CITY OF LYNDHURST

2010 FINANCIAL REVIEW

July 2011
Volume 1, Issue 1

The following is an overview of the City's financial position for the fiscal year ended December 31, 2010 and is derived from Generally Accepted Accounting Principles (GAAP). Mary Kovalchik, Finance Director

Where the Money Comes From…

Revenues

Major sources of revenues include property tax, income tax and state-shared taxes. (See Figure 1.)

Revenues	2010	2009
Programs	4,024,767	4,325,440
Property Tax	4,766,976	4,981,835
Income Tax	6,132,037	6,117,228
Local Tax	136,885	128,884
Inter-governmental	3,855,745	2,861,416
Investments/Other	314,494	181,414
Total Revenues	19,230,904	18,596,217

Revenues for fiscal year 2010 increased by 3.4% over the prior year. The most significant change was in Inter-governmental revenue and is the result of a one-time estate tax settlement. On July 1, 2011 Ohio repealed the estate tax effective January 01, 2013. This change in the tax law will have an enormous impact on future revenues for the City of Lyndhurst. Property tax revenues continued to decline 4.5% due to weakening property values across the nation.

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Property Tax

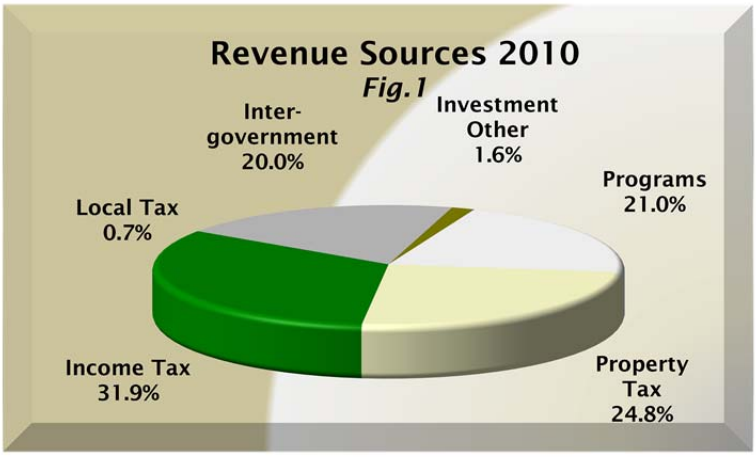
Property Tax in Lyndhurst is administered by Cuyahoga County. The County Fiscal Officer assesses your property on 35% of the appraised market value. This value is updated every three years based on average sale prices of properties sold in this area. Every six years your property is reappraised by the County. The next reappraisal is in 2012. Lyndhurst residents paid $86.95 per $1,000 of the assessed value in collection year 2010. **For each one dollar ($1.00) in property tax paid** the County distributed those funds as follows: (See Figure 2.)

School District	-	63.55	cents
Cuyahoga County	-	20.34	cents
City of Lyndhurst	-	**13.23**	**cents**
Library	-	2.88	cents

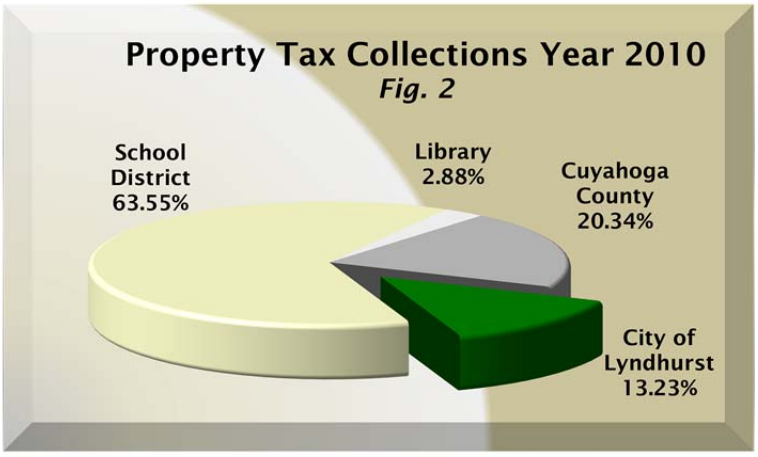
The City operates on the **13.23 cents** and provides most of the government services to you including Police, Fire, EMS, parks, cultural facilities, street maintenance, tree maintenance, leaf collection, rubbish collection, and neighborhood preservation.

Revenues at a Glance…

Source: Audited Financial Statements



Source: Cuyahoga County Auditor



"Mission Statement": To protect and to enhance the fiscal integrity and efficient management of the city while maintaining citywide programs and initiatives.

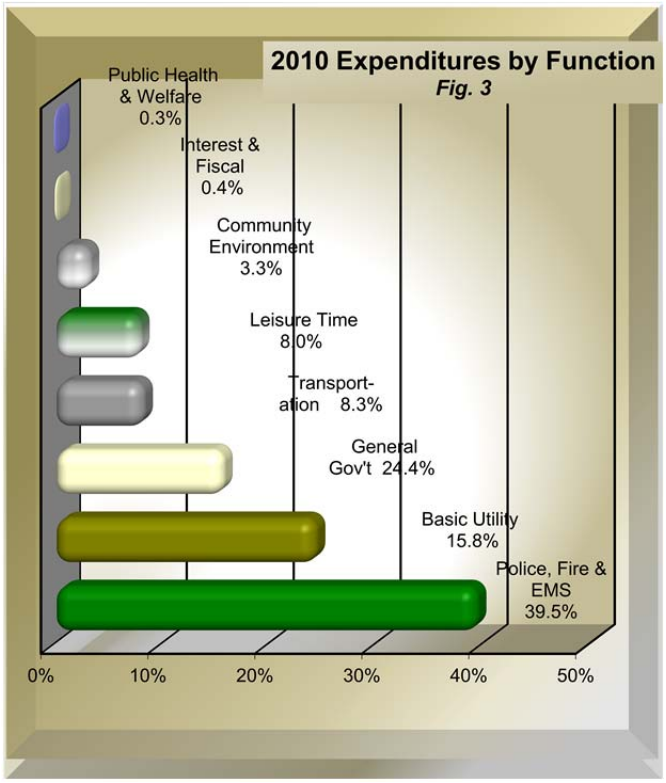
Where the Money Goes…

Expenditures

Expenditures incurred by the City of Lyndhurst, to provide all City services, are shown by function. (See Figure 3.) By far, Police, Fire and EMS are the most important and represent the highest cost of these services. The Police Department consists of 28 sworn in full-time officers and the Fire Department consists of 25 full-time firefighter / paramedics. Expenditures for Safety Forces were down as a result of fewer capital requests and new strategies. Basic Utility includes the cost of rubbish, recycling, trees and sewers. Costs decreased $809k in 2010 as a direct result of planned modifications to programs and operations. General Government represents numerous Municipal Departments and Court. Costs for this function increased minimally and is attributed to professional services and insurance premiums. Community Environment is the cost to assist in preserving our neighborhoods comprised of planning, building and housing. Capital Outlay resulted in $654,234 in new capital. A citywide objective to reduce costs, maintain services and a strong financial grasp was the continued scope of the capital plan. As part of this objective, funding was approved in 2010 for a spray ground; which is an alternative amenity to a city pool that operates at a much lower cost and is classified as a Leisure Time Activity.

Expenditures by Function	2010	2009
Police, Fire & EMS	7,886,774	8,710,483
Public Health & Welfare	56,532	56,532
Leisure Time Activities	1,597,008	1,153,984
Community Environment	657,980	597,469
Basic Utility Services	3,147,896	3,957,095
Transportation	1,659,267	2,043,852
General Government	4,879,681	4,714,088
Interest and Fiscal Charges	89,304	106,831
Total Expenditures	19,974,442	21,340,334

Expenditures at a Glance…



Debt Management

The City of Lyndhurst is a AA2 Bond Rated Community. This category is made up of Cities with strong economic and financial character. Annual debt payments for the City of Lyndhurst include principal and interest and totaled $1,779,794 for the year. At year end the City had $1.68 million in bonds outstanding. These bonds were issued in 2003 for the Lyndhurst Swim Park and will be paid over fifteen years. Additionally the City issued $1.65 million in notes for the Street and Recreation Improvements to be paid in full in 2011.

Fund Balances

Fund Type	Balance 12/31/2010	Balance 12/31/2009	Increase (Decrease)
General	4,604,676	4,054,164	559,512
Bond Retirement	1,231,308	1,445,339	(224,031)
Permanent Improvement	2,507,377	2,005,425	501,952
Capital Reserve	3,086,208	3,073,016	13,192
Other Governmental	4,645,064	4,955,373	(310,309)
Total	16,074,633	15,534,317	540,316

CITY OF LYNDHURST
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MAYOR, Joseph M. Cicero

CITY COUNCIL

David A. Frey	Ward 1
Joseph A. Gambatese	Ward 2
Lane A. Schlessel	Ward 3
Patrick A. Ward	Ward 4
Dale J. Fisher	At Large
Joseph A. Marko	At Large
Charles LoPresti	At Large

2010 Financial Review

CITY ADMINISTRATION

Mayor/Safety Director	Joseph M. Cicero
Finance Director	Mary Kovalchik
Law Director	Paul Murphy
Police Chief	Rick Porrello
Fire Chief	Mike Carroll
Service Director	Rick Glady
Building Commissioner	Thomas Kunz
Community Center	Melissa Weldon
Engineer	Jeff Filarski

PHONE DIRECTORY

Municipal Offices	440-442-5777
Service Department	440-473-5100
Building/Housing Dept	440-473-5108
Police (non emergency)	440-473-5116
Fire (non emergency)	440-473-5139
Community Center	440-449-5011
Municipal Court	440-461-6500
Office on Aging	440-473-5138
SELREC	216-691-2246