North Olmsted, Ohio

Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

Last Ten Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General fund										
Reserved	\$ 870,953	\$ 399,153	\$ 142,013	\$ 180,744	\$ 64,773	\$ 42,139	\$ 165,032	\$ 124,397	\$ 303,831	\$ 517,702
Unreserved	<u>3,620,708</u>	<u>3,189,607</u>	<u>3,038,397</u>	<u>3,862,969</u>	<u>3,553,794</u>	<u>3,403,317</u>	<u>3,265,274</u>	<u>3,396,867</u>	<u>2,550,238</u>	<u>1,879,264</u>
Total general fund	<u>4,491,661</u>	<u>3,588,760</u>	<u>3,180,410</u>	<u>4,043,713</u>	<u>3,618,567</u>	<u>3,445,456</u>	<u>3,430,306</u>	<u>3,521,264</u>	<u>2,854,069</u>	<u>2,396,966</u>
All other governmental funds										
Reserved	423,390	252,063	256,447	221,861	2,117,205	426,875	608,054	2,704,397	3,556,983	2,867,537
Unreserved (deficit), reported in:										
Special revenue funds	5,290,424	5,826,527	5,833,486	6,024,628	4,433,601	2,721,488	2,151,294	1,633,313	2,047,338	1,819,163
Debt service funds	4,074,995	3,881,582	3,609,078	3,131,035	3,063,298	3,324,549	3,069,420	2,366,735	2,247,661	1,728,375
Capital projects funds	<u>569,830</u>	<u>744,698</u>	<u>597,238</u>	<u>1,599,829</u>	<u>1,873,259</u>	<u>5,496,444</u>	<u>4,985,705</u>	<u>1,606,038</u>	<u>5,927,805</u>	<u>6,760,256</u>
Total all other governmental funds	<u>10,358,639</u>	<u>10,704,870</u>	<u>10,296,249</u>	<u>10,977,353</u>	<u>11,487,363</u>	<u>11,969,356</u>	<u>10,814,473</u>	<u>8,310,483</u>	<u>13,779,787</u>	<u>13,175,331</u>
Total governmental funds	\$ <u>14,850,300</u>	\$ <u>14,293,630</u>	\$ <u>13,476,659</u>	\$ <u>15,021,066</u>	\$ <u>15,105,930</u>	\$ <u>15,414,812</u>	\$ <u>14,244,779</u>	\$ <u>11,831,747</u>	\$ <u>16,633,856</u>	\$ <u>15,572,297</u>

Source: City financial records

City of North Olmsted, Ohio

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

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Property taxes	\$ 9,985,313	\$ 10,687,345	\$ 10,928,075	\$ 11,300,024	\$ 10,743,737	\$ 10,519,830	\$ 10,476,303	\$ 10,000,703	\$ 10,154,593	\$ 10,114,983
Income taxes	11,770,310	12,241,747	12,823,445	13,347,091	13,716,789	12,310,815	12,416,225	11,658,413	11,328,050	11,121,341
Charges for services	2,414,501	2,318,947	2,306,911	2,429,928	2,400,889	2,485,102	1,930,702	2,002,103	2,073,941	2,075,553
Fines, licenses and permits	1,212,137	1,211,117	1,233,366	1,336,750	1,326,848	1,456,374	1,754,093	1,786,733	1,413,825	1,295,674
Intergovernmental	5,802,595	6,146,811	6,151,099	7,020,463	7,731,605	5,568,035	4,787,581	6,310,281	6,218,117	5,003,181
Special assessments	90,000	85,000	75,000	70,000	70,000	65,000	60,000	55,000	116,813	102,808
Interest	62,463	84,227	531,565	1,029,342	917,948	596,488	240,155	295,832	363,807	937,639
Miscellaneous	208,977	195,904	214,157	273,269	206,726	242,574	247,967	180,826	378,776	318,536
Total revenues	31,546,296	32,971,098	34,263,618	36,806,867	37,114,542	33,244,218	31,913,026	32,289,891	32,047,922	30,969,715
Expenditures:										
Current:										
General government	3,457,202	3,548,371	4,303,141	4,010,702	4,180,324	3,192,461	4,674,713	4,263,938	4,367,055	4,100,839
Security of persons and property	11,947,782	12,492,370	14,436,087	14,045,123	14,547,145	13,168,505	12,865,169	11,604,760	11,685,896	11,046,278
Public health and welfare	477,740	549,409	563,943	560,468	543,475	615,365	471,376	442,111	453,113	471,538
Transportation	4,422,054	4,949,069	5,702,600	5,522,720	4,981,748	4,817,442	3,863,076	5,311,916	5,213,922	6,473,806
Basic utility services	2,246,112	2,107,623	2,165,012	1,884,985	1,690,898	1,648,006	1,579,709	1,681,386	1,607,984	1,603,503
Leisure time activities	2,343,545	2,208,061	2,409,455	2,405,799	2,264,816	2,420,164	2,271,632	2,212,675	2,161,359	2,087,516
Community environment	-	-	-	-	-	22,372	37,593	-	-	-
Economic development	556,467	554,298	544,560	341,877	155,170	175,375	-	-	218,058	180,354
Other	-	-	-	-	-	-	-	-	-	-
Capital outlay	122,399	416,772	834,099	3,152,670	4,514,283	3,023,674	3,858,779	6,348,743	1,453,736	3,421,177
Debt Service:										
Principal	7,588,715	6,763,814	5,803,153	4,120,931	14,009,002	10,733,612	5,933,612	5,007,897	3,342,539	2,982,456
Interest and fiscal charge	1,606,408	1,738,992	1,951,582	2,077,473	2,322,655	2,147,630	2,229,548	2,378,765	2,552,217	2,757,715
Note issuance costs	25,522	22,017	12,000	13,250	-	-	-	-	-	-
Bond issuance costs	83,872	-	-	-	329,670	-	-	-	-	-
Total expenditures	34,877,818	35,350,796	38,725,632	38,135,998	49,539,186	41,964,606	37,785,207	39,252,191	33,055,879	35,125,182
Excess of revenues over (under) expenditures	(3,331,522)	(2,379,698)	(4,462,014)	(1,329,131)	(12,424,644)	(8,720,388)	(5,872,181)	(6,962,300)	(1,007,957)	(4,155,467)

(Continued)

City of North Olmsted, Ohio

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

Last Ten Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Other financing sources (uses):										
Issuance of notes	-	3,215,000	2,370,000	1,560,000	500,000	9,860,000	7,725,000	2,195,000	1,865,000	-
Inception of capital leases	59,763	-	-	-	63,782	19,316	-	-	-	-
Bond proceeds	3,715,000	-	-	-	27,230,000	-	-	-	-	20,838,026
Premium on bonds	168,945	-	-	-	658,627	-	-	-	-	-
Payment to bond escrow agent	-	-	-	-	(16,354,414)	-	-	-	-	(7,518,674)
Sale of capital assets	20,284	9,450	27,527	12,349	20,120	11,105	560,213	11,447	13,206	13,519
Transfers - in	1,860,769	1,790,131	2,616,630	2,492,750	1,858,626	2,067,962	2,147,358	2,025,546	2,199,625	1,893,621
Transfers - out	<u>(1,936,569)</u>	<u>(1,817,912)</u>	<u>(2,096,550)</u>	<u>(2,820,832)</u>	<u>(1,860,979)</u>	<u>(2,067,962)</u>	<u>(2,147,358)</u>	<u>(2,071,802)</u>	<u>(2,008,315)</u>	<u>(1,893,621)</u>
Total other financing sources (uses)	<u>3,888,192</u>	<u>3,196,669</u>	<u>2,917,607</u>	<u>1,244,267</u>	<u>12,115,762</u>	<u>9,890,421</u>	<u>8,285,213</u>	<u>2,160,191</u>	<u>2,069,516</u>	<u>13,332,871</u>
Net change in fund balances	\$ <u>556,670</u>	\$ <u>816,971</u>	\$ <u>(1,544,407)</u>	\$ <u>(84,864)</u>	\$ <u>(308,882)</u>	\$ <u>1,170,033</u>	\$ <u>2,413,032</u>	\$ <u>(4,802,109)</u>	\$ <u>1,061,559</u>	\$ <u>9,177,404</u>
Debt service as a percentage of noncapital expenditures	37.11%	25.49%	21.38%	18.89%	38.30%	34.02%	24.52%	23.36%	18.44%	18.38%

Source: City financial records

City of North Olmsted, Ohio

Assessed Valuations and Estimated Actual Values of Taxable Property

Last Ten Years

<u>Year</u>	<u>Real Property</u>	<u>Public Utility Property</u>	<u>Tangible Personal Property</u>	<u>Total</u>	<u>Estimated True Values of Taxable Property</u>	<u>Total Direct Tax Rate</u>	<u>Ratio</u>
2010	\$ 825,718,930	\$ 11,747,350	\$ -	\$ 837,466,280	\$ 2,372,546,204	\$ 13.30	35.3%
2009	827,569,610	11,432,430	-	839,002,040	2,377,475,998	13.30	35.3
2008	882,868,100	11,624,510	15,831,601	910,324,211	2,799,034,922	13.20	32.5
2007	881,650,600	10,087,260	30,291,306	922,029,166	2,781,506,682	13.20	33.1
2006	881,661,360	14,502,800	39,487,817	935,651,977	2,758,639,748	13.20	33.9
2005	806,908,240	14,685,560	49,409,433	871,003,233	2,549,646,856	13.30	34.2
2004	802,181,840	15,808,350	47,369,486	865,359,676	2,529,519,101	13.30	34.2
2003	751,348,000	16,129,090	46,312,966	813,790,056	2,380,327,473	13.60	34.2
2002	748,692,910	17,173,070	50,671,362	816,537,342	2,376,154,188	13.60	34.4
2001	745,461,810	20,789,070	48,393,017	814,643,897	2,365,041,094	13.70	34.4

Source: Cuyahoga County Auditor, based upon tax year valuations

City of North Olmsted, Ohio

Income Tax Revenue Collections (Cash Basis)

Last Ten Years

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>	<u>Taxes from Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>
2010	2.00%	\$ 12,026,344	\$ 9,090,112	75.6%	\$ 1,722,631	14.3%	\$ 1,213,601	10.1%
2009	2.00	12,285,520	8,970,962	73.0	1,727,948	14.1	1,586,610	12.9
2008	2.00	13,069,739	9,217,837	70.5	1,797,199	13.8	2,054,703	15.7
2007	2.00	13,330,936	9,275,262	69.6	1,880,178	14.1	2,175,496	16.3
2006	2.00	13,328,675	9,134,372	68.5	1,967,779	14.8	2,226,524	16.7
2005	2.00	12,613,174	9,137,415	72.4	2,065,620	16.4	1,410,139	11.2
2004	2.00	12,098,602	8,694,555	71.9	2,001,020	16.5	1,403,027	11.6
2003	2.00	11,548,120	8,516,041	73.7	2,110,004	18.3	922,075	8.0
2002	2.00	11,391,003	8,198,490	72.0	2,094,315	18.4	1,098,198	9.6
2001	2.00	10,971,259	8,020,823	73.1	2,148,819	19.6	801,617	7.3

Source: City Finance Department

City of North Olmsted, Ohio

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

Last Ten Years

City of North Olmsted										
<u>Year</u>	<u>General Operating</u>	<u>Debt Retirement</u>		<u>Recreation</u>	<u>Police and Fire Pension</u>	<u>Total</u>	<u>School District</u>	<u>Cuyahoga County (a)</u>	<u>Polaris Vocational School</u>	<u>Total</u>
		<u>General</u>	<u>Sewer</u>							
2010	\$ 6.70	\$ 4.80	\$ -	\$ 1.20	\$ 0.60	\$ 13.30	\$ 91.40	\$ 20.90	\$ 2.40	\$ 128.00
2009	6.40	5.10	-	1.20	0.60	13.30	83.50	20.60	2.40	119.80
2008	6.50	4.90	-	1.20	0.60	13.20	83.50	20.60	2.40	119.70
2007	6.50	4.90	-	1.20	0.60	13.20	83.50	20.20	2.40	119.30
2006	6.60	4.80	-	1.20	0.60	13.20	77.00	20.20	2.40	112.80
2005	6.70	4.80	-	1.20	0.60	13.30	77.00	20.30	2.40	113.00
2004	6.70	4.80	-	1.20	0.60	13.30	77.00	18.30	2.40	111.00
2003	7.00	4.10	0.70	1.20	0.60	13.60	77.00	17.60	2.40	110.60
2002	7.00	4.10	0.70	1.20	0.60	13.60	77.00	17.60	2.40	110.60
2001	7.00	4.10	0.80	1.20	0.60	13.70	69.10	17.60	2.40	102.80

(a) Includes Metroparks and Library Millage

Source: Cuyahoga County Auditor

City of North Olmsted, Ohio

Real Property Tax Levies, and Collections

Last Ten Years

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections to Tax Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections(1)</u>	<u>Percentage of Total Collections to Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Delinquent Taxes to Total Tax Levy</u>
2010	\$ 11,800,535	\$ 10,623,422	90.03%	\$ 391,697	\$ 11,015,119	93.34%	\$ 574,690	4.9%
2009	11,802,571	11,300,029	95.74	235,982	11,536,011	97.74	659,686	5.6
2008	11,804,175	11,399,614	96.57	293,573	11,693,187	99.06	400,697	3.4
2007	11,807,403	11,403,200	96.58	250,483	11,653,683	98.70	459,981	3.9
2006	10,906,598	10,577,903	96.99	239,718	10,817,621	99.18	363,471	3.3
2005	10,876,753	10,520,394	96.72	330,560	10,850,954	99.76	405,306	3.7
2004	10,952,774	10,489,902	95.77	346,897	10,836,799	98.94	570,796	5.2
2003	10,460,345	10,098,354	96.54	235,467	10,333,821	98.79	537,927	5.1
2002	10,454,645	10,057,703	96.20	331,751	10,389,454	99.38	463,462	4.4
2001	10,477,350	10,135,765	96.74	256,101	10,391,866	99.18	534,176	5.1

Source: Cuyahoga County Auditor

(1) State reimbursement of rollback and homestead exemptions is included

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

City of North Olmsted, Ohio

Principal Taxpayers - Real Estate Tax

2010 and 2001

<u>Name of Taxpayer</u>	<u>December 31, 2010</u>	
	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Great Northern Partnership	\$ 29,579,140	3.53%
DDR MDT Great Northern	22,867,310	2.73
Cleveland Electric Illuminating Company	10,069,260	1.20
Duke Realty Ohio	8,465,210	1.01
B&G Properties LTD Partnership	6,107,700	0.73
JVM Butternut Apartments, LLC	5,985,000	0.70
Moen, Inc.	5,654,680	0.68
Water Tower Square LTD Partnership	4,638,730	0.55
Wal Mart	4,200,010	0.50
Higbee Company	3,850,010	0.46
Total	\$ <u>101,417,050</u>	<u>12.09%</u>

<u>Name of Taxpayer</u>	<u>December 31, 2001</u>	
	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Great Northern Partnership	\$ 20,420,720	2.77%
DDR MDT Great Northern	17,725,860	2.41
Great Northern Properties	8,279,460	1.13
B&G Properties LTD Partnership	5,700,920	0.77
Butternut Ridge Appt. LLC	5,462,630	0.74
May Stores 74 Corp	4,869,900	0.66
Water Tower Square LTD	4,714,120	0.64
Wal Mart	4,221,390	0.57
Sears Roebuck Co	4,090,450	0.56
Country Club Hotel Assoc LLC	3,694,360	0.50
Total	\$ <u>79,179,810</u>	<u>10.75%</u>

Source: Cuyahoga County Auditor

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

City of North Olmsted, Ohio

Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

Last Ten Years

Year	Governmental Activities								Business-Type Activities					Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	OWDA Loans	Long Term Notes	Capital Leases	Intergovernmental Payable	Police Pension	General Obligation Bonds	Long Term Notes	Capital Leases	OWDA Loans	OPWC Loans			
2010	\$ 30,783,808	\$ -	\$ 40,837	\$ -	\$ -	\$ 51,989	\$ -	\$ 93,801	\$ 12,222,846	\$ -	\$ 3,427	\$1,436,697	\$ 651,668	\$ 45,285,073	5.54%	\$1,384
2009	31,165,433	90,000	54,450	-	3,215,000	-	-	96,629	13,313,153	-	-	1,018,076	782,001	49,734,742	5.83	1,458
2008	35,442,003	175,000	68,061	-	2,370,000	21,991	-	99,341	14,631,498	-	1,621	607,269	912,335	54,329,119	6.37	1,593
2007	39,579,073	250,000	81,675	-	1,560,000	42,930	-	101,941	15,878,343	-	3,206	611,019	1,042,667	59,150,854	7.34	1,734
2006	43,600,143	320,000	95,288	-	-	62,755	-	104,434	16,945,688	-	4,711	662,621	1,173,000	62,968,640	7.82	1,846
2005	35,635,000	390,000	108,899	-	9,860,000	15,754	-	106,825	17,440,000	315,000	6,139	712,161	1,303,334	65,893,112	8.30	1,932
2004	39,115,000	455,000	122,511	-	7,175,000	-	-	109,117	18,435,000	-	26,176	759,721	1,433,667	67,631,192	8.23	1,983
2003	42,230,000	515,000	136,123	-	2,195,000	-	-	111,314	19,385,000	-	51,402	805,381	1,564,001	66,993,221	8.15	1,964
2002	45,130,000	570,000	149,736	172,176	1,865,000	-	45,103	113,422	20,290,000	-	75,713	849,216	1,694,334	70,954,700	8.55	2,080
2001	48,075,000	620,000	163,349	333,686	-	-	-	-	21,155,000	-	-	891,299	1,824,667	73,063,001	8.80	2,142

Note: Population and Personal Income are presented on page 153.

City of North Olmsted, Ohio

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

Last Ten Years

<u>Year</u>	<u>Population(1)</u>		<u>Assessed(2)</u> <u>Value</u>		<u>Gross(3)</u> <u>Bonded</u> <u>Debt</u>		<u>Debt Service</u> <u>Monies Available</u>
2010	32,718	a	\$ 837,466,280	\$	43,006,654	\$	2,802,057
2009	34,113	b	839,002,040		44,478,586		2,657,293
2008	34,113	b	910,324,211		50,073,501		2,455,310
2007	34,113	b	922,029,166		55,457,416		2,050,397
2006	34,113	b	935,651,977		60,545,831		1,441,806
2005	34,113	b	871,003,233		53,075,000		2,168,871
2004	34,113	b	865,359,676		57,550,000		1,802,585
2003	34,113	b	813,790,056		61,615,000		1,369,838
2002	34,113	b	816,537,342		65,420,000		1,625,402
2001	34,113	b	814,643,897		69,230,000		1,876,456

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

(a) 2010 Federal Census

(b) 2000 Federal Census

(2) Source: Cuyahoga County Auditor, valuations based upon the tax year

(3) Includes all general obligation bonded debt

<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>
\$ 40,204,597	4.80%	\$ 1,229
41,821,293	4.98	1,226
47,618,191	5.23	1,396
53,407,019	5.89	1,566
59,104,025	6.32	1,733
50,906,129	5.84	1,492
55,747,415	6.44	1,634
60,245,162	7.40	1,766
63,794,598	7.81	1,870
67,353,544	8.27	1,974

City of North Olmsted, Ohio

Computation of Direct and Overlapping General Obligation Debt

December 31, 2010

	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City of North Olmsted</u>
Jurisdiction:			
Direct:			
City of North Olmsted (1)			
General obligation bonds	\$ 30,783,808	100.00%	\$ 30,783,808
OPWC loans	<u>40,837</u>	100.00	<u>40,837</u>
Total direct debt	<u>30,824,645</u>		<u>30,824,645</u>
Overlapping:			
North Olmsted School District	340,000	100.00	340,000
North Olmsted/Olmsted Falls School District	20,305,607	1.70	345,195
Cuyahoga County	319,446,948	2.81	8,976,459
Greater Cleveland Regional Transit Authority	<u>152,760,000</u>	2.81	<u>4,292,556</u>
Total overlapping debt	<u>492,852,555</u>		<u>13,954,210</u>
Total	\$ <u><u>523,677,200</u></u>		\$ <u><u>44,778,855</u></u>

Source: Cuyahoga County Auditor

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

City of North Olmsted, Ohio

Legal Debt Margin

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Assessed valuation	\$ <u>837,466,280</u>	\$ <u>839,002,040</u>	\$ <u>910,324,211</u>	\$ <u>922,029,166</u>	\$ <u>935,651,977</u>	\$ <u>871,003,233</u>	\$ <u>865,359,676</u>	\$ <u>813,790,056</u>	\$ <u>816,537,342</u>	\$ <u>814,643,897</u>
Overall debt limitation – 10 1/2 % of assessed valuation	\$ 87,933,959	\$ 88,095,214	\$ 95,584,042	\$ 96,813,062	\$ 98,243,458	\$ 91,455,339	\$ 90,862,766	\$ 85,447,956	\$ 85,736,421	\$ 85,537,609
Outstanding debt:										
General obligation debt	43,006,654	44,568,586	50,248,501	55,707,416	60,865,831	53,465,000	58,005,000	62,130,000	65,990,000	69,850,000
General obligation bond anticipation notes	-	3,215,000	2,370,000	1,560,000	-	10,175,000	7,175,000	2,195,000	200,000	300,000
OPWC loan	-	-	-	-	-	-	-	136,123	-	-
Police pension liability	-	-	-	-	-	-	-	111,314	-	-
Less: Amount available in debt service fund	<u>(4,074,995)</u>	<u>(3,881,582)</u>	<u>(3,609,078)</u>	<u>(3,131,035)</u>	<u>(3,063,298)</u>	<u>(3,324,549)</u>	<u>(1,802,585)</u>	<u>(1,369,838)</u>	<u>(1,625,402)</u>	<u>(1,876,156)</u>
Total outstanding debt	<u>38,931,659</u>	<u>43,902,004</u>	<u>49,009,423</u>	<u>54,136,381</u>	<u>57,802,533</u>	<u>60,315,451</u>	<u>63,377,415</u>	<u>63,202,599</u>	<u>64,564,598</u>	<u>68,273,844</u>
Less exemptions:										
Bonds and notes issued in anticipation of levy for special assessments	-	90,000	175,000	250,000	320,000	390,000	455,000	515,000	570,000	620,000
General obligation bonds and notes that are considered self supporting	7,961,000	8,693,000	9,665,000	10,577,000	11,433,000	12,145,000	12,580,000	13,295,000	13,975,000	14,625,000
Securities issued to pay final judgments and settlements	34,000	49,000	64,000	79,000	93,000	104,000	114,000	124,000	138,000	149,000
Securities to extent authorizing legislation contains covenants to appropriate, levy and collect municipal income taxes	<u>4,867,000</u>	<u>6,063,000</u>	<u>7,220,000</u>	<u>8,333,000</u>	<u>9,412,000</u>	<u>10,524,000</u>	<u>11,483,000</u>	<u>12,433,000</u>	<u>13,323,000</u>	<u>16,207,000</u>
Total exemptions	<u>12,862,000</u>	<u>14,895,000</u>	<u>17,124,000</u>	<u>19,239,000</u>	<u>21,258,000</u>	<u>23,163,000</u>	<u>24,632,000</u>	<u>26,367,000</u>	<u>28,006,000</u>	<u>31,601,000</u>
Net debt within 10 1/2% limitation	<u>26,069,659</u>	<u>29,007,004</u>	<u>31,885,423</u>	<u>34,897,381</u>	<u>36,544,533</u>	<u>37,152,451</u>	<u>38,745,415</u>	<u>36,835,599</u>	<u>36,558,598</u>	<u>36,672,844</u>
Overall debt margin	\$ <u>61,864,300</u>	\$ <u>59,088,210</u>	\$ <u>63,698,619</u>	\$ <u>61,915,681</u>	\$ <u>61,698,925</u>	\$ <u>54,302,888</u>	\$ <u>52,117,351</u>	\$ <u>48,612,357</u>	\$ <u>49,177,823</u>	\$ <u>48,864,765</u>
Unvoted debt limitation 5 1/2 of assessed value	\$ 46,060,645	\$ 46,145,112	\$ 50,067,832	\$ 50,711,604	\$ 51,460,859	\$ 47,905,178	\$ 47,594,782	\$ 44,758,453	\$ 44,909,554	\$ 44,805,414
Amount of principal of unvoted bonds and notes subject to 5 1/2%	<u>16,009,659</u>	<u>17,627,004</u>	<u>20,505,423</u>	<u>22,892,381</u>	<u>27,047,000</u>	<u>23,987,451</u>	<u>25,665,415</u>	<u>26,855,599</u>	<u>25,473,598</u>	<u>25,932,844</u>
Unvoted debt margin	\$ <u>30,050,986</u>	\$ <u>28,518,108</u>	\$ <u>29,562,409</u>	\$ <u>27,819,223</u>	\$ <u>24,413,859</u>	\$ <u>23,917,727</u>	\$ <u>21,929,367</u>	\$ <u>17,902,854</u>	\$ <u>19,435,956</u>	\$ <u>18,872,570</u>

Note: Assessed valuations based upon the tax year.

City of North Olmsted, Ohio

Principal Employers

Last Ten Years

2010		2009		2008	
Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes
Moen Incorporated	8.03%	Moen Incorporated	6.93%	Moen Incorporated	6.76%
North Olmsted School District	5.63	North Olmsted School District	5.45	North Olmsted School District	4.92
The City of North Olmsted	2.23	The City of North Olmsted	2.45	The City of North Olmsted	2.55
Factory Mutual Insurance Company	1.28	Advanstar Communications, Inc.	1.68	Advanstar Communications, Inc.	1.57
Advanstar Communications, Inc.	1.25	Factory Mutual Insurance Company	1.34	Cingular Wireless Employee Services	1.22
AT&T Mobility	1.13	AT&T Mobility	1.20	Factory Mutual Insurance Company	1.22
Heartland Employment Services, Inc.	0.99	Heartland Employment Services, Inc.	0.99	Sunnyside Automotive, Inc.	0.92
Wal Mart Associates, Inc.	0.93	Wal Mart Associates, Inc.	0.96	Heartland Employment Services, Inc.	0.89
Heartland Payment Systems, Inc.	0.92	Sunnyside Automotive, Inc.	0.87	Wal Mart Associates, Inc.	0.87
Sunnyside Automotive, Inc.	<u>0.90</u>	Riser Foods Company	<u>0.87</u>	Riser Foods Company	<u>0.84</u>
	<u>23.29%</u>		<u>22.74%</u>		<u>21.76%</u>
2007		2006		2005	
Moen Incorporated		North Olmsted School District		Dillard's Department Stores	
North Olmsted School District		Moen Incorporated		Factory Mutual Insurance	
The City of North Olmsted		The City of North Olmsted		GMAC-GM Payroll Services	
Factory Mutual Insurance Company		Riser Foods Company		Heartland Employment Services, Inc.	
Wal Mart Associates, Inc.		Kaufmann's Department Stores		Moen Incorporated	
Sunnyside Cars, Inc.		Wal Mart Associates, Inc.		The City of North Olmsted	
Heartland Employment Services, Inc.		Dillard Department Stores		North Olmsted School District	
Cingular Wireless Employee Services		Sears, Roebuck & Company		Riser Foods Company	
Merrill Lynch Pierce Kenner & P. Craig		Olmsted Manor Nursing Center		Sunnyside Cars, Inc.	
GMAC-GM Payroll Services		Sunnyside Cars, Inc.		Wal Mart Associates, Inc.	
2004		2003		2002	
Factory Mutual Insurance Co.		Factory Mutual Insurance Co.		Factory Mutual Insurance Co.	
GMAC-GM Payroll Services		GMAC-GM Payroll Services		GMAC-GM Payroll Services	
Heartland Employment Services, Inc.		Heartland Employment Services, Inc.		Heartland Employment Services, Inc.	
May Department Stores		May Department Stores		May Department Stores	
Moen Incorporated		Moen Incorporated		Moen Incorporated	
The City of North Olmsted		The City of North Olmsted		The City of North Olmsted	
North Olmsted School District		North Olmsted School District		North Olmsted School District	
Riser Foods Company		Riser Foods Company		Riser Foods Company	
Sunnyside Cars, Inc.		Sunnyside Cars, Inc.		Sunnyside Cars, Inc.	
Wal Mart Associates, Inc.		Wal Mart Associates, Inc.		Wal Mart Associates, Inc.	
2001					
Factory Mutual Insurance Co.				Factory Mutual Insurance Co.	
GMAC-GM Payroll Services				GMAC-GM Payroll Services	
Kaufmans				Kaufmans	
Merrill Lynch P F & Smith				Merrill Lynch P F & Smith	
Moen Incorporated				Moen Incorporated	
The City of North Olmsted				The City of North Olmsted	
North Olmsted School District				North Olmsted School District	
Riser Foods Company				Riser Foods Company	
Sunnyside Cars, Inc.				Sunnyside Cars, Inc.	
Wal Mart Associates, Inc.				Wal Mart Associates, Inc.	

Source: Regional Income Tax Agency based on payroll withholding.

City of North Olmsted, Ohio

Demographic and Economic Statistics

Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Employed in County(2)</u>	<u>Unemployment Rate (2)</u>			<u>School (3) Enrollment</u>	<u>Total Personal Income(2)</u>	<u>Personal Income Per Capita</u>
			<u>County</u>	<u>State</u>	<u>US</u>			
2010	32,718 a	574,600	9.5%	10.1%	9.6%	4,193	\$ 817,917,282 \$	24,999
2009	34,113 b	581,200	9.2	10.8	9.3	4,314	852,795,765	24,999
2008	34,113 b	601,800	6.8	6.5	5.8	4,366	852,795,765	24,999
2007	34,113 b	617,900	6.1	5.6	4.6	4,587	805,411,545	23,610
2006	34,113 b	622,876	5.6	5.4	4.8	4,613	805,411,545	23,610
2005	34,113 b	629,000	5.9	5.8	5.1	4,577	794,414,837	23,288
2004	34,113 b	637,400	6.2	6.1	5.5	4,556	821,979,594	24,096
2003	34,113 b	629,600	6.8	6.1	6.0	4,468	821,979,594	24,096
2002	34,113 b	624,900	6.7	5.7	5.8	4,663	829,935,177	24,329
2001	34,113 b	648,300	4.6	4.3	4.8	4,714	829,935,177	24,329

(1) Source: U.S. Census, Census of population

(a) 2010 Federal Census

(b) 2000 Federal Census

(2) Ohio Department of Jobs and Family Services, U.S. Department of Labor and Bureau of Labor Statistics

Note: 2009 and 2010 personal income estimate not available

(3) Source: North Olmsted Board of Education

City of North Olmsted, Ohio

Full Time City Employees By Function or Program

Last Ten Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Function/program:										
General government:										
Council	1	1	1	1	1	1	1	1	1	1
Mayor	2	2	2	3	3	2	2	2	2	1
General clerical	1	1	1	1	1	1	1	1	1	1
Boards and commissions	1	1	1	1	1	1	1	2	2	2
Finance	6	6	6	6	6	6	6	6	6	7
Law	1	2	2	2	2	2	2	2	2	0
Information systems	1	1	1	1	0	1	1	2	2	2
Human resources	3	3	3	3	3	3	3	3	3	3
Building	9	9	12	9	11	12	10	10	11	10
Engineering	0	0	0	4	4	5	6	6	7	8
Total	<u>25</u>	<u>26</u>	<u>29</u>	<u>31</u>	<u>32</u>	<u>34</u>	<u>33</u>	<u>35</u>	<u>37</u>	<u>35</u>
Security of persons and property:										
Safety director	2	2	2	2	2	2	2	2	2	2
Fire	43	41	46	47	46	48	45	46	47	48
Dispatch	8	8	8	8	9	9	8	9	9	10
Corrections	1	1	1	2	2	2	2	2	3	3
Police	46	50	55	57	55	57	57	57	57	56
Youth Services (see Public health and welfare)	1	1	1	1	1	0	0	0	0	0
Fire clerk	1	1	1	1	1	1	1	1	1	2
Police clerk	5	5	6	6	6	6	6	6	7	8
Total	<u>107</u>	<u>109</u>	<u>120</u>	<u>124</u>	<u>122</u>	<u>125</u>	<u>121</u>	<u>123</u>	<u>126</u>	<u>129</u>
Leisure time activities:										
Senior center	3	2	2	2	2	2	2	2	2	2
Recreation	7	9	10	12	12	10	11	12	12	12
Springvale	4	3	4	4	4	4	4	4	4	4
Total	<u>14</u>	<u>14</u>	<u>16</u>	<u>18</u>	<u>18</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>18</u>	<u>18</u>
Public health and welfare:										
Community life services (a)	0	2	2	2	2	2	2	2	2	2
Youth services	0	0	0	0	0	1	1	1	1	1
Total	<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Transportation:										
Service director	1	2	2	2	2	2	2	2	2	2
Public service and properties										
Public works administrative	0	0	0	0	0	0	0	0	0	2
Animal warden	1	1	1	1	1	1	1	1	1	1
Building maintenance	3	3	4	5	5	5	5	5	6	6
Road	9	9	5	7	7	7	7	7	7	9
Forestry	4	3.5	7	7	7	9	9	9	10	12
Storm	3	3.5	4	5	6	6	6	6	8	13
Subtotal	<u>20</u>	<u>20</u>	<u>21</u>	<u>25</u>	<u>26</u>	<u>28</u>	<u>28</u>	<u>28</u>	<u>32</u>	<u>43</u>
Fleet	7	7	8	8	8	8	8	8	8	9
Bus	0	0	0	0	0	0	59	61	61	66
Total	<u>28</u>	<u>29</u>	<u>31</u>	<u>35</u>	<u>36</u>	<u>38</u>	<u>97</u>	<u>99</u>	<u>103</u>	<u>120</u>
Economic development										
Planning	2	2	2	2	2	2	2	0	0	0
Basic utility services:										
Wastewater treatment plant	28	27	29	32	35	37	37	37	36	33
Total	<u>204</u>	<u>209</u>	<u>229</u>	<u>244</u>	<u>247</u>	<u>255</u>	<u>310</u>	<u>315</u>	<u>323</u>	<u>338</u>

Source: City payroll records
(a) See security of persons and property

City of North Olmsted, Ohio

Operating Indicators by Function/Program

Last Nine Years

Function/Program:	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government:									
Council and clerk									
Number of ordinances and resolutions submitted	162	152	165	158	203	191	206	182	209
Number of ordinances and resolutions passed	159	147	135	146	182	177	169	173	184
Finance									
Agency ratings									
Fitch IBCA	AA-	A+	A+	A+	A+	A+	A+	A+	A+
Moody's Financial Services - General Limited Tax	Aa2	A1	A1	A1	A1	A2	A2	A2	A2
Moody's Financial Services - General Unlimited Tax	Aa2	Aa3	Aa3	Aa3	Aa3	A1	A1	A1	A1
Law									
Real property complaints filed	38	22	18	7	17	12	11	N/A	N/A
Real property fines collected	\$ 7,405	\$ 13,675	\$ 9,858	\$ 3,350	\$ 2,173	\$ 1,130	\$ 1,450	N/A	N/A
Criminal cases prosecuted	922	927	1,304	730	933	674	N/A	N/A	N/A
Traffic cases prosecuted	1,062	1,228	1,509	1,415	1,916	1,994	N/A	N/A	N/A
Building									
Estimated valuation of permits issued	\$ 15,650,821	\$ 13,933,125	\$ 15,151,105	\$ 30,631,703	\$ 39,828,613	\$ 29,279,863	\$ 30,239,136	\$ 31,540,971	\$ 51,295,838
Number of permits issued	1,103	1,142	1,203	1,284	1,312	1,444	1,465	1,482	1,455
Security of persons and property:									
Police									
Number of traffic citations issued	7,635	8,809	7,594	7,643	9,460	15,616	12,759	17,682	16,506
Number of parking citations issued	2,013	2,136	2,092	2,242	1,775	2,476	2,353	2,702	2,770
Number of criminal arrests	2,028	2,062	2,100	1,882	2,058	2,249	1,877	2,063	2,166
Fire									
Number of fire responses	703	700	810	811	733	711	679	723	N/A
Number of squad responses	2,971	2,871	2,833	2,685	2,646	2,579	2,455	2,631	N/A
Total number of emergency responses	3,674	3,571	3,643	3,496	3,379	3,290	3,134	3,354	3,228
Number of runs per day	10.1	10.3	10.0	9.6	9.2	9.0	8.6	9.1	8.8

(Continued)

City of North Olmsted, Ohio

Operating Indicators by Function/Program (Continued)

Last Nine Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Public health and welfare:									
<i>Community life services</i>									
Cabin rentals	358	547	645	569	516	513	508	408	N/A
Food cupboard distributions	1,147	1,154	693	398	376	340	370	N/A	N/A
Holiday adopt-a-family	52	51	37	38	33	30	20	26	34
Leisure time activities:									
<i>Senior center</i>									
Hot lunch program - meals served	8,223	8,909	8,935	9,237	9,399	9,179	7,443	N/A	N/A
Meals on wheels clients served	68	71	63	82	80	58	N/A	N/A	N/A
Activity participants except hot lunch program	19,978	10,930	11,624	11,498	10,092	11,529	N/A	N/A	N/A
<i>Springvale golf course and ballroom</i>									
Number of golf rounds	23,083	19,934	23,358	22,278	27,499	27,585	25,024	26,835	N/A
Number of golf outings	47	44	47	46	66	53	55	68	N/A
Number of ballroom rentals	56	54	52	51	56	60	76	91	N/A
<i>Recreation</i>									
Skate programs and events participants	4,897	6,714	8,938	10,011	11,116	12,231	10,373	10,093	8,856
Pool programs	1,315	1,013	2,883	N/A	N/A	N/A	2,444	2,514	2,558
Summer camp participants	225	163	434	428	367	225	119	N/A	N/A
Transportation:									
Snowfall in inches	62.9	59.5	80.00	76.30	34.60	108.40	95.80	98.60	69.80
Street salting and plowing - number of hours	2,936	3,152	3,350	4,485	1,472	5,402	3,911	N/A	N/A
Street asphalt and concrete repair - number of hours	3,849	5,236	4,926	7,581	6,848	4,828	5,670	N/A	N/A
Tree planting and maintenance - number of hours	2,115	2,908	2,431	2,268	2,344	2,895	3,085	N/A	N/A
Wastewater:									
Sanitary sewer rate per 1,000 cubic ft. \$	47.74	\$ 43.60	\$ 39.81	\$ 36.26	\$ 36.26	\$ 36.26	\$ 36.26	\$ 36.26	\$ 36.26
Total 1,000 cubic feet billed	138,580	163,332	148,582	148,605	144,016	148,445	151,164	152,628	166,827
Total flow of wastewater treatment plant (billions of gallons)	1,505	1,595	1,699	1,805	1,822	2,009	2,014	2,120	1,933
Average daily flow (millions of gallons per day)	4.121	4.395	4.861	4.939	4.214	4.461	5.390	5.390	4.370
Tons of wet sludge removed	5,532	5,242	5,246	5,438	5,525	5,359	5,648	6,247	6,249

N/A: Not available

Source: Various City Divisions Information prior to 2002 is not available.

City of North Olmsted, Ohio

Capital Assets Statistics by Function/Program

Last Nine Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government:									
Number of administrative vehicles	8	8	10	11	10	10	10	10	10
Security of persons and property:									
<i>Fire:</i>									
Number of stations	2	2	2	2	2	2	2	2	2
Number of vehicles	12	12	14	14	14	14	14	13	15
<i>Police:</i>									
Number of stations	1	1	1	1	1	1	1	1	1
Number of vehicles	24	26	29	27	28	28	28	28	28
Leisure time activities:									
<i>Recreation:</i>									
Number of parks	4	4	4	4	4	4	4	4	4
Number of pools	2	2	2	2	2	2	2	2	2
Recreation center facility	1	1	1	1	1	1	1	1	1
Number of vehicles	10	6	6	6	6	8	5	4	4
<i>Springvale golf course and ballroom:</i>									
Number of acres (18 hole golf course)	132	132	132	132	132	132	132	132	132
Square footage of ballroom	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Number of vehicles	3	2	2	2	2	2	2	1	2
<i>Senior center:</i>									
Senior center facility	1	1	1	1	1	1	1	1	1
Number of vehicles	1	1	1	1	0	0	0	0	0
Transportation:									
<i>Streets:</i>									
Miles of streets	146	146	146	146	145	145	145	145	145
Number of street lights	2,633	2,633	2,633	2,633	2,362	2,362	2,362	2,362	2,362
Number of service vehicles	45	43	46	44	46	46	42	44	44
Wastewater:									
Miles of sanitary sewers	176	176	176	176	175	175	175	175	175
Miles of storm sewers	152	152	152	152	151	151	151	151	151
Number of vehicles	17	18	17	17	17	17	17	17	17

Note: The information presented above is for the last nine years. Information prior to 2002 is not available.

City of North Olmsted, Ohio

Capital Assets by Function

Last Nine Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities:									
General government:									
Non-depreciable									
Land and art	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,705,055	\$ 3,712,536	\$ 3,712,536
CIP	18,986	-	-	-	254,987	288,158	134,465	5,451,463	423,692
Other capital assets									
Cost	13,863,148	13,821,102	13,729,777	12,854,218	12,326,485	12,043,287	12,023,709	5,193,388	5,272,427
Net book value	8,828,478	9,146,041	9,543,887	9,075,066	8,843,845	8,865,854	9,136,769	1,997,027	2,111,241
Security of persons and property:									
<i>Fire:</i>									
Non-depreciable									
Land	349,400	349,400	349,400	349,400	-	-	-	-	-
CIP	-	-	-	-	2,166,808	433,895	-	-	-
Other capital assets									
Cost	9,521,134	9,543,303	9,543,303	9,543,303	5,669,892	5,310,749	5,302,466	5,054,346	5,036,437
Net book value	5,863,147	6,103,581	6,394,553	6,735,628	3,157,763	3,032,411	3,247,466	2,947,042	3,100,706
<i>Police:</i>									
Other capital assets									
Cost	2,883,521	2,888,984	3,269,628	3,147,006	3,274,082	3,152,905	2,893,512	2,633,713	2,563,021
Net book value	833,697	934,353	1,032,175	1,082,266	1,147,013	1,081,959	983,193	977,251	1,032,607
Leisure time activities:									
<i>Recreation:</i>									
Non-depreciable									
CIP	-	-	-	-	12,284	-	-	98,005	78,024
Other capital assets									
Cost	9,436,242	9,331,565	9,268,061	9,198,799	9,029,953	9,032,171	8,941,133	8,815,998	8,803,470
Net book value	1,333,826	1,533,088	1,797,927	2,026,002	2,091,819	2,319,717	2,526,462	2,659,549	2,892,112
<i>Senior center:</i>									
Non-depreciable									
CIP	-	16,833	-	-	-	18,541	-	-	-
Other capital assets									
Cost	687,186	539,328	537,262	537,262	519,066	480,903	340,491	322,846	322,846
Net book value	415,593	267,723	285,590	303,456	321,322	300,072	162,348	153,983	162,579

(Continued)

City of North Olmsted, Ohio

Capital Assets by Function (Continued)

Last Nine Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Transportation:									
Non-depreciable									
CIP	-	137,773	171,537	-	-	102,546	-	-	-
Other capital assets									
Cost	3,707,236	3,670,474	3,635,325	3,632,741	3,682,027	3,360,309	3,228,825	2,925,187	2,891,034
Net book value	791,339	861,383	900,458	1,018,743	1,061,013	801,278	704,307	547,836	655,772
Infrastructure									
Cost	139,422,954	130,440,393	129,467,866	128,983,810	128,076,170	126,253,887	124,938,751	124,765,980	123,532,616
Net book value	47,272,254	43,804,306	47,936,456	52,478,902	55,977,893	58,243,624	61,511,648	66,012,005	69,290,696
Totals:									
Non-depreciable									
Land and art	4,077,455	4,077,455	4,077,455	4,077,455	3,728,055	3,728,055	3,705,055	3,712,536	3,712,536
CIP	18,986	154,606	171,537	-	2,434,079	843,140	134,465	5,549,468	501,716
Other capital assets									
Cost	40,098,467	39,794,756	39,983,356	38,913,329	34,501,505	33,380,324	32,730,136	24,945,478	24,889,235
Net book value	18,066,080	18,846,169	19,954,590	20,241,161	16,622,775	16,401,291	16,760,545	9,282,688	9,955,017
Infrastructure									
Cost	139,422,954	130,440,393	129,467,866	128,983,810	128,076,170	126,253,887	124,938,751	124,765,980	123,532,616
Net book value	<u>47,272,254</u>	<u>43,804,306</u>	<u>47,936,456</u>	<u>52,478,902</u>	<u>55,977,893</u>	<u>58,243,624</u>	<u>61,511,648</u>	<u>66,012,005</u>	<u>69,290,696</u>
Total governmental activities-cost	\$ <u>183,617,862</u>	\$ <u>174,467,210</u>	\$ <u>173,700,214</u>	\$ <u>171,974,594</u>	\$ <u>168,739,809</u>	\$ <u>164,205,406</u>	\$ <u>161,508,407</u>	\$ <u>158,973,462</u>	\$ <u>152,636,103</u>
Total governmental activities-net book value	\$ <u>69,434,775</u>	\$ <u>66,882,536</u>	\$ <u>72,140,038</u>	\$ <u>76,797,518</u>	\$ <u>78,762,802</u>	\$ <u>79,216,110</u>	\$ <u>82,111,713</u>	\$ <u>84,556,697</u>	\$ <u>83,459,965</u>
Business-type activities:									
Springvale golf course and ballroom:									
Cost	\$ 6,906,494	\$ 6,896,158	\$ 6,894,216	\$ 6,902,678	\$ 6,931,673	\$ 6,928,445	\$ 6,915,563	\$ 6,915,069	\$ 6,915,069
Net book value	4,993,308	5,157,215	5,328,579	5,509,561	5,637,324	5,813,900	6,009,015	6,204,470	6,387,523
Sewer revenue:									
Cost	69,798,659	69,008,076	68,353,901	68,347,944	68,372,826	68,227,491	68,114,361	67,935,873	67,808,647
Net book value	22,008,808	22,460,892	23,208,251	24,630,309	26,023,751	27,285,455	28,604,057	29,936,248	31,340,389

(Continued)

City of North Olmsted, Ohio

Capital Assets by Function (Continued)

Last Nine Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
NOMBL:									
Cost	564,130	564,130	564,130	544,677	564,462	571,462	571,462	571,462	571,462
Net book value	<u>391,537</u>	<u>391,537</u>	<u>391,537</u>	<u>372,084</u>	<u>372,084</u>	<u>372,084</u>	<u>372,084</u>	<u>374,062</u>	<u>378,019</u>
Total business-type activities cost	\$ <u>77,269,283</u>	\$ <u>76,468,364</u>	\$ <u>75,812,247</u>	\$ <u>75,795,299</u>	\$ <u>75,868,961</u>	\$ <u>75,727,398</u>	\$ <u>75,601,386</u>	\$ <u>75,422,404</u>	\$ <u>75,295,178</u>
Total business-type activities net book value	\$ <u>27,393,653</u>	\$ <u>28,009,644</u>	\$ <u>28,928,367</u>	\$ <u>30,511,954</u>	\$ <u>32,033,159</u>	\$ <u>33,471,439</u>	\$ <u>34,985,156</u>	\$ <u>36,514,780</u>	\$ <u>38,105,931</u>

Source: City Finance Department - capital asset inventory.
Information prior to 2002 is not available.