



Dear Neighbor,

As has been done for the past several years, I have strived to present you with an accurate picture of our City's financial condition to show how our City Council and my administration are assuring our tax dollars are working in every way possible to maintain the quality services we enjoy here in Lyndhurst. This review is based upon our 2009 statements which have been independently audited as required by the State of Ohio.

Lyndhurst, like many other cities and towns in Ohio and across our country, has struggled in these difficult economic times. I am proud to say that the efforts of my administration along with the hard work of City Council, our Department Heads and employees, we are holding our own. It has not been easy and we have had to make some difficult choices, but we have kept our focus on maintaining the vitality of our community. Our City and our operations will be stronger for these efforts.

As you read through this 2009 financial review, you will see where our revenues come from and how those dollars are spent. You should note that for every \$1.00 we pay in property tax, the City of Lyndhurst only receives 14.1 cents to be used to provide all of the services you receive. Our revenue was basically flat from 2008 to 2009 and our expenditures rose only slightly. We are benefiting from the early retirement of 12 employees and due to changes in our operations; most of those positions did not need to be filled. Our city employees also agreed to a 0% increase in pay for 2010 to help with our budget efforts. Most of you are aware that Brainard Pool was not opened. The decision has been made to convert that facility into a spray-ground which will keep a water amenity in Brainard Park, but will save over \$150,000 in yearly operating costs.

Our Service Department has successfully automated both the trash and recycling pick up. Where we once had 2-3 trucks with 3 or 4 men picking up trash and recyclables, we now have one truck picking up trash and one truck for recycling, each with one man picking up the daily route in less time than before! New contracts for recycling will cut our costs even further, and with your help, our community can recycle more, which will benefit both our environment and our bottom line!

Our Building Department continues to identify homes in our neighborhoods that are in need of repair or yard maintenance, and together with various programs from the county and our own programs, we have been able to work with homeowners to correct violations or nuisance situations. In many cases, the city has taken care of cutting the lawn or making repairs for which the property owner is billed or the property assessed. This program has been very successful and has worked to keep the homes in Lyndhurst attractive and in good condition.

Working together, we will keep Lyndhurst moving forward in spite of difficult times and with one common goal; to keep our community at its best. If any of us can be of service to you, please let me, your councilman or our employees know.

Sincerely,

Joseph M. Cicero, Jr.

Joseph M. Cicero, Jr.
Mayor

CITY OF LYNDHURST

2009 FINANCIAL REVIEW

August 2010
Volume 1, Issue 1



The following is an overview of the City's financial position for the fiscal year ended December 31, 2009 and is derived from Generally Accepted Accounting Principles (GAAP). Mary Kovalchik, Finance Director

Where the Money Comes From...

Revenues

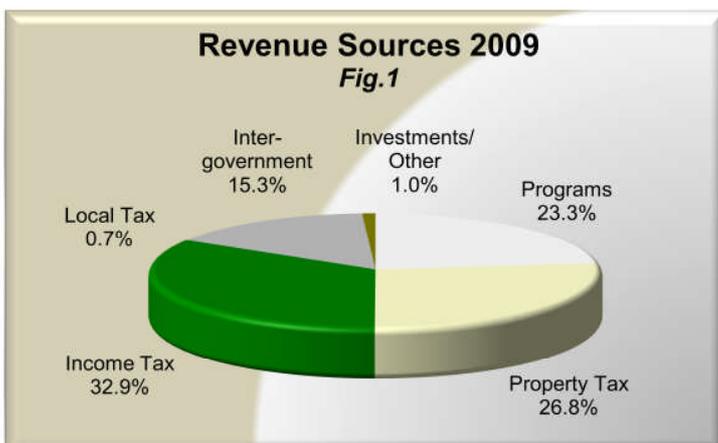
Major sources of revenues include property tax, income tax and state-shared taxes. (See Figure 1.)

Revenues	2009	2008
Programs	4,325,440	4,478,218
Property Tax	4,981,835	5,249,674
Income Tax	6,117,228	5,820,074
Local Tax	128,884	136,540
Inter-governmental	2,861,416	2,197,426
Investments/Other	181,414	720,916
Total Revenues	18,596,217	18,602,848

Revenues for fiscal year 2009 were down less than 1% over the prior year. The most significant change was in Investment Earnings and is due to the continued decent in interest rates coupled with reduced fund balances. The portion of the property tax revenues received by the City declined by 5.1% due to weakening property values across the nation. The increase to Intergovernmental revenues was primarily due to an increase in estate tax revenues.

Revenues at a Glance...

Source: Audited Financial Statements



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Property Tax

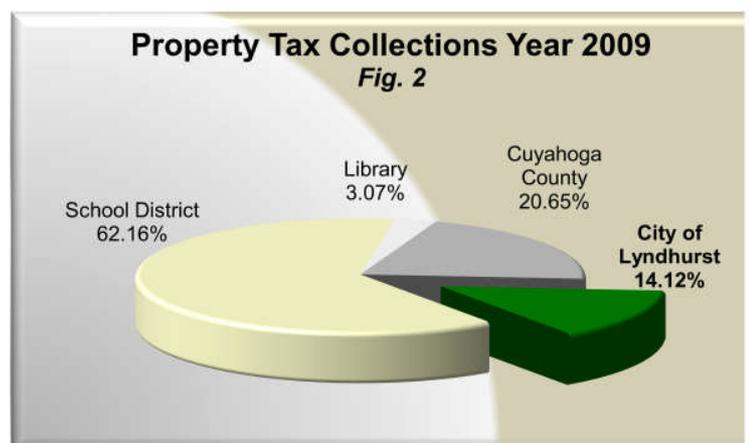
Property Tax in Lyndhurst is administered by the Cuyahoga County Auditor's Office. The County Auditor assesses your property on 35% of the appraised market value. This value is updated every three years based on the average sales price of properties sold in our area. Every six years your property is revisited and reappraised by the County to include any major improvements or additions. The last reappraisal took place in 2006.

Lyndhurst residents paid \$81.46 per \$1,000 of the assessed value in collection year 2009. **For each one dollar (\$1.00) in property tax paid** the County Auditor distributed those funds as follows: (See Figure 2.)

School District –	62.16 cents
Cuyahoga County –	20.65 cents
City of Lyndhurst –	14.12 cents
Library –	3.07 cents

The City operates on the **14.12 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.

Source: Cuyahoga County Auditor



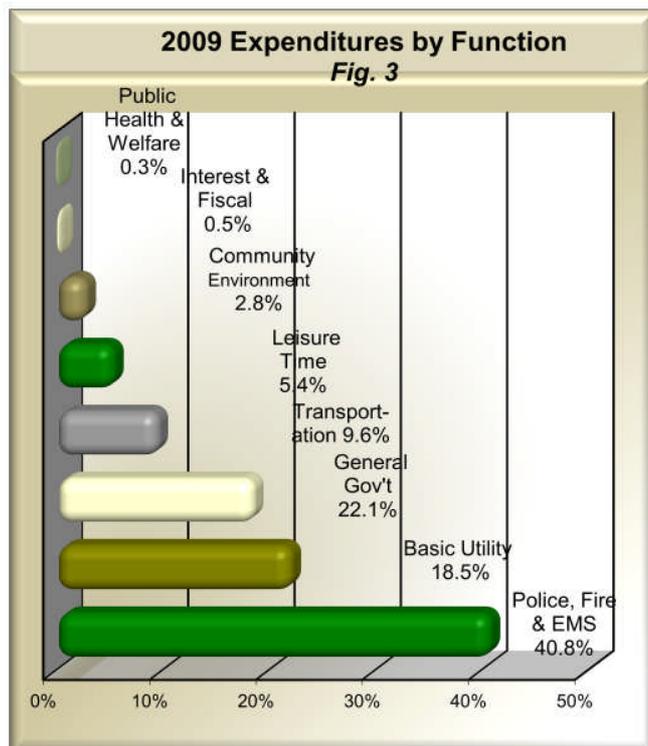
Where the Money Goes...

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 27 sworn in full-time officers and the Fire Department consists of 26 full-time firefighter / paramedics. **Transportation** includes the cost of storm sewers, streets, snow removal, and traffic signals. Costs decreased by \$798k in 2009 as a result of projects completed in the prior year.

Expenditures by Function	2009	2008
Police, Fire & EMS	8,710,483	8,241,523
Public Health & Welfare	56,532	55,004
Leisure Time Activities	1,153,984	1,265,328
Community Environment	597,469	593,221
Basic Utility Services	3,957,095	3,938,514
Transportation	2,043,852	2,842,018
General Government	4,714,088	3,853,735
Interest and Fiscal Charges	106,831	90,874
Total Expenditures	21,340,334	20,880,217

Expenditures at a Glance...



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

General Government represents numerous departments including wage and benefits, insurance premiums, professional services, and building repairs and maintenance. Costs for this function increased \$860k largely due to the Early Retirement Incentive Program which ultimately reduces future labor costs. **Community Environment** is the cost to assist in preserving our neighborhoods comprised of planning, building and housing. **Capital Outlay** resulted in \$1,568,938 in new capital. A citywide objective to reduce costs, maintain services and a strong financial grasp was the continued scope of the capital plan. Replacing labor with a new automated rubbish collection program helped to lead the way in meeting this objective for 2009.

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 \$1,274,177 for the year. At year end the City had \$1.855 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 renewed \$1.5 million in notes for the Street Improvement and Rubbish Program to be paid in full in 2010.

Fund Balances

Fund Type	Balance 12/31/2009	Balance 12/31/2008	Increase (Decrease)
General	4,045,164	4,198,673	(153,509)
Bond	1,445,339	1,062,186	393,153
Retirement			
Permanent Improvement	2,005,425	3,375,807	(1,370,382)
Capital Reserve	3,073,016	3,134,562	(61,546)
Other	4,955,373	5,299,315	(343,942)
Governmental			
Total	15,534,317	17,070,543	(1,536,226)

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

2009 Financial Review

CITY ADMINISTRATION

Mayor/Safety Director	Joseph M. Cicero
Finance Director	Mary Kovalchik
Law Director	Paul Murphy
Police Chief	Rick Porrello
Fire Chief	Gerald Telzrow
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