

KEEPING OUR

Great Lake

GREAT

2013 ANNUAL REPORT SUMMARY OF THE NORTHEAST OHIO REGIONAL SEWER DISTRICT

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NEW STRATEGIC PLAN

Our dedication to enhancing quality of life and protecting water resources remains the District's core function, and our new Strategic Plan charts a course towards leading the region as a premier environmental organization.

PLANT PERFORMANCE

All three of our treatment plants continued to demonstrate reliability and excellence in meeting their permits in 2013.

MACKENZIE FINISHES DIG

We celebrated our 1,500-ton Tunnel Boring Machine's successful three-mile excavation of the Euclid Creek Tunnel, completed ahead of schedule and under budget. Mackenzie was named "International Project of the Year" by the Tunnelling Association of Canada.

COURT STRIKES DOWN STORMWATER PROGRAM

In September, the Ohio Eighth District Court of Appeals ruled that the District does not have the authority to implement its Regional Stormwater Management Program or collect a fee. The District has appealed the Court's ruling to the Supreme Court of Ohio and the case is scheduled to be heard in September 2014.

WATERSHED CENTER OPENS

In June, the District and Cleveland Metroparks celebrated the dedication of the Watershed Stewardship Center at West Creek in Parma. The District supported the Center with a \$3 million contribution and permanent on-site staff. The Center received a 2013 "Award of Excellence" from the Ohio Parks and Recreation Association, and is an opportunity to expand our watershed and environmental education efforts.

TOURS A-PLenty

Throughout the year, nearly 900 guests participated on 26 tour events at our Westerly plant.

MARVEL FILMING

In May, Lakeview Dam and Southerly Wastewater Treatment Plant served as filming locations for Captain America: The Winter Soldier.

#WAITTOTWEET NOTICED

Our infographic and stats about cell-phone-users' toilet-texting trends was our way to educate customers about the flow of water beneath their seats. It received a nod from the Plain Dealer, Cleveland Scene, and Alan Cox's radio show.

BEACH EFFORTS

In 2013, the District partnered with the Cuyahoga County Board of Health and WKYC TV-3 to educate viewers about the water quality at area beaches, and swimming safety updates were posted via Twitter.

In addition, a new partnership with Cleveland Metroparks that included the District purchasing beach cleaning machines resulted in better overall quality for Euclid Beach and Edgewater Park.

EMPLOYEE 5K FOR CHARITY

In September, the District held its first-ever Cuyahoga River Clean Water Classic 5K at Southerly. Coordinated by the Employee Charity Committee and the Health & Wellness Committee, the event contributed to the District's total Charity Choice fundraising in 2013 reaching almost \$87,000.

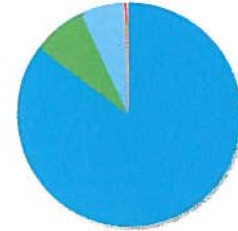


Revenues

2013

Operating Revenues

City of Cleveland sewer service fees	\$179,391	85.5%	■
Other Billing Agents Sewer Services Fees	\$13,210	6.3%	■
Direct Billed Sewer Service Fees	\$16,228	7.7%	■
Septic Tank and Municipal Sludge Fees	\$403	0.2%	■
Miscellaneous	\$558	0.3%	■
Total Operating Revenues	\$209,790	100.0%	



Non-Operating Revenues

Interest Revenue	\$1,879	20.5%	■
Proceeds from Insurance Claim	\$-	0.0%	
Federal Subsidy Revenue	\$6,327	69.9%	■
Non-Operating Grant Revenue	\$1,384	15.1%	■
Decrease in Fair Value of Investments	\$(417)	-5.5%	
Total Non-Operating Revenues	\$9,173	100.0%	

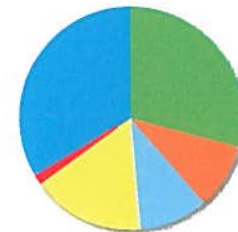


Expenses

2013

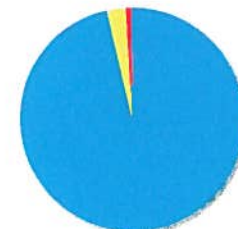
Operating Expenses

Salaries and Wages	\$43,890	29.3%	■
Fringe Benefits	\$14,204	9.5%	■
Utilities	\$14,898	9.9%	■
Professional and Contractual Services	\$24,747	16.5%	■
Other	\$2,156	1.4%	■
Depreciation	\$50,180	33.4%	■
Total Operating Expenses	\$150,075	100.0%	



Non-Operating Expenses

Interest Expense on Long-Term Debt	\$51,758	96.5%	■
Non-Operating Grant Expenses	\$1,520	2.9%	■
Loss on Disposals of Equipment	\$341	0.6%	■
Total Non-Operating Expenses	\$53,619	100.0%	



Financial Highlights

Assets exceeded liabilities by	\$1,316,327,734
Retirements of debt principal were	\$44,374,851
Operating revenues increased by	\$22,548,748
Operating expenses increased by	\$4,780,180



**Northeast Ohio
Regional Sewer District**

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Design by JoAnn Dickey Design. Photography by John Quinn.