

CITY OF CANAL FULTON  
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CANAL FULTON, OH 44614

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## *Canal Fulton State of the City Financial Report*

*Published by the City of Canal Fulton as a Service to Educate and Inform the Citizens*

The local economy continues to suffer from high unemployment rates, slow business growth, tight lending policies and low interest rates. Many Canal Fulton residents have voiced their concerns to various City Council members requesting updated information about the City's financial health. All audited financial statements for the past five years can be found on the City's website, [www.cityofcanalfulton-oh.gov](http://www.cityofcanalfulton-oh.gov) under the Finance Department. Below is an updated financial report, to include the third quarter for 2009.

In the past three years, the City has aggressively reduced debt, consolidated staff positions, and utilized part-time seasonal employees to keep operating costs low. Total general fund personnel cost comparisons between the first half of 2008 and the first half of 2009 **shows a 6.7% decrease in total costs!** Income tax revenues are on track to meet or exceed the projected revenue of \$1,783,154. The City Council and current administration, through careful budget planning, will pay off the remaining balance of over \$600,000 for the 24 acre Locust Street Park land that was purchased in 2005. **While most Cities and local governments are currently experiencing fiscal shortfalls, the City of Canal Fulton is able to retire this debt early and save up to \$28,000 a year in interest and underwriting fees.** This in part, has been accomplished by conservative budgeting, tight spending controls, and consolidation of services.

### *Canal Fulton Debt*

The majority of the debt incurred is for the City's water and sewer utilities. This includes bonds and State subsidized, zero-percent interest Ohio Public Works Commission loads that will be repaid from user fees. The purpose of these loans are for the construction and improvement of various water and sewer projects. The most notable is the Water Treatment Plant and Wellfield Expansion Project. These zero-interest loans will be repaid over a period of twenty (20) years by user fees. The total outstanding debt for the City, as stated in our 2008 audited Financial Statement was \$4,641,705. **This was a 7.5% decrease (\$377,337) from the previous years balance.**

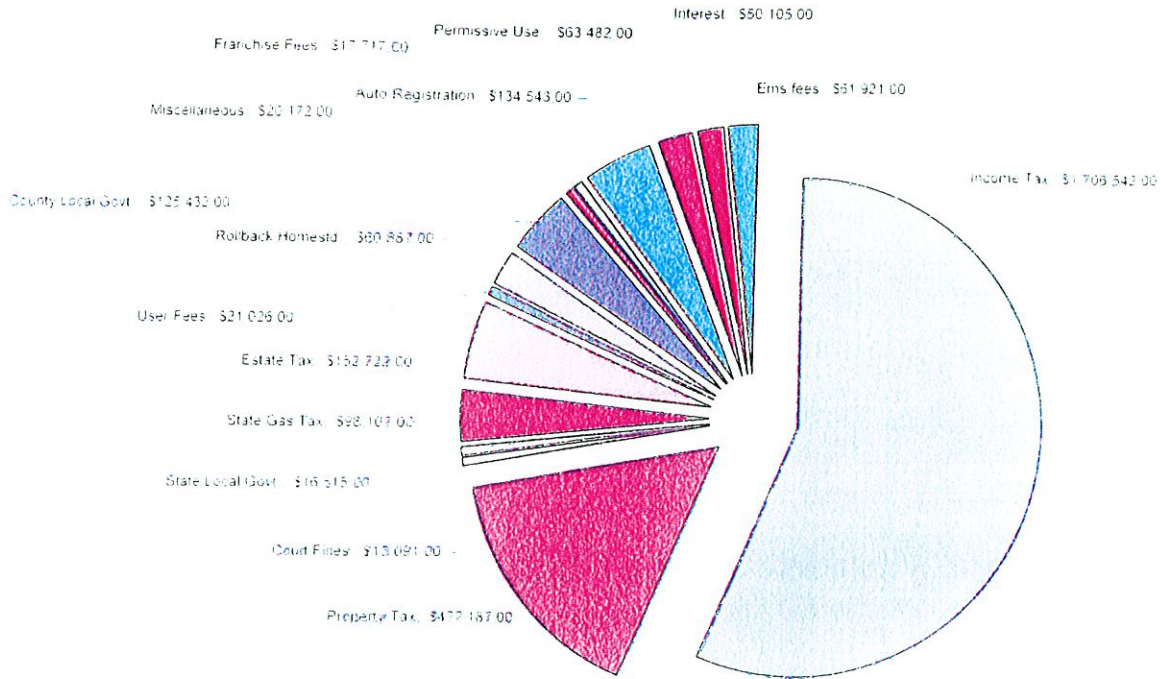
Over 54% (\$2,516,397) was for the Water and Sewer Utilities. The remaining \$2,125,308 consisted of the voter approved \$1,445,576 fire station, \$605,000 for the park land, and \$74,732 for an EMS vehicle. The voter approved fire station will be repaid in 2025.

The total Capital Assets for the City, are \$19,401,791 which reflects an increase of \$1,632,592 from 2006.

As of December 31, 2008, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$7,852,521.

**The City is currently at \$2,125,308 or 27% of the allowable level of debt by the Auditor of State.**

**WHERE THE MONEY COMES FROM**  
**2008 Total General Fund Revenues**  
**\$3,019,449**



**WHERE THE MONEY GOES**  
**2008 Total General Fund Expenditures**  
**\$2,769,580**

