

CITY OF GRANDVIEW HEIGHTS, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2006



Mary Taylor, CPA
Auditor of State

Honorable Mayor and City Council
City of Grandview Heights
1016 Grandview Avenue
Columbus, Ohio 43212

We have reviewed the *Independent Auditor's Report* of the City of Grandview Heights, Franklin County, prepared by Kennedy Cottrell Richards, for the audit period January 1, 2006 through December 31, 2006. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

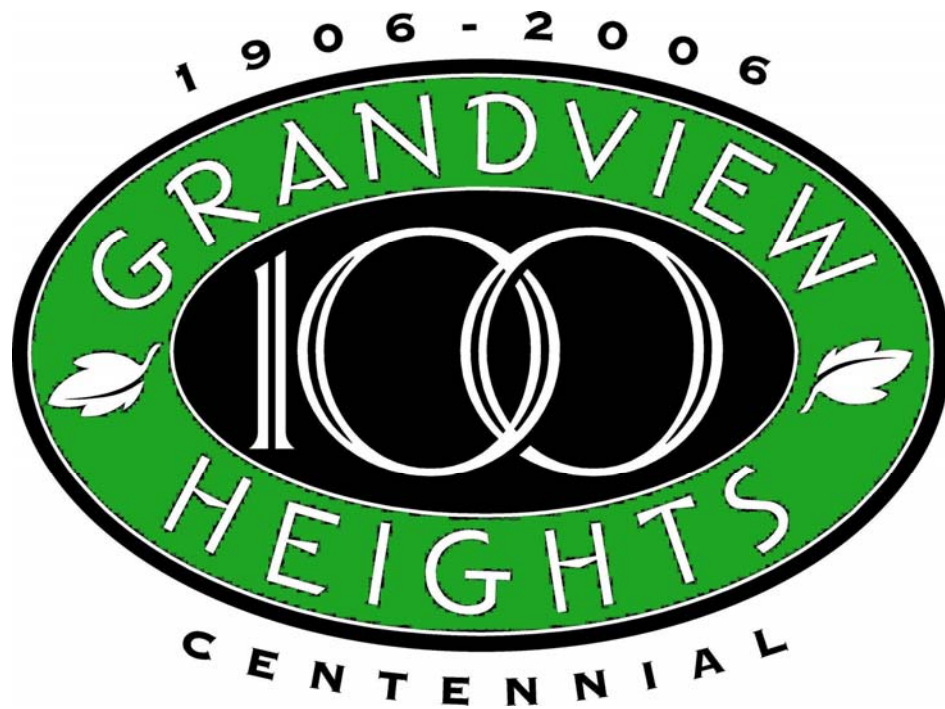
Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Grandview Heights is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

July 30, 2007

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**Comprehensive
Annual Financial Report**

For the Year Ended December 31, 2006

**Thomas F. Hoyle
Director of Finance**

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The CITY of
GRANDVIEW HEIGHTS

INTRODUCTORY SECTION



The CITY of
GRANDVIEW HEIGHTS

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2006

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The CITY of
GRANDVIEW HEIGHTS

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City of Grandview Heights



Finance Department

1016 Grandview Avenue

Columbus, Ohio 43212

Fax (614) 481-6224

June 29, 2007

Honorable Mayor, Members of City Council
And Citizens of Grandview Heights
Grandview Heights, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Grandview Heights, Ohio (City) is hereby presented. This CAFR reports the City's operations and financial position for the year ended December 31, 2006, in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. This official report has been developed to accurately detail the status of the City finances for review by Grandview residents and elected officials, investment banks and underwriters and all other interested parties. This report is presented in compliance with Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" (GASB Statement No. 34). It is intended to provide all pertinent and necessary information that may be required by the citizens of Grandview Heights to review the fiscal condition of the community.

City management is responsible for the accuracy of the data, the completeness and fairness of the presentation, and for all disclosure. To the best of the City's knowledge, the financial and other data contained in this report fairly present the financial position and results of operations of the City. All necessary disclosures to enable the citizens and other readers to understand the City's financial activities are included in this report.

The City is required by state law to have an annual audit performed by either the Auditor of State's Office or by an Independent Auditor. The City has engaged Kennedy Cottrell Richards to audit the City's financial records. The City continues to receive an unqualified opinion. The Independent Auditor's Report on the City's financial statements is included in 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. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Grandview Heights is located in central Ohio, adjacent to the City of Columbus. Incorporated in 1906, the City operates under a charter form of government, which was originally adopted on July 28, 1931. The voters adopted the current charter in March 2000. An elected Mayor and a seven-member City Council govern the City, each elected to four-year terms. The City covers an area of approximately 1.24 square miles, and has a population of 6,331 as of 2006.

The City provides a full range of municipal services mandated by statute or charter, including police and fire protection, parks, recreation, street maintenance, planning, zoning and other general government services. Health services are contracted with, and provided by, the Franklin County Board of Health.

The Council is required to adopt a final budget no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function and department for all funds except for the agency and the library bond retirement funds.

Economic Condition and Outlook

The City's primary revenue source is a local income tax on residents and on Grandview-based businesses and their employees working in the City. Residents voted in May 2005 to approve a temporary increase in the City's income tax rate from 2.0% to 2.5%. The 2.5% rate will remain in effect until January 2009 at which time it will be reduced to 2.25% for the subsequent two years. In January 2011 the income tax rate will revert back to its original 2.0%.

In 2005 the City granted economic incentives for two substantial rehabilitation projects: 777 West Goodale Boulevard; and 1398-1404 West Goodale Boulevard. The 777 West Goodale project was an older, 44,000 square foot warehouse that went through a \$2 million rehabilitation to be converted into an office building. The building is now occupied by three firms with a combined payroll of nearly \$9 million. The 1398-1404 West Goodale project is a nearly \$9 million investment to rehabilitate and reuse two existing warehouse structures for offices, and to construct a new office building at the site. The total project added approximately 94,000 square feet of office space to the City. It is expected that during 2007 the buildings will be fully leased and occupied. There will be 250 people working within the project with room to add more.

In 2006 construction began on a three-story mixed-use building at 1200 Grandview Avenue, in the heart of the City's downtown. The Planning Commission is currently reviewing additional developments within the District.

Grandview Heights continues to work with the City of Columbus and other adjacent communities to develop a long-term strategic plan to promote the State Route 315 corridor as a center for technology and research. The plan will capitalize on the area's assets, which include proximity to The Ohio State University and Battelle Memorial Institute, as well as the high quality of life amenities already present in the area. A well-respected development company has made significant progress in

buying and renovating older industrial properties within Grandview Heights along the 315 Corridor. The company and the city anticipate new mixed use development that will make a significant contribution to the city and the region.

Major Initiatives

- The City began the process of renovating its sanitary sewer line system. The City was awarded an Ohio Public Works Commission (OPWC) loan of \$743 thousand for the project, which consists of lining the sewer lines where possible and, if necessary, replacing sections of sewer line. The debt service on the loan will be paid through the collection of a water and sewer surcharge assessed by the City..
- The City entered into four development and incentive agreements with firms relocating to the City. These four companies represent new business in the City, and are expected to generate a taxable payroll of \$4.2 million. The City is in negotiation with additional companies seeking to relocate within the community.
- The City instituted a natural gas aggregation program for its residents and businesses. This program attempted to negotiate a lower rate for the natural gas consumers in Grandview. The voters approved its creation at the November 2005 general election. The program will be evaluated in 2007.
- The 2006 Street Program consisted of the resurfacing of Grandview Avenue and Northwest Boulevard - two prominent streets within the region.

Awards

Certificate of Achievement for Excellence in Financial Reporting

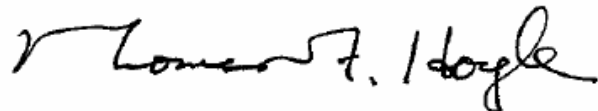
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grandview Heights for its comprehensive annual financial report for the fiscal year ended December 31, 2005. This was the first year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. 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.

Acknowledgement

The presentation of this report could not have been accomplished without the dedication and effort of the Finance Department staff. I would like to express my appreciation to those directly involved with this report and to the entire staff for their efficient service throughout the year.

Sincerely,

A handwritten signature in black ink that reads "Thomas F. Hoyle". The signature is written in a cursive style with a large initial "T" and a long, sweeping underline.

Thomas F. Hoyle
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Grandview Heights
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

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.



A handwritten signature in black ink, appearing to read "Ronald J. Hauer".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

**CITY OF GRANDVIEW HEIGHTS, OHIO
PRINCIPAL OFFICIALS
DECEMBER 31, 2006**

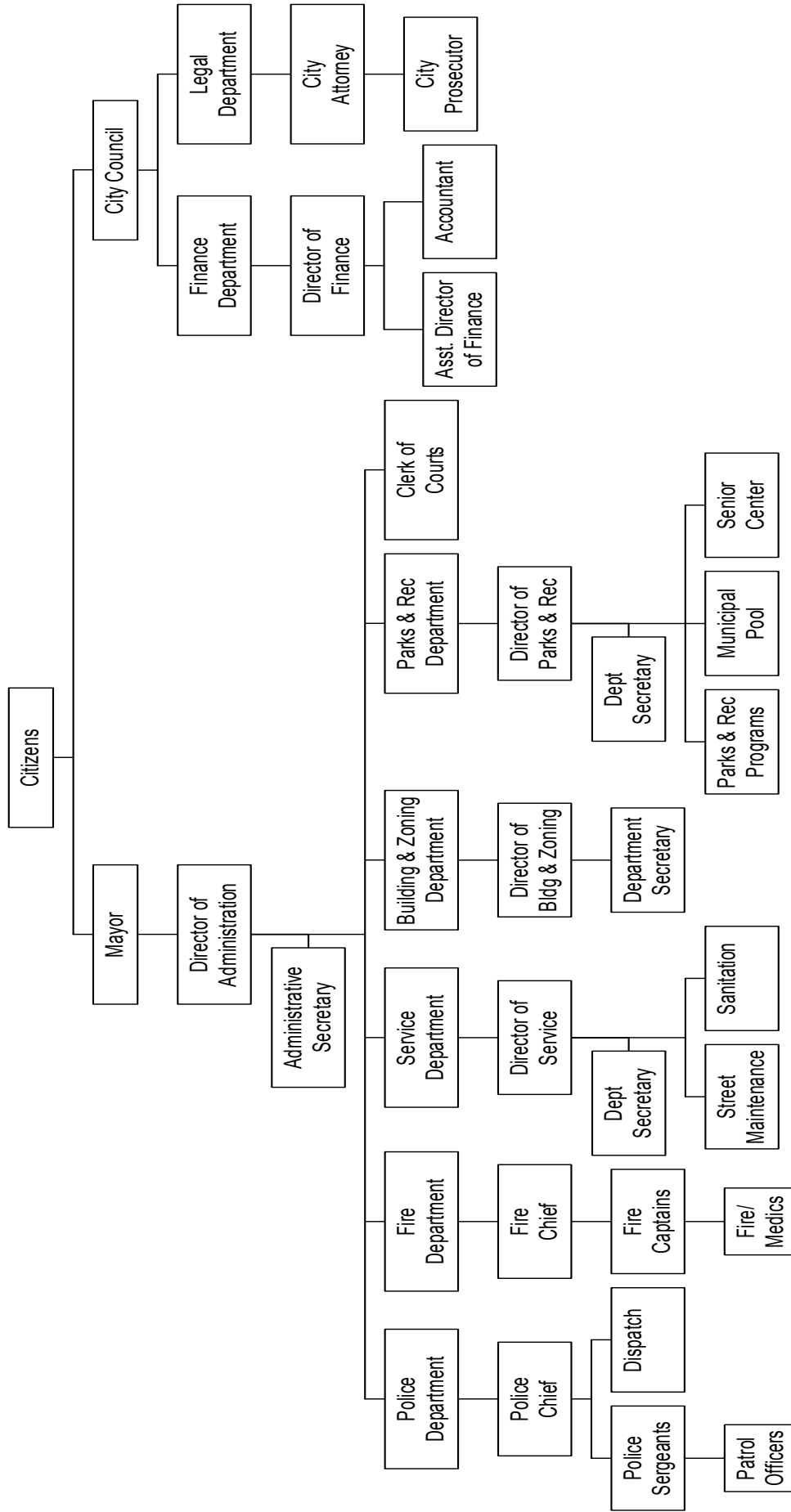
ELECTED OFFICIALS

Mayor	Ray E. DeGraw
President of Council	Steven R. Reynolds
Vice President of Council	Stephen W. Von Jasinski
Council Members	Susan Jaegers P'Elizabeth Koelker Milton E. Lewis Anthony S. Panzera

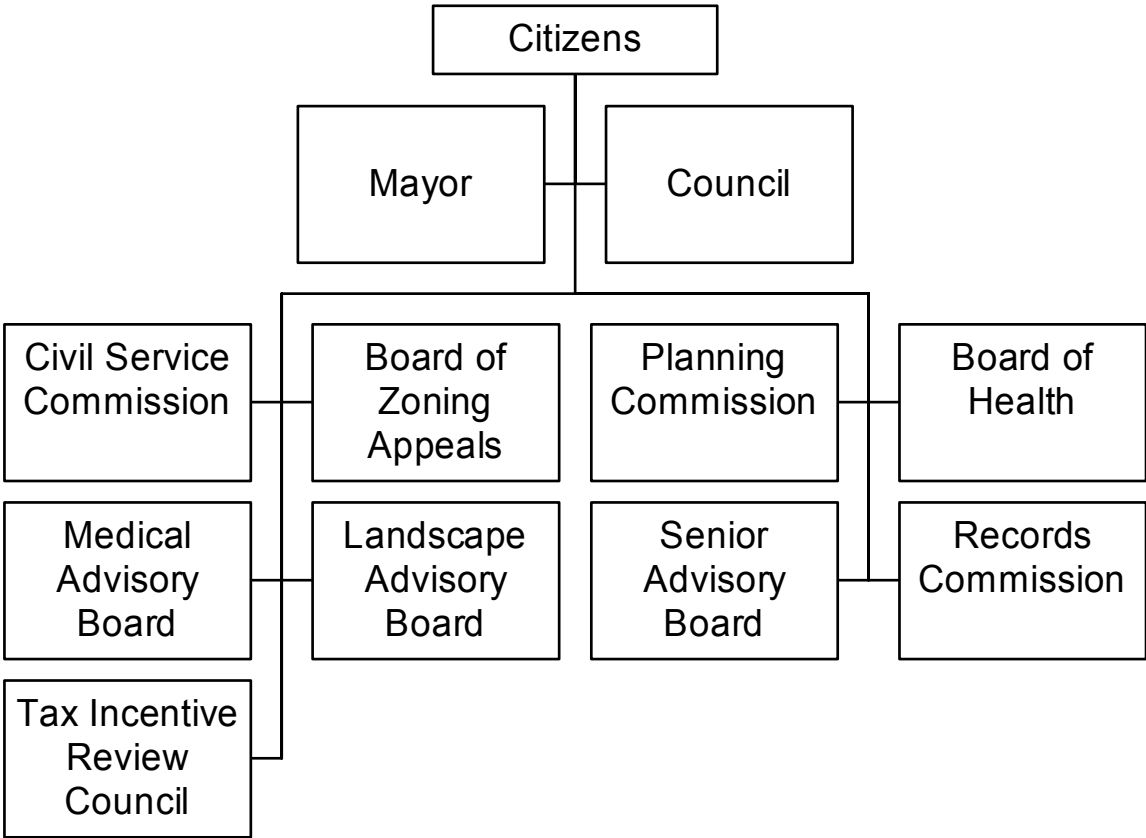
APPOINTED OFFICIALS

Director of Administration	Patrik G. Bowman
Director of Finance	Thomas F. Hoyle
City Attorney	Joelle Khouzam
Chief of Police	Rollin A. Kiser
Fire Chief	Henry K. Kauffman, Jr.
Director of Building & Zoning	John A. Kuss
Director of Parks & Recreation	Sean M. Robey
Director of Service	Salvatore A. Troiano

CITY OF GRANDVIEW HEIGHTS, OHIO ORGANIZATIONAL CHART



**CITY OF GRANDVIEW HEIGHTS, OHIO
BOARDS & COMMISSIONS**





The CITY of
GRANDVIEW HEIGHTS

FINANCIAL SECTION



The CITY of
GRANDVIEW HEIGHTS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City
Council of the City of Grandview Heights

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County, Ohio (the City) as of and for the year ended December 31, 2006, 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 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, each major fund, and the aggregate remaining fund information of the City as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2007 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying management's discussion and analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the 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 non-major fund financial statements, budgetary comparison schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and the budgetary comparison 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 section and statistical tables 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.



Kennedy Cottrell Richards LLC
June 25, 2007



The CITY of
GRANDVIEW HEIGHTS

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CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

The management's discussion and analysis of the City of Grandview Heights's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2006. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements, transmittal letter and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2006 are as follows:

- The total net assets of the City increased \$1,844,539.
- General revenues accounted for \$8,213,948 or 82.21% of total governmental activities revenue. Program specific revenues accounted for \$1,777,353 or 17.79% of total governmental activities revenue.
- The City had \$8,146,762 in expenses related to governmental activities; \$1,777,353 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$6,369,409 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$8,213,948.
- The City had only one major fund, the General fund.
- The general fund had revenues and other financing sources of \$8,510,969 in 2006. This represents an increase of \$1,665,204 from 2005. The expenditures and other financing uses of the general fund, which totaled \$7,730,134 in 2006, increased \$383,753 from 2005. The net increase in fund balance for the general fund was \$780,835 or 94.20%.
- In the general fund, the actual revenues and other financing sources came in \$12,336 less than the final budget and actual expenditures were \$378,756 less than the amount in the final budget. These variances, which occurred in the expenditures, are the results of the City's conservative budgeting. The budgeted revenues plus other financing sources were amended during the year and were increased by \$28,824 from \$8,348,122 to \$8,376,946. Original appropriations plus other financing uses totaled \$8,193,938 which were amended during the year and increased by \$123,216 to \$8,317,154 in the general fund.

The Comprehensive Annual Financial Report

This annual report consists of a transmittal letter, series of financial statements, notes to these statements and statistical section. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net assets and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. 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 remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

Reporting the City as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2006?" The statement of net assets and the statement of activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net *assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

Governmental activities - Most of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes, and intergovernmental revenues including federal and state grants and other shared revenues.

The City's statement of net assets and statement of activities can be found on pages 23-24 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental funds begins on page 17.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental fund is the general fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 25-27 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's only fiduciary is an agency fund. The basic fiduciary fund financial statement can be found on page 30 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 31-55 of this report.

Government-Wide Financial Analysis

Statement of Net Assets

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2006, the City's assets exceeded liabilities by \$6,843,903. At year-end, unrestricted net assets were \$1,726,118.

Capital assets reported on the government-wide statements represent the largest portion of the City's net assets. At year-end, capital assets represented 43.12% of total assets. Capital assets include land, land improvements, buildings and improvements, machinery and equipment, vehicles, infrastructure and construction in progress. Capital assets, net of related debt to acquire the assets at December 31, 2006, were \$3,532,321 for governmental activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

The table below provides a comparative summary of the City's net assets for 2006 and 2005:

	Net Assets	
	2006 Governmental Activities	2005 Governmental Activities
<u>Assets</u>		
Current and other assets	\$ 6,696,720	\$ 5,411,214
Capital assets, net	5,076,635	4,189,659
Total assets	\$ 11,773,355	\$ 9,600,873
<u>Liabilities</u>		
Other liabilities	\$ 2,459,326	\$ 2,425,360
Long-term liabilities outstanding	2,470,126	2,176,149
Total liabilities	4,929,452	4,601,509
<u>Net Assets</u>		
Invested in capital assets, net of related debt	3,532,321	3,058,195
Restricted	1,585,464	1,366,202
Unrestricted	1,726,118	574,967
Total net assets	\$ 6,843,903	\$ 4,999,364

As of December 31, 2006, the City is able to report positive balances in all three categories of net assets.

A portion of the City's net assets, \$1,585,464 represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net assets of \$1,726,118 may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

Statement of Activities

The table below provides a comparative analysis of changes in net assets for fiscal year 2006 and 2005:

	Change in Net Assets	
	2006 Governmental Activites	2005 Governmental Activites
Revenues		
Program Revenues:		
Charges for services	\$ 1,191,698	\$ 1,215,404
Operating grants and contributions	563,107	457,437
Capital grants and contributions	22,548	24,276
Total program revenues	<u>1,777,353</u>	<u>1,697,117</u>
General revenues:		
Property taxes	1,696,670	1,545,513
Income taxes	5,147,926	3,447,179
Unrestricted grants and entitlements	1,002,555	959,886
Investment earnings	99,301	50,104
Lease	215,605	214,855
Miscellaneous	51,891	76,355
Total general revenues	<u>8,213,948</u>	<u>6,293,892</u>
Total revenues	<u>9,991,301</u>	<u>7,991,009</u>
Expenses		
General government	1,707,802	1,530,412
Security of persons and property	4,339,500	4,060,294
Public health and welfare	33,557	31,868
Transportation	1,165,134	1,304,154
Community environment	15,903	-
Leisure time activity	735,040	888,488
Utility services	111,066	65,674
Interest and fiscal charges	38,760	48,174
Total expenses	<u>8,146,762</u>	<u>7,929,064</u>
Special Item - gain on sale of land	-	45,789
Change in net assets	1,844,539	107,734
Net assets at beginning of year	<u>4,999,364</u>	<u>4,891,630</u>
Net assets at end of year	<u>\$ 6,843,903</u>	<u>\$ 4,999,364</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

Governmental Activities

Governmental activities net assets increased \$1,844,539 in 2006. This increase is due in part to an increase in the collection of municipal income taxes compared to the prior year.

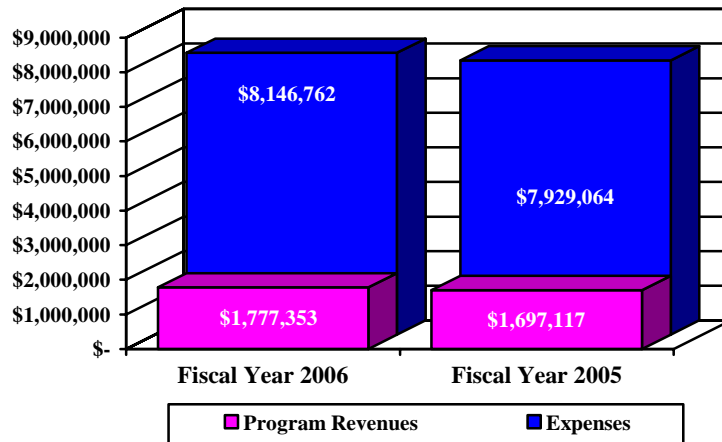
Security of persons and property, which primarily supports the operations of the police and fire departments, had expenses of \$4,339,500 which accounted for 53.27% of the total expenses of the City. These expenses were partially funded by \$551,316 in direct charges to users of the services and \$31,691 in operating grants. General government expenses totaled \$1,707,802 which was partially funded by \$172,519 in direct charges to users of the services, \$3,750 in operating grants and contributions and \$22,548 in capital grants and contributions.

The state and federal government contributed to the City a total of \$563,107 in operating grants and contributions and \$22,548 in capital grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$8,213,948, and amounted to 82.21% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$6,844,596. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$1,002,555.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

Governmental Activities – Program Revenues vs. Total Expenses



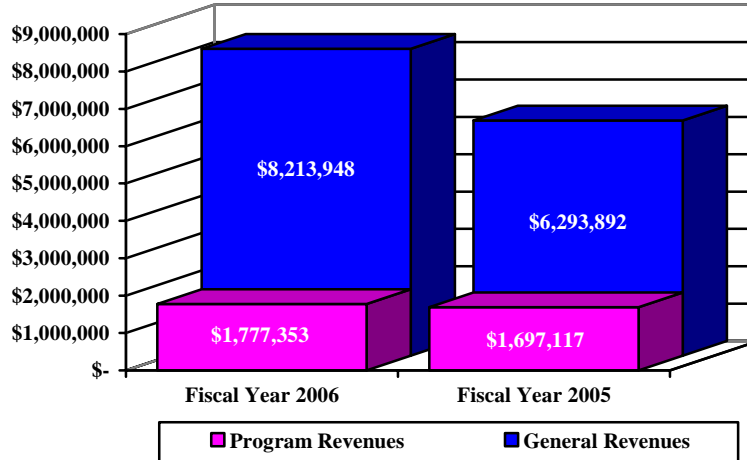
CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

Governmental Activities

	Total Cost of Services 2006	Net Cost of Services 2006	Total Cost of Services 2005	Net Cost of Services 2005
Program expenses				
General government	\$ 1,707,802	\$ 1,508,985	\$ 1,530,412	\$ 1,365,167
Security of persons and property	4,339,500	3,756,493	4,060,294	3,432,696
Public health and welfare	33,557	(91,076)	31,868	(88,989)
Transportation	1,165,134	522,176	1,304,154	784,477
Community environment	15,903	15,903	-	-
Leisure time activity	735,040	507,102	888,488	624,748
Utility services	111,066	111,066	65,674	65,674
Interest and fiscal charges	38,760	38,760	48,174	48,174
	<u>\$ 8,146,762</u>	<u>\$ 6,369,409</u>	<u>\$ 7,929,064</u>	<u>\$ 6,231,947</u>
Total program expenses	<u>\$ 8,146,762</u>	<u>\$ 6,369,409</u>	<u>\$ 7,929,064</u>	<u>\$ 6,231,947</u>

The dependence upon general revenues for governmental activities is apparent, with 78.18% of expenses supported through taxes and other general revenues.

Governmental Activities – General and Program Revenues



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal 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 the City's net resources available for spending at year-end.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

The City's governmental funds (as presented on the balance sheet on page 25) reported a combined fund balance of \$3,062,298 which is \$987,400 above last year's total of \$2,074,898. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2006 for all major and nonmajor governmental funds. The Street, Construction, Maintenance and Repair fund and the Library Revenue Bond Retirement funds were major in 2005, but are not in 2006.

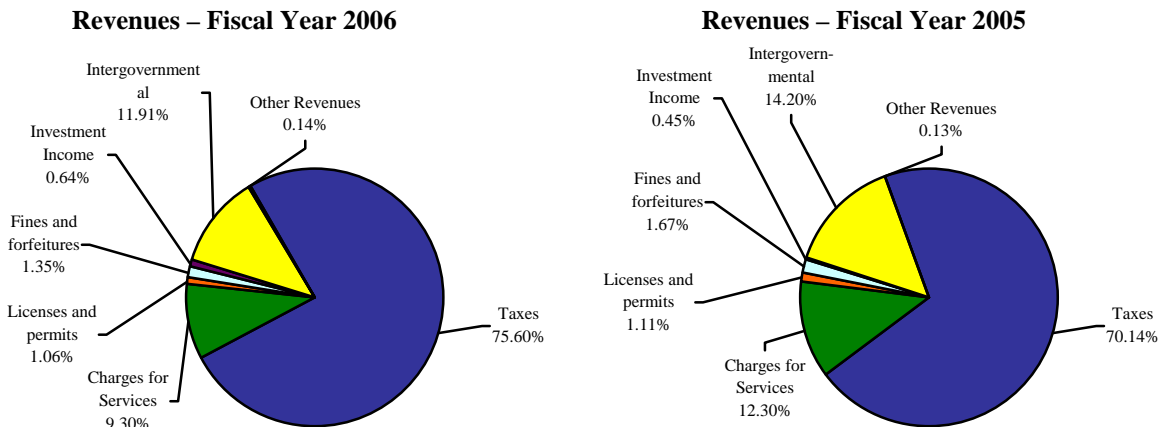
<u>Governmental funds:</u>	<u>Fund Balances</u> <u>12/31/06</u>	<u>Fund Balances</u> <u>12/31/05</u>	<u>Increase</u>
General	\$ 1,609,715	\$ 828,880	\$ 780,835
Other nonmajor governmental funds	1,452,583	1,246,018	206,565
Total fund balance	<u>\$ 3,062,298</u>	<u>\$ 2,074,898</u>	<u>\$ 987,400</u>

General Fund

The City's general fund balance increased \$780,835, primarily due to increases in revenues and expenditures. The table that follows assists in illustrating the revenues of the general fund.

<u>Revenues</u>	<u>2006</u> <u>Amount</u>	<u>2005</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
Taxes	\$ 6,390,307	\$ 4,798,686	33.17%
Charges for services	785,744	841,449	-6.62%
Licenses, permits and fees	88,852	76,063	16.81%
Fines and forfeitures	114,539	114,599	-0.05%
Intergovernmental	1,007,066	971,174	3.70%
Investment income	54,514	31,083	75.38%
Other	12,204	8,403	45.23%
Total revenues - General Fund	<u>\$ 8,453,226</u>	<u>\$ 6,841,457</u>	23.56%

Tax revenue represents 75.80% of all general fund revenue. Tax revenue increased due to a .5% increase in income tax revenues that the city began collecting 1/1/05, so 2006 was the first full year of collecting this additional percentage. Investment income increases due to an increase in interest rates. All other revenue remained comparable to 2005.

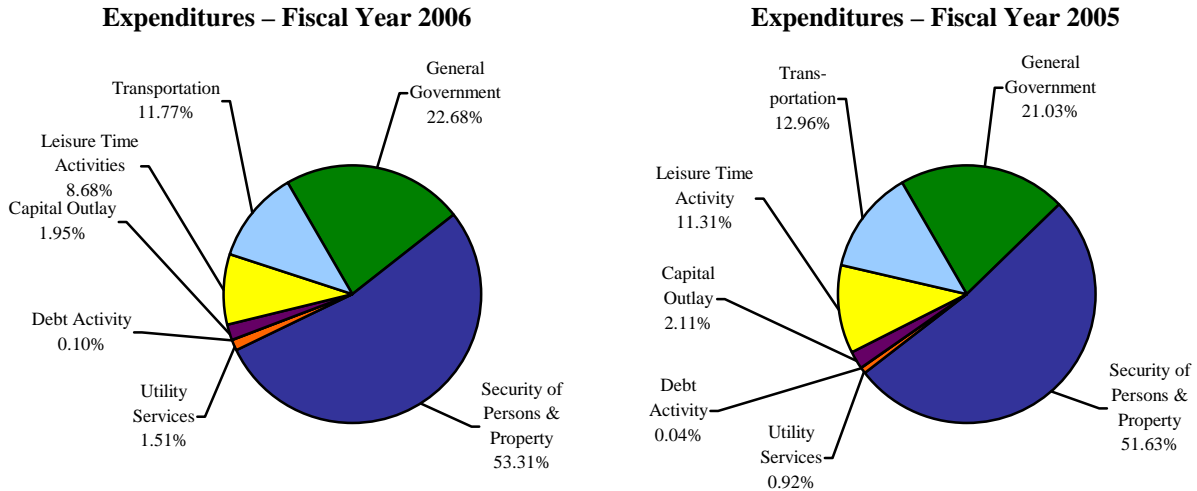


CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

The table that follows assists in illustrating the expenditures of the general fund:

<u>Expenditures</u>	<u>2006</u> <u>Amount</u>	<u>2005</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
General government	\$ 1,671,651	\$ 1,501,800	11.31%
Security of persons and property	3,928,691	3,687,502	6.54%
Transportation	867,191	925,744	-6.32%
Leisure time activity	639,457	808,041	-20.86%
Utility services	111,066	65,674	69.12%
Capital outlay	143,660	150,952	-4.83%
Debt activity	7,297	2,568	184.15%
Total expenditures - General Fund	\$ 7,369,013	\$ 7,142,281	3.17%

The increase in general government expenditures were due in part to expenditures relating to the early retirement incentive offered during 2006. See note 12.C in the notes to the financials for details. Utility services increased primarily because costs of utilities increased. Leisure time activities decreased due to decreases in payroll expenditures due to employees retiring from the parks department. All other expenditures remained comparable to 2005. The largest expenditure line item, security of persons and property, increased slightly, which is primarily attributed to wage and benefit controls and overall cost controls in purchased goods and services.



Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations, which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

The most significant fund which budgetary information is presented for is the general fund. The budgetary revenues increased \$28,824 from original budgeted revenues of \$8,348,122 to final budgeted revenues of \$8,376,946. Actual revenues and other financing sources of \$8,364,610 were \$12,336 less than final budgeted revenues. This shortfall was due primarily to lower than anticipated withholding tax collections. Actual expenditures and other financing uses of \$7,938,398 came in \$378,756 lower than the final budgeted amounts of \$8,317,154. The total variance is fairly evenly divided between budget categories and reflects the effects of the administration's expense control measures. The final budgeted expenditures were increased by \$105,396 during the year.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

Capital Assets and Debt Administration

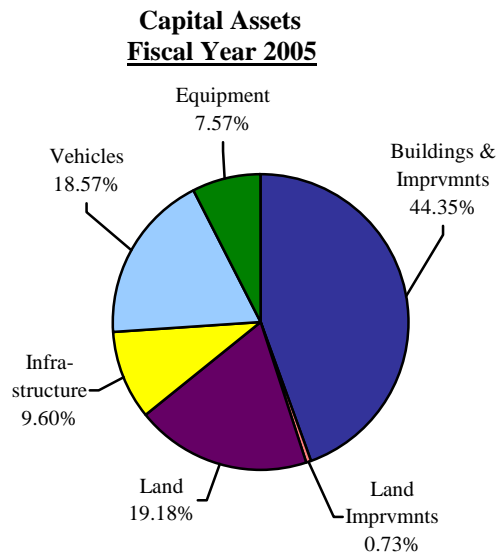
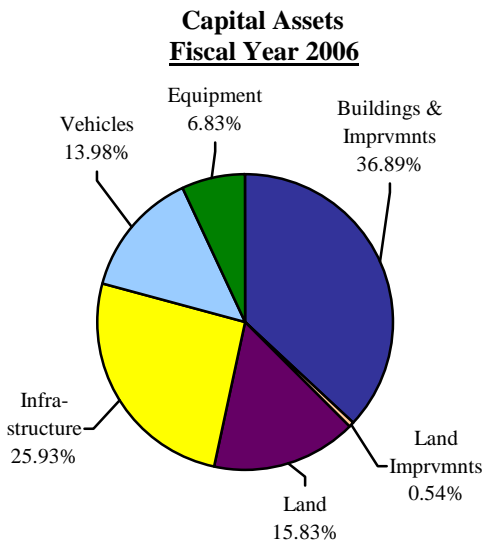
Capital Assets

At the end of fiscal 2006, the City had \$5,076,635 (net of accumulated depreciation) invested in land, land improvements, buildings and improvements, machinery, equipment and furniture, vehicles, and infrastructure. The overall increase of \$886,976 is due to capital outlay of \$1,200,348 exceeding net disposals of \$15,821 and current year depreciation. The following table shows fiscal 2006 balances compared to 2005:

Capital Assets at December 31, 2006
(Net of Depreciation)

	Governmental Activities	
	2006	2005
Land	\$ 803,740	\$ 803,740
Land improvements	27,359	30,397
Buildings and improvements	1,872,656	1,857,629
Machinery and equipment	346,463	317,345
Vehicles	709,911	778,184
Infrastructure	1,316,506	402,364
Total capital assets - governmental	\$ 5,076,635	\$ 4,189,659

The following graphs show the breakdown of governmental capital assets by category for 2006 and 2005. Additional information on the City of Grandview Heights capital assets can be found in note 9 on page 46 of this report



CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

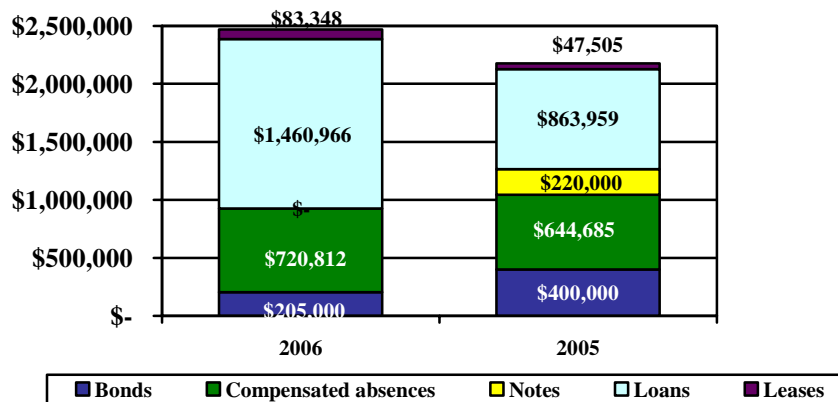
Debt Administration

The City had the following long-term obligations outstanding at December 31, 2006 and 2005.

	2006	2005
Mortgage revenue bonds	\$ 205,000	\$ 400,000
OPWC loans	1,460,966	863,959
General obligation notes	-	220,000
Capital lease obligation payable	83,348	47,505
Compensated absences	720,812	644,685
Total long-term obligations	\$ 2,470,126	\$ 2,176,149

A comparison of the long-term obligations of 2006 versus 2005 by category is depicted in the chart below. Additional information on the City of Grandview Heights long term obligations can be found in note 11 on pages 48-49 of this report.

Long-Term Obligations



Economic Conditions and Outlook

The City of Grandview Heights is a small residential community with urban appeal. This older, established “first ring” suburb is located within minutes of downtown Columbus and The Ohio State University. Preparations are now underway for the community to celebrate its centennial in 2006. Grandview Heights is well known for its’ tree-lined streets, excellent safety services, strong schools and the close-knit nature of the community. It is a destination for gourmet restaurants, shopping, galleries, and entertainment. The City is home to a multitude of small, diverse businesses. The completion of Interstate 670 through downtown has placed Grandview Heights at the nexus of Interstates 70, 71, and 670 as well as State Route 315. The City’s convenient location is attractive to growing businesses, and it has recently welcomed Global Living and Columbus Prescription to the local business community.

The City’s primary revenue source is a local income tax on residents, and withheld on Grandview-based businesses and their employees working in the City. In May 2005 City residents voted to approve a temporary increase in the City’s income tax rate from 2.0% to 2.5%. This increased tax rate will be phased out over the succeeding five years. The difficult economic conditions affecting the country and central Ohio over the past 3-5 years have significantly impacted the City as well. While the City’s income tax base has been declining over the past several years due to difficult economic conditions, in 2005 the City announced several new redevelopment projects underway in the City. These projects are projected to bring in approximately 300 new jobs to the City with a combined payroll of \$9 million.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006
(UNAUDITED)

Contacting the City's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information please contact Mr. Thomas F. Hoyle, Director of Finance, City of Grandview Heights, 1016 Grandview Avenue, Grandview Heights, Ohio 43212.

CITY OF GRANDVIEW HEIGHTS, OHIO

STATEMENT OF NET ASSETS

DECEMBER 31, 2006

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 2,616,631
Receivables (net of allowances for uncollectibles):	
Income taxes	1,325,513
Real and other taxes	1,808,689
Accounts	88,151
Accrued interest	20,497
Intergovernmental	594,005
Capital lease receivable	205,000
Prepayments	38,234
Capital assets:	
Land	803,740
Depreciable capital assets, net	4,272,895
Total capital assets, net	<u>5,076,635</u>
Total assets	<u>11,773,355</u>
Liabilities:	
Accounts payable	153,275
Accrued wages and benefits	155,339
Due to other governments	115,539
Unearned revenue	1,931,012
Pension obligation payable	104,161
Long-term liabilities:	
Due within one year	745,773
Due in more than one year	1,724,353
Total liabilities	<u>4,929,452</u>
Net assets:	
Invested in capital assets, net of related debt	3,532,321
Restricted for:	
Capital projects	454,069
Street construction, maintenance and repairs	762,526
Fire/EMS	25,444
Parks and recreation	231,139
Court computer	21,068
Law enforcement	43,815
Other purposes	47,403
Unrestricted	<u>1,726,118</u>
Total net assets	<u>\$ 6,843,903</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General government	\$ 1,707,802	\$ 172,519	\$ 3,750	\$ 22,548	\$ (1,508,985)
Security of persons and property	4,339,500	551,316	31,691	-	(3,756,493)
Public health and welfare	33,557	124,633	-	-	91,076
Transportation	1,165,134	115,292	527,666	-	(522,176)
Community environment	15,903	-	-	-	(15,903)
Leisure time activity	735,040	227,938	-	-	(507,102)
Utility services	111,066	-	-	-	(111,066)
Interest and fiscal charges	38,760	-	-	-	(38,760)
Total governmental activities	<u>\$ 8,146,762</u>	<u>\$ 1,191,698</u>	<u>\$ 563,107</u>	<u>\$ 22,548</u>	<u>(6,369,409)</u>

General Revenues:

Property taxes levied for:	
General purposes	1,566,802
Police and fire pension	129,868
Income taxes levied for:	
General purposes	5,147,926
Grants and entitlements not restricted to specific programs	1,002,555
Investment earnings	99,301
Lease	215,605
Miscellaneous	51,891
Total General Revenues	<u>8,213,948</u>
Change in net assets	1,844,539
Net assets at beginning of year	<u>4,999,364</u>
Net assets at end of year	<u>\$ 6,843,903</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2006

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Equity in pooled cash and investments	\$ 1,176,737	\$ 1,439,894	\$ 2,616,631
Receivables (net of allowance for uncollectibles):			
Income taxes	1,325,513	-	1,325,513
Real and other taxes	1,669,319	139,370	1,808,689
Accounts	68,755	19,396	88,151
Accrued interest	12,472	8,025	20,497
Intergovernmental	424,358	169,647	594,005
Prepayments	38,234	-	38,234
Capital lease receivable	-	205,000	205,000
Total assets	<u>\$ 4,715,388</u>	<u>\$ 1,981,332</u>	<u>\$ 6,696,720</u>
Liabilities:			
Accounts payable	\$ 95,408	\$ 57,867	\$ 153,275
Accrued wages and benefits	155,339	-	155,339
Compensated absences payable	123,436	-	123,436
Due to other governments	115,539	-	115,539
Unearned revenue	2,511,790	470,882	2,982,672
Pension obligation payable	104,161	-	104,161
Total liabilities	<u>3,105,673</u>	<u>528,749</u>	<u>3,634,422</u>
Fund Balances:			
Reserved for encumbrances	214,960	270,657	485,617
Reserved for prepayments	38,234	-	38,234
Unreserved, undesignated reported in:			
General fund	1,356,521	-	1,356,521
Special revenue funds	-	927,655	927,655
Debt service fund	-	1	1
Capital projects funds	-	254,270	254,270
Total fund balances	<u>1,609,715</u>	<u>1,452,583</u>	<u>3,062,298</u>
Total liabilities & fund balances	<u>\$ 4,715,388</u>	<u>\$ 1,981,332</u>	<u>\$ 6,696,720</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2006

Total governmental fund balances		\$	3,062,298
<i>Amounts reported for governmental activities in the statement of net assets are different due to the following:</i>			
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.			5,076,635
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.			
Property taxes	\$	82,677	
Income taxes		578,528	
Intergovernmental revenues		383,627	
Charges for services		<u>6,828</u>	
Total long-term assets			1,051,660
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund. The long-term liabilities are as follows:			
Compensated absences		(597,376)	
OPWC loans		(1,460,966)	
Library revenue bonds		(205,000)	
Capital lease payable		<u>(83,348)</u>	
Total long-term liabilities			<u>(2,346,690)</u>
Net assets of governmental activities		\$	<u>6,843,903</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Municipal income taxes	\$ 4,787,451	\$ -	\$ 4,787,451
Property and other taxes	1,602,856	133,068	1,735,924
Charges for services	785,744	224,373	1,010,117
Licenses and permits	88,852	-	88,852
Fines and forfeitures	114,539	8,541	123,080
Intergovernmental	1,007,066	554,111	1,561,177
Investment income	54,514	44,787	99,301
Capital lease revenue	-	215,605	215,605
Other	12,204	49,478	61,682
Total revenues	<u>8,453,226</u>	<u>1,229,963</u>	<u>9,683,189</u>
Expenditures:			
Current:			
General government	1,671,651	-	1,671,651
Security of persons and property	3,928,691	126,247	4,054,938
Public health and welfare	-	33,207	33,207
Transportation	867,191	192,455	1,059,646
Community environment	-	15,736	15,736
Leisure time activity	639,457	19,805	659,262
Utility services	111,066	-	111,066
Capital outlay	143,660	1,137,078	1,280,738
Debt service:			
Principal retirement	4,478	475,413	479,891
Interest and fiscal charges	2,819	37,389	40,208
Total expenditures	<u>7,369,013</u>	<u>2,037,330</u>	<u>9,406,343</u>
Excess of revenues over/(under) expenditures	<u>1,084,213</u>	<u>(807,367)</u>	<u>276,846</u>
Other financing sources (uses):			
Sale of capital assets	7,553	5,260	12,813
Note issuance	-	647,551	647,551
Transfers in	-	361,121	361,121
Transfers out	(361,121)	-	(361,121)
Capital lease transaction	50,190	-	50,190
Total other financing sources (uses)	<u>(303,378)</u>	<u>1,013,932</u>	<u>710,554</u>
Net change in fund balance	780,835	206,565	987,400
Fund balances at beginning of year	<u>828,880</u>	<u>1,246,018</u>	<u>2,074,898</u>
Fund balance at end of year	<u>\$ 1,609,715</u>	<u>\$ 1,452,583</u>	<u>\$ 3,062,298</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, 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, 2006

Net change in fund balances - total governmental funds	\$	987,400
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital asset additions	\$	1,200,348
Current year depreciation		<u>(297,551)</u>
Total		902,797
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(15,821)
Proceeds of loans and capital leases are recorded as revenue in the funds, however on the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net assets.		
		(697,741)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
		308,112
Repayment of bond, notes and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		479,891
In the statement of activities, interest is accrued on outstanding notes, whereas in governmental funds, an interest expenditure is reported when due.		
		1,448
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(121,547)
Change in net assets of governmental activities	\$	<u>1,844,539</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Municipal income taxes	\$ 4,665,328	\$ 4,670,331	\$ 4,653,359	\$ (16,972)
Property and other taxes	1,606,979	1,608,702	1,602,856	(5,846)
Charges for services	793,423	794,273	791,387	(2,886)
Licenses and permits	89,081	89,176	88,852	(324)
Fines and forfeitures	118,173	118,300	117,870	(430)
Intergovernmental	1,029,062	1,030,166	1,026,422	(3,744)
Investment income	29,973	30,005	48,002	17,997
Other	3,988	4,065	3,978	(87)
Total revenues	<u>8,336,007</u>	<u>8,345,018</u>	<u>8,332,726</u>	<u>(12,292)</u>
Expenditures:				
Current:				
General government	1,891,898	1,896,574	1,766,163	130,411
Security of persons and property	3,998,332	4,008,215	3,898,341	109,874
Transportation	1,026,829	1,029,367	976,975	52,392
Leisure time activity	726,503	728,300	703,508	24,792
Utility services	143,215	143,569	113,164	30,405
Capital outlay	129,886	130,208	99,326	30,882
Total expenditures	<u>7,916,663</u>	<u>7,936,233</u>	<u>7,557,477</u>	<u>378,756</u>
Deficiency of revenues under expenditures	<u>419,344</u>	<u>408,785</u>	<u>775,249</u>	<u>366,464</u>
Other financing sources (uses):				
Sale of capital assets	7,572	7,581	7,553	(28)
Transfers out	(277,275)	(361,121)	(361,121)	-
Other financing sources	4,543	4,547	4,531	(16)
Advances in	-	19,800	19,800	-
Advances out	-	(19,800)	(19,800)	-
Total other financing sources (uses)	<u>(265,160)</u>	<u>(348,993)</u>	<u>(349,037)</u>	<u>(44)</u>
Net change in fund balance	154,184	59,792	426,212	366,420
Fund balances at beginning of year	269,189	269,189	269,189	-
Prior year encumbrances appropriated	<u>212,633</u>	<u>212,633</u>	<u>212,633</u>	<u>-</u>
Fund balance at end of year	<u>\$ 636,006</u>	<u>\$ 541,614</u>	<u>\$ 908,034</u>	<u>\$ 366,420</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
DECEMBER 31, 2006

	<u>Agency</u>
Assets:	
Cash in segregated accounts	\$ 11,500
Receivables:	
Accounts	<u>19,202</u>
Total assets	<u>\$ 30,702</u>
Liabilities:	
Due to other governments	<u>\$ 30,702</u>
Total liabilities	<u>\$ 30,702</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 1 - DESCRIPTION OF THE CITY

The City of Grandview Heights, Franklin County, Ohio, (the “City”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City is a home rule municipal corporation established under the laws of the State of Ohio that operates under its own Charter. The current Charter, which provides for a mayor-council-administrator form of government, was adopted by the electorate March 7, 2000 and became effective July 1, 2000. It replaced the original Charter, which was adopted by the electorate July 28, 1931 and became effective January 1, 1932. The City provides the following services to its residents: Public Safety, Public Service, Parks and Recreation, and Building and Zoning. The City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines, while the City of Columbus provides water and sewer treatment services. Council and the Mayor have direct responsibility for these activities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental funds provided they do not conflict with or contradict GASB pronouncements. The most significant of the City’s accounting policies are described below.

A. Reporting Entity

For financial reporting purposes, the City’s BFS include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization’s governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City’s basic financial statements to be misleading or incomplete. Based on these criteria, the City has no component units. The City provides various services including police and fire protection, emergency medical, recreation (including parks), planning, zoning, street maintenance and repair, and general administrative services. The operation of each of these activities is directly controlled by the Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government. Additionally, the Grandview Heights Mayor’s Court has been included in the City’s financial statements as an agency fund. The Mayor is an elected City official who has a fiduciary responsibility for the collection and distribution of court fees and fines.

Based on the foregoing criteria, the financial activities of the following organizations have been reflected in the accompanying financial statements as follows:

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

JOINTLY GOVERNED ORGANIZATIONS

Franklin County General Health District: The Franklin County General Health District (the "District") provides health services to citizens within the County, including the City. The Board of Health, with representatives from throughout the County, oversees the operation of the District. The City contributed \$6,147 during fiscal year 2006 for the operation of the District. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and Treasurer serve as fiscal officers.

Mid-Ohio Regional Planning Commission: The Mid-Ohio Regional Planning Commission (MORPC) provides innovative solutions to 39 local governments. The City contributed \$23,456 to MORPC during fiscal year 2006. The City does not have any financial interest in or responsibility for the Commission. The Board of MORPC is made up of representatives from its participating governments. The City had two employees serve on the Board in 2006.

RELATED ORGANIZATION

Grandview Heights Public Library: The Grandview Heights Public Library (the "Library") is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the City Schools Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the City for operational subsidies. Although the City does serve as the taxing authority and has issued debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Grandview Heights Public Library, c/o Clerk/Treasurer, at 1685 W. First Ave., Grandview Heights, Ohio 43212.

The City and the Library have entered into a capital lease arrangement for the building which houses the Library, described in Note 18.

B. Basis of Presentation - Fund Accounting

The City's BFS 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.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The statement of net assets presents the financial condition of the governmental 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. 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 function is self-financing or draw 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 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. Fiduciary funds are reported by type.

C. 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. The City has two categories of funds: governmental and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically 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 is the City's major governmental fund:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund.

Other governmental funds of the City are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities; and (c) for grants and other resources whose use is restricted to a particular purpose.

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 custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary fund is an agency fund used to account for the Mayor's Court.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of 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 financial statements for governmental funds.

E. 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. Governmental funds use the modified accrual basis of accounting. Agency funds also use the 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 Non-exchange 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 fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal 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 (see Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 6). 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 a 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, local government funds and permissive tax), fines and forfeitures, licenses and permits and charges for services.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Deferred Revenue - Deferred 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, 2006, but which were levied to finance year 2007 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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.

F. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. For all funds, Council appropriations are made at the object level within each department. This is known as the legal level of budgetary control. Budgetary modifications may only be made by resolution of the City Council at the legal level of control. All funds, other than the library bond retirement fund and agency fund, are legally required to be budgeted and appropriated.

Tax Budget - Alternative tax budget information of estimated revenue and expenditures for all funds is submitted to the Franklin County Fiscal Officer, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources.

The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include encumbrances and cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Director of Finance determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the original and final amended official certificate of estimated resources issued during 2006.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Appropriations - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund level. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations for a fund may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect the original and final appropriation amounts, including all amendments and modifications legally enacted by Council.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.

G. Cash and Cash Equivalents

Except for cash in segregated accounts, cash balances of the City's funds are pooled and invested in investments maturing within five years in order to provide improved cash management. Individual fund integrity is maintained through City records. Each fund's interest in the pooled bank account is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2006, investments were limited to federal securities, certificates of deposit, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The City has invested funds in STAR Ohio during fiscal 2006. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2006.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during 2006 amounted to \$54,514, of which \$16,337 is assigned from other funds.

The City has segregated bank accounts for Mayor's Court monies held separate from the City's central bank account. These interest bearing depository accounts are presented in the financial statements as "Cash in Segregated Accounts" since they are not required to be deposited into the City treasury. For purpose of presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments. An analysis of the City's investment account at year-end is provided in Note 4.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Capital Assets

These assets generally result from expenditures in the governmental funds. These 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.

All 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 for land improvements, \$10,000 for buildings and improvements, \$2,500 for equipment and vehicles, and \$15,000 for infrastructure. The City has determined all land will be capitalized regardless of the dollar amount. The City's infrastructure consists of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. 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.

All reported capital assets are depreciated except for land. 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. Estimated lives have been restated with no effect on capital assets. Depreciation is computed using the straight-line method in the governmental activities over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	15 - 20 years
Buildings and improvements	10 - 50 years
Machinery and equipment	3 - 15 years
Vehicles	6 - 15 years
Infrastructure	20 - 75 years

I. Compensated Absences

The liability for compensated absences is based on the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits and compensatory time are accrued as liabilities 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. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments as well as the sick leave accumulated by those employees expected to become eligible to receive termination benefits in the future.

The total liability for vacation, compensatory time and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by city ordinance and/or policy, plus applicable additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2006, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed.

L. Interfund Activity

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the BFS.

M. Fund Balance Reserves and Designations

Reserved or designated fund balances indicate that portion of fund equity which is not available for current appropriation or use. The unreserved and undesignated portions of fund equity reflected in the governmental funds are available for use within the specific purposes of the funds.

The City reports a reservation of fund balance for amounts representing encumbrances outstanding, and prepayments in the governmental fund financial statements.

N. Estimates

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

O. Extraordinary and Special Items

Extraordinary items or transactions of 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 are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items during 2006.

P. 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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The net assets restricted for other purposes primarily represent monies restricted for street construction, maintenance and repair and parks and recreation, as well as fire/EMS, court computer and law enforcement.

The City applies restricted resources first, when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2006, the City has implemented GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Statement No. 47, "Accounting for Termination Benefits".

GASB Statement No. 46 defines enabling legislation and specifies how net assets should be reported in the financial statements when there are changes in such legislation. The Statement also requires governments to disclose in the notes to the financial statements the amount of net assets restricted by enabling legislation.

GASB Statement No. 47 establishes accounting standards for termination benefits.

The implementation of GASB Statement No. 46 and GASB Statement No. 47 did not have an effect on the fund balances/net assets of the City as previously reported at December 31, 2005.

NOTE 4 - 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.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Inactive deposits are public deposits that the City 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.

Interim monies to be deposited or invested in the following securities:

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 division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time: and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Protection of City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Director of Finance 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.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this state, as to which there is no default of principal, interest or coupons;
3. Obligations of the City.

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

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. 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 Director of Finance, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

At year-end, the City had \$900 in undeposited cash on hand which is included on the financial statements of the City as part of "Equity in Pooled Cash and Investments."

B. Cash in Segregated Accounts

At year-end, the City had \$11,500 deposited with a financial institution for monies related to the Mayor's Court which reported as an agency fund. This amount was covered by Federal Deposit Insurance Corporation and is included in the City's depository balance detailed in Note 4.C.

C. Deposits with Financial Institutions

At December 31, 2006, the carrying amount of all City deposits was \$1,109,022. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2006, \$1,119,499 of the City's bank balance of \$1,231,726 was exposed to custodial risk as discussed below, while \$112,227 was covered by Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Investments

As of December 31, 2006, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>		
		<u>6 months or less</u>	<u>13 to 18 months</u>	<u>Greater than 24 months</u>
STAR Ohio	\$ 752,249	\$ 752,249	\$ -	\$ -
FHLMC	79,032	-	-	79,032
FNMA	173,813	-	-	173,813
FHLB	513,115	199,125	99,656	214,334
Total	<u>\$ 1,518,209</u>	<u>\$ 951,374</u>	<u>\$ 99,656</u>	<u>\$ 467,179</u>

The weighted average maturity of investments is 1.05 years.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the City's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The City's investments in FHLMC, FNMA and FHLB, were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio an AAAm money market rating.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the City's investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the City's name.

Concentration of Credit Risk: The City places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31, 2006:

<u>Investment type</u>	<u>Fair Value</u>	<u>% to Total</u>
STAR Ohio	\$ 752,249	49.55%
FHLMC	79,032	5.21%
FNMA	173,813	11.44%
FHLB	513,115	33.80%
Total	<u>\$ 1,518,209</u>	<u>100.00%</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

E. Reconciliation of Cash and Investment to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the statement of net assets as of December 31, 2006:

<u>Cash and Investments per footnote</u>	
Carrying amount of deposits	\$ 1,109,022
Investments	1,518,209
Cash on hand	<u>900</u>
Total	<u>\$ 2,628,131</u>
<u>Cash and investments per Statement of Net Assets</u>	
Governmental activities	\$ 2,616,631
Agency funds	<u>11,500</u>
Total	<u>\$ 2,628,131</u>

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2006, consisted of the following, as reported in the fund financial statements:

<u>Transfers to</u>	<u>Transfers from General</u>
Nonmajor governmental	<u>\$ 361,121</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers between governmental funds are eliminated on the government-wide statements.

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Real property taxes and public utility taxes are levied after October 1 on the assessed value as of the prior January 1, the tax lien date. Assessed values are established by state law at 35 percent of appraised market value, as established by the County Auditor. All real property is required to be revalued every six years. The last revaluation was completed in 2000. Real property taxes are payable annually or semiannually. The first payment for 2006 was due January 1, with the remainder payable June 20.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 6 - PROPERTY TAXES – (Continued)

Tangible personal property tax revenues received in 2006 (other than public utility property) represent the collection of 2006 taxes. Tangible personal property taxes received in 2006 were levied after October 1, 2005, on the true value as of December 31, 2004. In prior years, tangible personal property assessments were twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Tangible personal property tax is being phased out - the assessment percentage for property, including inventory, is 18.75% for 2006. This percentage will be reduced to 12.5% for 2007, 6.25% for 2008, and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

Public utility property taxes are assessed on tangible personal property, as well as land and improvements.

Public utility real and tangible personal property taxes collected in one calendar year are levied on assessed values as of the prior January 1, the lien date. Public utility tangible personal property currently is assessed at varying percentages of true value for taxable transmission and distribution property and 25 percent of true value for all other taxable property. Public utility property taxes are payable on the same dates as real property taxes described previously.

The Franklin County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The Franklin County Auditor periodically remits to the City its portion of the taxes collected. The full rate for all City operations for the year ended December 31, 2006, was \$10.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property, upon which taxes for 2006 were collected, are as follows:

Category	Assessed Value
Residential	\$ 173,799,520
Commercial	<u>39,464,560</u>
Total Real Estate	<u>213,264,080</u>
Public utility property	6,644,480
Tangible personal property	<u>4,129,244</u>
Grand Total	<u>\$ 224,037,804</u>

Accrued taxes receivable represent delinquent taxes outstanding and real, tangible personal, and public utility taxes which were measurable and unpaid as of December 31, 2006. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2006 operations. Accordingly, the receivable is offset by a credit to "Unearned Revenue."

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 7 - LOCAL INCOME TAX

The City levies a municipal income tax of two and one-half percent (2.5%) on gross salaries, wages, and other personal service compensation earned by residents of the City and on the earnings of nonresidents working within the City. This percentage increased from two percent (2.0%) effective from July 1, 2005 through December 31, 2008, and is scheduled to decrease to two and one-quarter percent (2.25%) for the years 2009 through 2011, and back to two percent (2.0%) in 2011. This tax also applies to the net income of business operations within the City. Residents of the City are granted a credit of one hundred percent (100%) for taxes paid to other municipalities, not to exceed a maximum of two percent (2.0%) of earnings.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a final return annually. The Regional Income Tax Agency (RITA) administers and collects income taxes for the City. Payments, net of a 3% collection fee, are remitted monthly for tax revenues received by RITA in the prior month. Income tax revenue is credited to the general fund and totaled \$4,787,451 in fiscal year 2006.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2006, consisted of income taxes, real and other taxes, accounts (billings for user charged services), accrued interest, capital lease, and intergovernmental receivables arising from grants, entitlements, and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2006, as well as intended to finance fiscal 2006 operations.

A summary of the principal items of receivables reported on the statement of net assets follows:

<u>Governmental Activities:</u>	
Income taxes	\$ 1,325,513
Property and other taxes	1,808,689
Accounts	88,151
Accrued interest	20,497
Intergovernmental	594,005
Capital lease receivable	205,000
Total Governmental Activities	\$ 4,041,855

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2006, was as follows:

<u>Governmental Activities:</u>	<u>Balance</u>			<u>Balance</u>
	<u>12/31/05</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/06</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 803,740	\$ -	\$ -	\$ 803,740
Total capital assets - not depreciated	<u>803,740</u>	<u>-</u>	<u>-</u>	<u>803,740</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	162,363	-	-	162,363
Buildings and improvements	3,012,452	67,523	-	3,079,975
Machinery, equipment and furniture	1,096,069	102,080	(43,663)	1,154,486
Vehicles	2,112,455	94,996	(163,544)	2,043,907
Infrastructure	430,303	935,749	-	1,366,052
Total capital assets - depreciated	<u>6,813,642</u>	<u>1,200,348</u>	<u>(207,207)</u>	<u>7,806,783</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(131,966)	(3,038)	-	(135,004)
Buildings and improvements	(1,154,823)	(52,496)	-	(1,207,319)
Machinery, equipment and furniture	(778,724)	(72,962)	43,663	(808,023)
Vehicles	(1,334,271)	(147,448)	147,723	(1,333,996)
Infrastructure	(27,939)	(21,607)	-	(49,546)
Total accumulated depreciation	<u>(3,427,723)</u>	<u>(297,551)</u>	<u>191,386</u>	<u>(3,533,888)</u>
Governmental activities capital assets, Net of depreciation	<u>\$ 4,189,659</u>	<u>\$ 902,797</u>	<u>\$ (15,821)</u>	<u>\$ 5,076,635</u>

Depreciation expense was charged to functions/programs of the City as follows:

<u>Governmental activities:</u>	
General government	\$ 18,251
Security of persons and property	145,678
Transportation	82,185
Leisure time activity	<u>51,437</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 297,551</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 10 - CAPITALIZED LEASES - LESSEE DISCLOSURE

During 2006, the City entered into a capitalized lease for the purchase of two copiers and a new phone system, which are accounted for as capital outlay expenditure and other financing source, within the General fund. In 2004, the City entered into a capitalized lease agreement for the acquisition of a backhoe, which was accounted for in the Street Construction, Maintenance and Repair nonmajor special revenue fund. In 2002, the City entered into a capitalized lease agreement for the acquisition of a copier, which was accounted for in the general fund.

The terms of the lease agreements provide options to purchase copiers, phone system and a backhoe. These leases meet the criteria of capital leases as defined by FASB No. 13, Accounting for Leases, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service expenditures in the fund financials.

Capital assets consisting of copiers, phone system and a backhoe have been capitalized in the amount of \$121,144. This amount represents the present value of minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2006 was \$26,196, leaving a current book value of \$94,948. A corresponding liability was recorded in the government-wide financial statement. Principal payments made in the 2006 fiscal year totaled \$4,478 paid by the general fund and \$9,869 paid by a nonmajor governmental fund.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the future minimum lease payments as of December 31, 2006:

<u>Year Ending</u>	<u>Total</u>
2007	\$ 27,207
2008	25,280
2009	24,381
2010	11,706
2011	<u>7,229</u>
Total future minimum lease payments	95,803
Less: amount representing interest	<u>(12,455)</u>
Present value of future minimum lease payments	<u>\$ 83,348</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 11 - LONG-TERM OBLIGATIONS

A. During the fiscal year 2006, the following changes occurred in governmental activities long-term obligations:

Governmental activities:	<u>Balance</u> <u>12/31/05</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at</u> <u>12/31/06</u>	<u>Amount Due</u> <u>in One Year</u>
<u>Mortgage Revenue Bonds</u>					
1993 Mortgage Revenue Refunding Bonds 4.5% - 6.7%	\$ 400,000	\$ -	\$ (195,000)	\$ 205,000	\$ 205,000
Total mortgage revenue bonds	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ (195,000)</u>	<u>\$ 205,000</u>	<u>\$ 205,000</u>
<u>OPWC Loans</u>					
1999 OPWC Loan - 0%	\$ 217,422	\$ -	\$ (14,495)	\$ 202,927	\$ 14,495
2000 OPWC Loan - 3%	258,665	-	(13,885)	244,780	14,304
2001 OPWC Loan - 0%	387,872	-	(22,164)	365,708	22,164
2006 OPWC Loan - 0%	<u>-</u>	<u>647,551</u>	<u>-</u>	<u>647,551</u>	<u>-</u>
Total OPWC loans	<u>\$ 863,959</u>	<u>\$ 647,551</u>	<u>\$ (50,544)</u>	<u>\$ 1,460,966</u>	<u>\$ 50,963</u>
<u>General Obligation Notes Payable</u>					
Street light - Series 2004 - 1.89%	\$ 220,000	-	(220,000)	-	-
Total general obligation notes	<u>\$ 220,000</u>	<u>\$ -</u>	<u>\$ (220,000)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Other Obligations</u>					
Compensated absences	\$ 644,685	\$ 667,825	\$ (591,698)	\$ 720,812	\$ 467,764
Capital lease obligation	<u>47,505</u>	<u>50,190</u>	<u>(14,347)</u>	<u>83,348</u>	<u>22,046</u>
Total other obligations	<u>\$ 692,190</u>	<u>\$ 718,015</u>	<u>\$ (606,045)</u>	<u>\$ 804,160</u>	<u>\$ 489,810</u>
Total governmental activities	<u>\$ 2,176,149</u>	<u>\$ 1,365,566</u>	<u>\$ (1,071,589)</u>	<u>\$ 2,470,126</u>	<u>\$ 745,773</u>

General Obligation Notes: The City issued general obligation notes in 2003 in the amount of \$440,000. These notes are rolled over each year by retiring the old note and reissuing a new note for a lesser amount. The general obligation notes are direct obligations of the City and will be paid from the debt service fund using property tax revenues. These notes had an outstanding balance of \$220,000 at December 31, 2005 and were retired during 2006.

Mortgage Revenue Bonds: The City issued mortgage revenue bonds on behalf of the public library in 1987 and bonds were defeased during 1993 in the amount of \$2,200,000. The mortgage revenue refunding bonds are repaid through a capital lease arrangement with the Grandview Heights Public Library described in Note 18.

Compensated Absences: Compensated absences reported in the "compensated absences payable" account will be paid from the fund from which the employees' salaries are paid, which are primarily the General Fund.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Capital Lease Obligation: The City currently has six capital leases, see Note 10 for details.

OPWC Loans: The City has entered into four debt financing arrangements through the Ohio Public Works Commission (OPWC). Two of these loans are to fund Goodale Boulevard street improvements. The third and fourth is to fund the sewer rehabilitation project. The fourth loan was issued on during 2006 with an amount of \$647,551 over a twenty year term. The amounts due to the OPWC are payable solely from operating revenues. The loan agreements function similar to a line-of-credit agreement. The OPWC loans are being repaid from nonmajor special revenue funds. The loan agreements require semi-annual payments based on the actual amount loaned. The OPWC loans for the street improvements are interest free and the sewer project loans have interest rates of 3% and 2%.

- B.** Principal and interest requirements to retire long-term obligations outstanding at December 31, 2006 are follows:

Year	Mortgage Revenue Bonds			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2007	\$ 205,000	\$ 10,660	\$ 215,660	\$ 50,963	\$ 13,748	\$ 64,711
2008	-	-	-	78,021	19,623	97,644
2009	-	-	-	79,001	18,643	97,644
2010	-	-	-	80,006	17,638	97,644
2011	-	-	-	81,036	16,609	97,645
2012 - 2016	-	-	-	421,536	66,682	488,218
2017 - 2021	-	-	-	415,191	36,985	452,176
2022 - 2026	-	-	-	216,354	14,107	230,461
2027	-	-	-	38,858	584	39,442
Total	\$ 205,000	\$ 10,660	\$ 215,660	\$ 1,460,966	\$ 204,619	\$ 1,665,585

- C.** The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2006, the City's total debt margin was \$23,523,970 and the unvoted debt margin was \$12,322,079; this amount included available funds of \$1.

NOTE 12 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and state laws. Employees earn ten to thirty days of vacation per year, depending upon length of service. Vacation accumulation is typically limited to one year. Employees may carry over vacation earned for three years prior to the employee's retirement date. All accumulated unused vacation time is paid upon termination of employment.

Employees that were eligible for sick leave for an entire year has the option of receiving payments in cash for hours accrued, part or whole, which is to be paid in the first month following the end of that fiscal year. The remaining sick leave not paid out will continue to be carried forward.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 12 - OTHER EMPLOYEE BENEFITS – (Continued)

Vacation and compensatory time are available to full time employees after one year of service with the City. The rates of accrual, total number of hours paid per year and accrual limit varies with years of service. Part time, temporary or seasonal employees are not entitled to vacation leave or compensatory time. Permanent part time employees are entitled to twenty hours of vacation leave per year at their regular rate of pay after one year of service with the City; however vacation leave must be taken during the period earned and may not be accrued. Permanent part time employees include the Clerk of Court or Finance Accounting Clerk that work more than 900 hours per year.

Full time employees earn sick leave at a rate of 4.6 hours per pay period. Fire employees who work 56 hour weeks earn sick leave at a rate of 6.5 hours per pay period. There is no limit to the amount an employee can accumulate. Part time, temporary or seasonal employees are not entitled to sick leave. At the time of resignation, if an employee is in good standing and has at least 10 years of service with the City, OPERS employees and police are entitled to receive one-fourth of their accrued but unused sick leave, up to a maximum accrual of 2,400 hours and fire employees are entitled to receive up to one-fourth of their first 2,000 hours and one-third of their remaining hours with a maximum total accrual of 2,800 hours.

B. Health Care Benefits

The City provides life insurance and accidental death and dismemberment insurance to most employees. The City has elected to provide employees medical/surgical benefits through United Healthcare, Inc. The employees share the cost of the monthly premium. Dental insurance is provided by the City through United Healthcare, Inc.

C. Early Retirement Incentive Plan

The City has approved an early retirement incentive plan (“ERIP”) for all city employees. The City will purchase, from OPERS, additional service credit for those employees who elect to participate in the plan. Participation was open to employees who were at least 50 years old, qualified for retirement with the years purchased by the City, and agreed to retire at the end of fiscal year 2006. The enrollment period for the plan was between March 1, 2005 and February 28, 2006. The credit could not exceed the lesser of three years or one-fifth of each member’s total Ohio service. The City did not limit the number of employees participating in the plan in any one year. The total liability for the plan remaining at December 31, 2006 was \$123,436. The liability is recorded in the respective funds from which the employee was paid as part of compensated absences payable.

NOTE 13 - RISK MANAGEMENT

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. During 2006, the City contracted with Archer-Meek-Weiler Agency for insurance.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 13 - RISK MANAGEMENT – (Continued)

The type of coverage, deductible and limit of coverage for each is as follows:

<u>Carrier/Type of Coverage</u>	<u>Deductible</u>	<u>Limit</u>
<u>Arch Insurance Company</u>		
Blanket Property	\$ 1,000	\$3,484,511
General Liability	-	3,000,000
Automobile	500	1,000,000
Police Professional Liability	2,500	1,000,000
Public Officials Liability	2,500	1,000,000
Employee Benefits Liability	1,000	3,000,000
Crime	1,000	100,000
EDP	1,000	343,768
Umbrella	10,000	5,000,000
<u>Travelers Property Casualty Company of America</u>		
Boiler	\$ 1,000	\$3,000,000
Fiduciary/Bond	1,000	1,000,000

Settlements have not exceeded coverage in any of the last three years. There has been no significant reduction in coverage from the prior year.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 14 - 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 that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, 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 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 14 - PENSION PLANS - (Continued)

For the year ended December 31, 2006, the members of all three plans, except those in law enforcement under the traditional plan, were required to contribute 9.0% of their annual covered salaries. Members participating in the traditional plan that were in law enforcement contributed 10.1% of their annual covered salary. The City's contribution rate for pension benefits for 2006 was 9.20%, except for those plan members in law enforcement and public safety. For those classifications, the City's pension contributions were 12.43% of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions. The City's required contributions to the traditional and combined plans for the years ended December 31, 2006, 2005, and 2004 were \$211,920, \$228,947, and \$266,586, respectively; 100% has been contributed for 2005 and 2004. 92.49% has been contributed for 2006, \$15,906 represents the unpaid portion which is reported as a liability in the respective funds. Contributions to the member directed plan for 2006 were \$7,953 made by the City and \$5,224 made by 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 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 statements and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.0% for police officers and firefighters, respectively. The portion of the City's contributions was 11.75% for police officers and 16.25% for firefighters. The City's contributions to the OP&F for the years ended December 31, 2006, 2005, and 2004 were \$505,554, \$484,886, and \$326,904, respectively; 92.93% has been contributed for 2006 and 100% for the years 2005 and 2004. \$35,748, represents the unpaid portion of which is reported as a liability in the respective funds.

NOTE 15 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2006 local government employer contribution rate was 13.70% of covered payroll (16.93% for public safety and law enforcement); 4.50% of covered payroll was the portion that was used to fund health care.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 15 - POSTRETIREMENT BENEFIT PLANS – (Continued)

Benefits are advance-funded using the entry age actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.50%, an annual increase in active employee total payroll of 4.00% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50% and 6.30% based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rate (4.00%) plus and an additional factor ranging from .50% to 6.00% for the next nine years. In subsequent years, (10 and beyond) health care costs were assumed to increase at 4.00%.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor.

The number of active contributing participants in the traditional and combined plans was 369,214 as of December 31, 2006. The City's actual employer contributions for 2006 which were used to fund postemployment benefits were \$69,609. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2005 (the latest information available) were \$11.1 billion. At December 31, 2005 (the latest information available), the actuarially accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, is effective on January 1, 2007. OPERS took additional actions to improve the solvency of the Health care Fund in 2005 by creating a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional fund to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to 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. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of covered payroll, of which 7.75% of covered payroll was applied to the postemployment health care program during 2005 and 2006. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 15 - POSTRETIREMENT BENEFIT PLANS – (Continued)

The City’s actual contributions for 2006 that were used to fund postemployment benefits were \$96,105 for police and \$85,103 for firefighters. The OP&F’s total health care expense for the year ended December 31, 2005 (the latest information available) was \$108.039 million, which was net of member contributions of \$55.272 million. The number of OP&F participants eligible to receive health care benefits as of December 31, 2005 (the latest information available), was 13,922 for police and 10,537 for firefighters.

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund and the street construction, maintenance and repair (“SCMR”) 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 GAAP basis are as follows:

1. Revenues and Other Financing Sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures and Other Financing Uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented.

Net Change in Fund Balance	
	<u>General</u>
Budget basis	\$ 426,212
Net adjustment for revenue accruals	120,500
Net adjustment for expenditure accruals	456,076
Net adjustment for other financing sources/(uses)	45,659
Adjustment for encumbrances	(267,612)
GAAP basis	\$ 780,835

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 17 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2006.

B. Litigation

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations. The City's management and legal counsel is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material adverse effect on the financial condition of the City.

NOTE 18 - CAPITAL LEASE RECEIVABLE

The City leases property to the Grandview Heights Public Library. This property houses the Library, which was built by bond proceeds issued in 1987. In 1993, the original bond issue was defeased by placing the proceeds into an irrevocable trust for the purpose of retiring the original 1987 issue. Per the lease agreement, the Library pays the annual principal and interest payments on the 1993 debt issue.

The lease period is fourteen years. At the conclusion of the lease period, the Library may purchase the leased property for \$1. The City has classified these agreements as direct financing capital leases. The lease payments to the City are paid to the Trustee and will be used to retire the debt.

The City has recognized the future minimum lease payments, less unearned interest, as leases receivable in the capital projects fund type. That portion (other than unearned interest income) which is not available at year-end is classified as deferred revenue.

<u>Year ending</u>	<u>Total</u>
2007	\$ 215,660
Total future minimum lease payments	<u>215,660</u>
Less: unearned interest	<u>(10,660)</u>
Net investment in direct financing leases	<u><u>\$ 205,000</u></u>

CITY OF GRANDVIEW HEIGHTS, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

GENERAL FUND

The general fund accounts 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 and/or the general laws of Ohio.

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted for specified expenditure purposes. The following are the special revenue funds which the City operates:

Street Construction, Maintenance and Repair Fund

This fund accounts for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

State Highway Improvement Fund

This fund accounts for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Board of Health Fund

This fund accounts for the revenues and expenditures related to delivering health and welfare services through the contract with the Franklin County Board of Health.

Police Pension Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for police disability and pension benefits.

Fire Pension Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for fire disability and pension benefits.

Motor Vehicle Permissive Tax Fund

This fund accounts for local vehicle license fees designated for the maintenance of streets in the City.

Law Enforcement Trust Fund

This fund accounts for grant monies received from the U.S. Department of Justice to be used for specific law enforcement purposes and proceeds from the sale of contraband that are restricted to subsidize law enforcement efforts.

DUI Education and Enforcement Fund

This fund accounts for fees and fines to be used as payment of the cost of attendance at an alcohol and drug addiction treatment program.

Mayor's Court Computer Fund

This fund accounts for additional court fees designated for the computerization of the Mayor's court and the acquisition and maintenance of legal research services for the Mayor's court.

Community Events and Projects Fund

This fund accounts for revenues and expenses associated with community events such as sporting events, festivals, parades, concerts and entertainment to promote the quality of life in Grandview Heights for its residents and visitors.

CITY OF GRANDVIEW HEIGHTS, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Tax Abatement Fund

This fund accounts for the annual collection of service payments in lieu of taxes distributed to the City with respect to improvements on downtown property which are declared to be a public purpose.

NIBRS2

To account for United States Department of Justice monies received and personnel expenses related to the National Incident-Based Reporting System (NIBRS) program grant.

Juvenile Task Force Fund

This fund accounts for state and federal grants awarded to the City related to the Juvenile Accountability Incentive Block Grants (JAIBG) program for the purpose of addressing the growing problem of juvenile crime by encouraging accountability-based reform at the state and local levels.

Domestic Violence Fund

This fund accounts for state and federal grants awarded to the City related to the Violence Against Women Act (VAWA) for the purpose of eliminating domestic violence.

Fire EMS Grant Fund

This fund accounts for state and federal grants awarded to the City for the purpose of supporting and enhancing the City's fire and emergency medical services.

Senior Center Improvement Fund

This fund accounts for donations and contributions used for maintenance and improvements of the City's senior center facility.

Federal Emergency Management Agency Fund

This fund accounts for the federal portion of grant monies received from the Federal Emergency Management Agency through the State of Ohio Emergency Management Agency Public Assistance Disaster Recovery Grant Program.

McKinley Field Fund

This fund accounts for monies received through charitable donations which are designated for the maintenance and improvement of the McKinley Field in the City of Grandview Heights.

Wyman Woods Fund

This fund accounts for monies received through charitable donations which are designated for the maintenance and improvement of the Wyman Woods Park in the City of Grandview Heights.

Municipal Swimming Pool Fund

This fund accounts for monies received through charitable donations and fees charged for use of the City's pool which are designated for the maintenance and improvement of the pool in the City of Grandview Heights.

Convention and Visitor's Bureau Fund

This fund accounts for monies received from a City-imposed hotel bed tax, a portion of which is designated for the promotion of tourism in the City of Grandview Heights.

Coronary Care Fund

This fund accounts for monies received through charitable donations which are designated for the acquisition and maintenance of the equipment related to the EMS cardiac care functions.

CITY OF GRANDVIEW HEIGHTS, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Youth DARE Trust

This fund accounts for monies received through charitable donations which are designated for the support of the Drug Abuse Resistance Educations (DARE) program in the City.

K-9 Trust Fund

This fund accounts for monies received through charitable donations which are designated for the support of a K-9 Corps program in the City's Division of Police.

Tournament Trust

This fund accounts for revenues and expenses associated with the annual Mayor's Golf Tournament held to support the Grandview Heights Bobcat Boosters Jimmy White Scholarship fund.

Youth Swim Trust

This fund accounts for monies received through charitable donations which are designated for the support of a youth swimming program in the City.

C. Ray Buck Sports Park Fund

This fund accounts for monies received through charitable donations which are designated for the maintenance and improvement of the C. Ray Buck Sports Park in the City.

Greenspace Parkland Trust Fund

This fund accounts for donations restricted for floral beautification projects within the City.

Pierce Field Park Trust

This fund accounts for monies received through charitable donations which are designated for the maintenance and improvement of the Pierce Field Park in the City of Grandview Heights.

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of resources and the payments of general obligation and special assessment principal, interest, and related costs.

Street Light Debt Service Fund

This fund accounts for the resources that are used for the payment of principal, interest, and other fiscal charges on street light debt.

NONMAJOR CAPITAL PROJECTS FUNDS

The capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types. Following is a description of the capital project funds:

General Improvement Fund

This fund accounts for revenues and expenditures for capital improvements.

Sewer Improvement Fund

This fund accounts for revenues and expenditures for sewer improvements.



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CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Municipal income taxes	\$ 4,665,328	\$ 4,670,331	\$ 4,653,359	\$ (16,972)
Property and other taxes	1,606,979	1,608,702	1,602,856	(5,846)
Charges for services	793,423	794,273	791,387	(2,886)
Licenses and permits	89,081	89,176	88,852	(324)
Fines and forfeitures	118,173	118,300	117,870	(430)
Intergovernmental	1,029,062	1,030,166	1,026,422	(3,744)
Investment income	29,973	30,005	48,002	17,997
Other	3,988	4,065	3,978	(87)
Total revenues	<u>8,336,007</u>	<u>8,345,018</u>	<u>8,332,726</u>	<u>(12,292)</u>
Expenditures:				
Current:				
General government				
Administration				
Personal services	528,659	529,966	525,338	4,628
Contractual services	265,091	265,746	200,649	65,097
Materials & supplies	187,671	188,135	171,650	16,485
Utility services	45,821	45,934	44,087	1,847
Capital outlay	34,914	35,000	18,491	16,509
Total administration	<u>1,062,156</u>	<u>1,064,781</u>	<u>960,215</u>	<u>104,566</u>
Finance/legal/council				
Personal services	368,813	369,725	366,764	2,961
Contractual services	257,784	258,421	249,543	8,878
Materials & supplies	27,229	27,296	24,052	3,244
Other	256,651	257,285	228,167	29,118
Total finance/legal/council	<u>910,477</u>	<u>912,727</u>	<u>868,526</u>	<u>44,201</u>
Total general government	<u>1,972,633</u>	<u>1,977,508</u>	<u>1,828,741</u>	<u>148,767</u>
Security of persons & property				
Fire & emergency				
Personal services	1,675,311	1,679,452	1,649,991	29,461
Contractual services	10,125	10,150	10,148	2
Materials & supplies	75,422	75,608	56,696	18,912
Utility services	4,670	4,682	3,590	1,092
Capital outlay	24,854	24,916	22,731	2,185
Total fire & emergency	<u>1,790,382</u>	<u>1,794,808</u>	<u>1,743,156</u>	<u>51,652</u>
Police				
Personal services	2,077,279	2,082,414	2,046,365	36,049
Contractual services	38,425	38,520	35,894	2,626
Materials & supplies	121,770	122,071	99,247	22,824
Utility services	7,591	7,610	6,287	1,323
Capital outlay	8,828	8,850	6,863	1,987
Total police	<u>2,253,893</u>	<u>2,259,465</u>	<u>2,194,656</u>	<u>64,809</u>
Total security of persons & property	<u>4,044,275</u>	<u>4,054,273</u>	<u>3,937,812</u>	<u>116,461</u>

Continued

CITY OF GRANDVIEW HEIGHTS, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (Continued)
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Transportation				
Streets & highways				
Personal services	\$ 449,974	\$ 451,086	\$ 441,566	\$ 9,520
Contractual services	4,988	5,000	2,772	2,228
Materials & supplies	25,872	25,936	20,655	5,281
Utility services	22,329	22,384	15,872	6,512
Total streets & highways	<u>503,163</u>	<u>504,406</u>	<u>480,865</u>	<u>23,541</u>
Sanitation				
Personal services	367,672	368,581	360,932	7,649
Contractual services	121,942	122,244	105,913	16,331
Materials & supplies	56,381	56,520	45,137	11,383
Capital outlay	44,274	44,384	36,884	7,500
Total sanitation	<u>590,269</u>	<u>591,729</u>	<u>548,866</u>	<u>42,863</u>
Total transportation	<u>1,093,432</u>	<u>1,096,135</u>	<u>1,029,731</u>	<u>66,404</u>
Leisure time activity				
Parks & recreation				
Personal services	588,390	589,845	580,777	9,068
Contractual services	3,990	4,000	4,000	-
Materials & supplies	134,123	134,455	118,731	15,724
Utility services	62,804	62,959	43,328	19,631
Capital outlay	17,016	17,058	14,357	2,701
Total parks & recreation	<u>806,323</u>	<u>808,317</u>	<u>761,193</u>	<u>47,124</u>
Total leisure time activity	<u>806,323</u>	<u>808,317</u>	<u>761,193</u>	<u>47,124</u>
Total expenditures	<u>7,916,663</u>	<u>7,936,233</u>	<u>7,557,477</u>	<u>378,756</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>419,344</u>	<u>408,785</u>	<u>775,249</u>	<u>366,464</u>
Other financing sources (uses):				
Sale of capital assets	7,572	7,581	7,553	(28)
Transfers out	(277,275)	(361,121)	(361,121)	-
Other financing sources	4,543	4,547	4,531	(16)
Advances in	-	19,800	19,800	-
Advances out	-	(19,800)	(19,800)	-
Total other financing sources (uses)	<u>(265,160)</u>	<u>(348,993)</u>	<u>(349,037)</u>	<u>(44)</u>
Net change in fund balance	154,184	59,792	426,212	366,420
Fund balances at beginning of year	269,189	269,189	269,189	-
Prior year encumbrances appropriated	212,633	212,633	212,633	-
Fund balance at end of year	<u>\$ 636,006</u>	<u>\$ 541,614</u>	<u>\$ 908,034</u>	<u>\$ 366,420</u>

CITY OF GRANDVIEW HEIGHTS, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Equity in pooled cash and investments	\$ 993,762	\$ 1	\$ 446,131	\$ 1,439,894
Receivables (net of allowance for uncollectibles):				
Real and other taxes	139,370	-	-	139,370
Accounts	-	-	19,396	19,396
Accrued interest	8,025	-	-	8,025
Intergovernmental	169,647	-	-	169,647
Capital lease receivable	-	205,000	-	205,000
Total assets	<u>\$ 1,310,804</u>	<u>\$ 205,001</u>	<u>\$ 465,527</u>	<u>\$ 1,981,332</u>
Liabilities:				
Accounts payable	\$ 46,409	\$ -	\$ 11,458	\$ 57,867
Unearned revenue	261,520	205,000	4,362	470,882
Total liabilities	<u>307,929</u>	<u>205,000</u>	<u>15,820</u>	<u>528,749</u>
Fund balances:				
Reserved for encumbrances	75,220	-	195,437	270,657
Unreserved, undesignated reported in:				
Special revenue funds	927,655	-	-	927,655
Debt service fund	-	1	-	1
Capital projects funds	-	-	254,270	254,270
Total fund balances	<u>1,002,875</u>	<u>1</u>	<u>449,707</u>	<u>1,452,583</u>
Total liabilities & fund balances	<u>\$ 1,310,804</u>	<u>\$ 205,001</u>	<u>\$ 465,527</u>	<u>\$ 1,981,332</u>

CITY OF GRANDVIEW HEIGHTS, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and other taxes	\$ 133,068	\$ -	\$ -	\$ 133,068
Charges for services	150	-	224,223	224,373
Fines and forfeitures	8,541	-	-	8,541
Intergovernmental	531,563	-	22,548	554,111
Investment income	44,787	-	-	44,787
Capital lease revenue	-	215,605	-	215,605
Other	44,478	-	5,000	49,478
Total revenues	762,587	215,605	251,771	1,229,963
Expenditures:				
Current:				
Public safety	126,247	-	-	126,247
Health & welfare	33,207	-	-	33,207
Transportation	192,455	-	-	192,455
Community environment	15,736	-	-	15,736
Leisure time activities	19,805	-	-	19,805
Capital outlay	274,888	-	862,190	1,137,078
Debt service:				
Principal retirement	46,528	415,000	13,885	475,413
Interest and fiscal charges	2,194	27,538	7,657	37,389
Total expenditures	711,060	442,538	883,732	2,037,330
Excess of revenues over/(under) expenditures	51,527	(226,933)	(631,961)	(807,367)
Other financing sources:				
Note issuance	-	-	647,551	647,551
Sale of capital assets	5,260	-	-	5,260
Transfers in	45,210	215,911	100,000	361,121
Total other financing sources	50,470	215,911	747,551	1,013,932
Net change in fund balance	101,997	(11,022)	115,590	206,565
Fund balances at beginning of year	900,878	11,023	334,117	1,246,018
Fund balance at end of year	\$ 1,002,875	\$ 1	\$ 449,707	\$ 1,452,583

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2006

	Street Construction Maintenance and Repair	State Highway Improvement	Board of Health	Police Pension	Fire Pension
Assets:					
Equity in pooled cash and investments	\$ 510,981	\$ 22,320	\$ 13,086	\$ 16,137	\$ 16,134
Receivables (net of allowance for uncollectibles):					
Real and other taxes	-	-	-	69,685	69,685
Accrued interest	6,222	664	-	-	-
Intergovernmental	150,803	12,227	-	3,126	3,126
Total assets	<u>\$ 668,006</u>	<u>\$ 35,211</u>	<u>\$ 13,086</u>	<u>\$ 88,948</u>	<u>\$ 88,945</u>
Liabilities:					
Accounts payable	\$ 40,760	\$ -	\$ -	\$ -	\$ -
Unearned revenue	107,206	8,692	-	72,811	72,811
Total liabilities	<u>\$ 147,966</u>	<u>8,692</u>	<u>-</u>	<u>72,811</u>	<u>72,811</u>
Fund balances:					
Reserved for encumbrances	35,131	3,318	-	-	-
Unreserved, undesignated reported in:					
Special revenue funds	484,909	23,201	13,086	16,137	16,134
Total fund balances	<u>\$ 520,040</u>	<u>26,519</u>	<u>13,086</u>	<u>16,137</u>	<u>16,134</u>
Total liabilities & fund balances	<u>\$ 668,006</u>	<u>\$ 35,211</u>	<u>\$ 13,086</u>	<u>\$ 88,948</u>	<u>\$ 88,945</u>

Motor Vehicle Permissive Tax	Law Enforcement	DUI Education & Enforcement	Mayor's Court Computer	Community Events & Projects	Tax Abatement
\$ 98,994	\$ 4,410	\$ 15,668	\$ 20,778	\$ 9,573	\$ 6,500
-	-	-	-	-	-
1,139	-	-	-	-	-
-	-	75	290	-	-
<u>\$ 100,133</u>	<u>\$ 4,410</u>	<u>\$ 15,743</u>	<u>\$ 21,068</u>	<u>\$ 9,573</u>	<u>\$ 6,500</u>
\$ 64	\$ 85	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>64</u>	<u>85</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	10,371	-	-
100,069	4,325	15,743	10,697	9,573	6,500
<u>100,069</u>	<u>4,325</u>	<u>15,743</u>	<u>21,068</u>	<u>9,573</u>	<u>6,500</u>
<u>\$ 100,133</u>	<u>\$ 4,410</u>	<u>\$ 15,743</u>	<u>\$ 21,068</u>	<u>\$ 9,573</u>	<u>\$ 6,500</u>

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2006

	NIBRS2	Juvenile Task Force	Domestic Violence	Fire/EMS Grant
Assets:				
Equity in pooled cash and investments	\$ 866	\$ 375	\$ 58	\$ 2,999
Receivables (net of allowance for uncollectibles):				
Real and other taxes	-	-	-	-
Accrued interest	-	-	-	-
Intergovernmental	-	-	-	-
Total assets	<u>\$ 866</u>	<u>\$ 375</u>	<u>\$ 58</u>	<u>\$ 2,999</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Reserved for encumbrances	-	-	-	-
Unreserved, undesignated reported in:				
Special revenue funds	866	375	58	2,999
Total fund balances	<u>866</u>	<u>375</u>	<u>58</u>	<u>2,999</u>
Total liabilities & fund balances	<u>\$ 866</u>	<u>\$ 375</u>	<u>\$ 58</u>	<u>\$ 2,999</u>

Other Miscellaneous Grants	FEMA Grant	McKinley Field	Wyman Woods	Municipal Swimming Pool	Convention & Vistors Bureau
\$ 15,403	\$ 10,302	\$ 22	\$ 5	\$ 3,119	\$ 2,085
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 15,403</u>	<u>\$ 10,302</u>	<u>\$ 22</u>	<u>\$ 5</u>	<u>\$ 3,119</u>	<u>\$ 2,085</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,403	10,302	22	5	3,119	2,085
<u>15,403</u>	<u>10,302</u>	<u>22</u>	<u>5</u>	<u>3,119</u>	<u>2,085</u>
<u>\$ 15,403</u>	<u>\$ 10,302</u>	<u>\$ 22</u>	<u>\$ 5</u>	<u>\$ 3,119</u>	<u>\$ 2,085</u>

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2006

	<u>Coronary Care</u>	<u>Youth DARE Trust</u>	<u>K-9 Trust</u>	<u>Tournament Trust</u>
Assets:				
Equity in pooled cash and investments	\$ 2,467	\$ 3,898	\$ 975	\$ -
Receivables (net of allowance for uncollectibles):				
Real and other taxes	-	-	-	-
Accrued interest	-	-	-	-
Intergovernmental	-	-	-	-
Total assets	<u>\$ 2,467</u>	<u>\$ 3,898</u>	<u>\$ 975</u>	<u>\$ -</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Reserved for encumbrances	-	-	-	-
Unreserved, undesignated reported in:				
Special revenue funds	2,467	3,898	975	-
Total fund balances	<u>2,467</u>	<u>3,898</u>	<u>975</u>	<u>-</u>
Total liabilities & fund balances	<u>\$ 2,467</u>	<u>\$ 3,898</u>	<u>\$ 975</u>	<u>\$ -</u>

Youth Swim Trust	C. Ray Buck Sports Park	Greenspace Parkland Trust	Pierce Field Park Trust	Total Nonmajor Special Revenue Funds
\$ 550	\$ 45,643	\$ 1,000	\$ 169,414	\$ 993,762
-	-	-	-	139,370
-	-	-	-	8,025
-	-	-	-	169,647
<u>\$ 550</u>	<u>\$ 45,643</u>	<u>\$ 1,000</u>	<u>\$ 169,414</u>	<u>\$ 1,310,804</u>
\$ -	\$ -	\$ -	\$ 5,500	\$ 46,409
-	-	-	-	261,520
-	-	-	5,500	307,929
-	-	-	26,400	75,220
550	45,643	1,000	137,514	927,655
<u>550</u>	<u>45,643</u>	<u>1,000</u>	<u>163,914</u>	<u>1,002,875</u>
<u>\$ 550</u>	<u>\$ 45,643</u>	<u>\$ 1,000</u>	<u>\$ 169,414</u>	<u>\$ 1,310,804</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Street Construction Maintenance and Repair	State Highway Improvement	Board of Health	Police Pension	Fire Pension
Revenues:					
Property and other taxes	\$ -	\$ -	\$ -	\$ 66,534	\$ 66,534
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	259,911	21,035	-	2,780	2,780
Investment income	33,758	4,019	-	-	-
Other	-	-	-	-	-
Total revenues	\$ 293,669	25,054	-	69,314	69,314
Expenditures:					
Current:					
Public safety	-	-	-	58,215	58,218
Health & welfare	-	-	33,207	-	-
Transportation	158,920	25,248	-	-	-
Community environment	-	-	-	-	-
Leisure time activities	-	-	-	-	-
Capital outlay	59,190	-	-	-	-
Debt service:					
Principal retirement	24,364	22,164	-	-	-
Interest and fiscal charges	2,194	-	-	-	-
Total expenditures	244,668	47,412	33,207	58,215	58,218
Excess of revenues over/(under) expenditures	\$ 49,001	(22,358)	(33,207)	11,099	11,096
Other financing sources:					
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	33,210	-	-
Total other financing sources	\$ -	-	33,210	-	-
Net change in fund balance	\$ 49,001	(22,358)	3	11,099	11,096
Fund balances at beginning of year	471,039	48,877	13,083	5,038	5,038
Fund balance at end of year	\$ 520,040	\$ 26,519	\$ 13,086	\$ 16,137	\$ 16,134

Motor Vehicle Permissive Tax	Law Enforcement	DUI Education & Enforcement	Mayor's Court Computer	Community Events & Projects	Tax Abatement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	150	-
-	2,187	1,319	5,035	-	-
222,057	15,225	5,275	-	-	-
7,010	-	-	-	-	-
-	-	-	-	6,600	-
<u>229,067</u>	<u>17,412</u>	<u>6,594</u>	<u>5,035</u>	<u>6,750</u>	<u>-</u>
-	85	7,250	2,029	-	-
-	-	-	-	-	-
8,287	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	14,255	-
195,000	20,300	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>203,287</u>	<u>20,385</u>	<u>7,250</u>	<u>2,029</u>	<u>14,255</u>	<u>-</u>
<u>25,780</u>	<u>(2,973)</u>	<u>(656)</u>	<u>3,006</u>	<u>(7,505)</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	2,000	10,000	-
-	-	-	2,000	10,000	-
25,780	(2,973)	(656)	5,006	2,495	-
74,289	7,298	16,399	16,062	7,078	6,500
<u>\$ 100,069</u>	<u>\$ 4,325</u>	<u>\$ 15,743</u>	<u>\$ 21,068</u>	<u>\$ 9,573</u>	<u>\$ 6,500</u>

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

	NIBRS2	Juvenile Task Force	Domestic Violence	Fire/EMS Grant
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	2,500
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	2,500
Expenditures:				
Current:				
Public safety	-	-	-	450
Health & welfare	-	-	-	-
Transportation	-	-	-	-
Community environment	-	-	-	-
Leisure time activities	-	-	-	-
Capital outlay	-	-	-	398
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	848
Excess of revenues over/(under) expenditures	-	-	-	1,652
Other financing sources:				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	1,652
Fund balances at beginning of year	866	375	58	1,347
Fund balance at end of year	\$ 866	\$ 375	\$ 58	\$ 2,999

Other Miscellaneous Grants	FEMA Grant	McKinley Field	Wyman Woods	Municipal Swimming Pool	Convention & Vistors Bureau
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,572	-	2	-	1,774	-
<u>1,572</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>1,774</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,572	-	2	-	1,774	-
<u>1,572</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>1,774</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,572	-	2	-	1,774	-
<u>13,831</u>	<u>10,302</u>	<u>20</u>	<u>5</u>	<u>1,345</u>	<u>2,085</u>
<u>\$ 15,403</u>	<u>\$ 10,302</u>	<u>\$ 22</u>	<u>\$ 5</u>	<u>\$ 3,119</u>	<u>\$ 2,085</u>

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Coronary Care</u>	<u>Youth DARE Trust</u>	<u>K-9 Trust</u>	<u>Tournament Trust</u>
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Other	100	-	-	-
Total revenues	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Health & welfare	-	-	-	-
Transportation	-	-	-	-
Community environment	-	-	-	-
Leisure time activities	-	-	-	50
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>
Excess of revenues over/(under) expenditures	<u>100</u>	<u>-</u>	<u>-</u>	<u>(50)</u>
Other financing sources:				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	100	-	-	(50)
Fund balances at beginning of year	<u>2,367</u>	<u>3,898</u>	<u>975</u>	<u>50</u>
Fund balance at end of year	<u>\$ 2,467</u>	<u>\$ 3,898</u>	<u>\$ 975</u>	<u>\$ -</u>

Youth Swim Trust	C. Ray Buck Sports Park	Greenspace Parkland Trust	Pierce Field Park Trust	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 133,068
-	-	-	-	150
-	-	-	-	8,541
-	-	-	-	531,563
-	-	-	-	44,787
-	100	-	34,330	44,478
-	100	-	34,330	762,587
-	-	-	-	126,247
-	-	-	-	33,207
-	-	-	-	192,455
-	6,432	-	9,304	15,736
-	-	-	5,500	19,805
-	-	-	-	274,888
-	-	-	-	46,528
-	-	-	-	2,194
-	6,432	-	14,804	711,060
-	(6,332)	-	19,526	51,527
-	-	-	5,260	5,260
-	-	-	-	45,210
-	-	-	5,260	50,470
-	(6,332)	-	24,786	101,997
550	51,975	1,000	139,128	900,878
<u>\$ 550</u>	<u>\$ 45,643</u>	<u>\$ 1,000</u>	<u>\$ 163,914</u>	<u>\$ 1,002,875</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 294,754	\$ 294,754	\$ 286,694	\$ (8,060)
Investment income	28,300	28,300	27,536	(764)
Total revenues	<u>323,054</u>	<u>323,054</u>	<u>314,230</u>	<u>(8,824)</u>
Expenditures:				
Current:				
Transportation				
Streets & highways				
Contractual services	63,056	63,056	49,428	13,628
Materials & supplies	155,208	155,208	121,665	33,543
Capital outlay	126,639	126,639	99,270	27,369
Total transportation	<u>344,903</u>	<u>344,903</u>	<u>270,363</u>	<u>74,540</u>
Debt service:				
Principal retirement	18,491	18,491	14,495	3,996
Total debt service	<u>18,491</u>	<u>18,491</u>	<u>14,495</u>	<u>3,996</u>
Total expenditures	<u>363,394</u>	<u>363,394</u>	<u>284,858</u>	<u>78,536</u>
Net change in fund balance	(40,340)	(40,340)	29,372	69,712
Fund balances at beginning of year	396,196	396,196	396,196	-
Prior year encumbrances appropriated	9,560	9,560	9,560	-
Fund balance at end of year	<u>\$ 365,416</u>	<u>\$ 365,416</u>	<u>\$ 435,128</u>	<u>\$ 69,712</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 28,391	\$ 28,391	\$ 23,207	\$ (5,184)
Investment income	4,104	4,104	3,355	(749)
Total revenues	<u>32,495</u>	<u>32,495</u>	<u>26,562</u>	<u>(5,933)</u>
Expenditures:				
Current:				
Transportation				
Streets & highways				
Materials & supplies	35,000	35,000	28,566	6,434
Total transportation	<u>35,000</u>	<u>35,000</u>	<u>28,566</u>	<u>6,434</u>
Debt service:				
Principal retirement	22,165	22,165	22,164	1
Total debt service	<u>22,165</u>	<u>22,165</u>	<u>22,164</u>	<u>1</u>
Total expenditures	<u>57,165</u>	<u>57,165</u>	<u>50,730</u>	<u>6,435</u>
Net change in fund balance	(24,670)	(24,670)	(24,168)	502
Fund balances at beginning of year	<u>43,170</u>	<u>43,170</u>	<u>43,170</u>	<u>-</u>
Fund balance at end of year	<u>\$ 18,500</u>	<u>\$ 18,500</u>	<u>\$ 19,002</u>	<u>\$ 502</u>

CITY OF GRANDVIEW HEIGHTS, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

BOARD OF HEALTH

FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public health & welfare				
Board of health				
Contractual services	\$ 33,210	\$ 33,210	\$ 33,207	\$ 3
Total public health & welfare	<u>33,210</u>	<u>33,210</u>	<u>33,207</u>	<u>3</u>
Total expenditures	<u>33,210</u>	<u>33,210</u>	<u>33,207</u>	<u>3</u>
Excess of revenues over/(under) expenditures	<u>(33,210)</u>	<u>(33,210)</u>	<u>(33,207)</u>	<u>3</u>
Other financing sources (uses):				
Transfers in	<u>33,210</u>	<u>33,210</u>	<u>33,210</u>	<u>-</u>
Total other financing sources (uses)	<u>33,210</u>	<u>33,210</u>	<u>33,210</u>	<u>-</u>
Net change in fund balance	-	-	3	3
Fund balances at beginning of year	<u>13,083</u>	<u>13,083</u>	<u>13,083</u>	<u>-</u>
Fund balance at end of year	<u>\$ 13,083</u>	<u>\$ 13,083</u>	<u>\$ 13,086</u>	<u>\$ 3</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes	\$ 67,529	\$ 67,529	\$ 66,534	\$ (995)
Intergovernmental	2,821	2,821	2,780	(41)
Total revenues	<u>70,350</u>	<u>70,350</u>	<u>69,314</u>	<u>(1,036)</u>
Expenditures:				
Current:				
Security of persons & property				
Police				
Personal services	57,500	57,500	57,500	-
Other	1,000	1,000	715	285
Total security of persons & property	<u>58,500</u>	<u>58,500</u>	<u>58,215</u>	<u>285</u>
Total expenditures	<u>58,500</u>	<u>58,500</u>	<u>58,215</u>	<u>285</u>
Net change in fund balance	11,850	11,850	11,099	(751)
Fund balances at beginning of year	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>-</u>
Fund balance at end of year	<u>\$ 16,888</u>	<u>\$ 16,888</u>	<u>\$ 16,137</u>	<u>\$ (751)</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE PENSION
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes	\$ 67,529	\$ 67,529	\$ 66,534	\$ (995)
Intergovernmental	2,821	2,821	2,780	(41)
Total revenues	<u>70,350</u>	<u>70,350</u>	<u>69,314</u>	<u>(1,036)</u>
Expenditures:				
Current:				
Security of persons & property				
Fire				
Personal services	57,500	57,500	57,500	-
Other	1,000	1,000	718	282
Total security of persons & property	<u>58,500</u>	<u>58,500</u>	<u>58,218</u>	<u>282</u>
Total expenditures	<u>58,500</u>	<u>58,500</u>	<u>58,218</u>	<u>282</u>
Net change in fund balance	11,850	11,850	11,096	(754)
Fund balances at beginning of year	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>-</u>
Fund balance at end of year	<u>\$ 16,888</u>	<u>\$ 16,888</u>	<u>\$ 16,134</u>	<u>\$ (754)</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE PERMISSIVE TAX
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 216,759	\$ 216,759	\$ 222,057	\$ 5,298
Investment income	5,741	5,741	5,871	130
Total revenues	<u>222,500</u>	<u>222,500</u>	<u>227,928</u>	<u>5,428</u>
Expenditures:				
Current:				
Transportation				
Streets & Highways				
Contractual services	25,000	25,000	-	25,000
Materials & supplies	20,000	20,000	8,287	11,713
Capital outlay	195,000	195,000	195,000	-
Total transportation	<u>240,000</u>	<u>240,000</u>	<u>203,287</u>	<u>36,713</u>
Total expenditures	<u>240,000</u>	<u>240,000</u>	<u>203,287</u>	<u>36,713</u>
Net change in fund balance	(17,500)	(17,500)	24,641	42,141
Fund balances at beginning of year	<u>74,289</u>	<u>74,289</u>	<u>74,289</u>	<u>-</u>
Fund balance at end of year	<u>\$ 56,789</u>	<u>\$ 56,789</u>	<u>\$ 98,930</u>	<u>\$ 42,141</u>

CITY OF GRANDVIEW HEIGHTS, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ -	\$ 2,327	\$ 2,187	\$ (140)
Intergovernmental	-	17,473	15,225	(2,248)
Total revenues	<u>-</u>	<u>19,800</u>	<u>17,412</u>	<u>(2,388)</u>
Expenditures:				
Current:				
Security of persons & property				
Police				
Capital outlay	-	22,000	20,300	1,700
Total security of persons & property	<u>-</u>	<u>22,000</u>	<u>20,300</u>	<u>1,700</u>
Total expenditures	<u>-</u>	<u>22,000</u>	<u>20,300</u>	<u>1,700</u>
Excess of revenues over/(under) expenditures	<u>-</u>	<u>(2,200)</u>	<u>(2,888)</u>	<u>(688)</u>
Other financing sources:				
Advance in	-	19,800	19,800	-
Advance out	<u>-</u>	<u>(19,800)</u>	<u>(19,800)</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	(2,200)	(2,888)	(688)
Fund balances at beginning of year	<u>7,298</u>	<u>7,298</u>	<u>7,298</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,298</u>	<u>\$ 5,098</u>	<u>\$ 4,410</u>	<u>\$ (688)</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DUI EDUCATION AND ENFORCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 2,128	\$ 2,128	\$ 2,015	\$ (113)
Intergovernmental	5,572	5,572	5,275	(297)
Total revenues	<u>7,700</u>	<u>7,700</u>	<u>7,290</u>	<u>(410)</u>
Expenditures:				
Current:				
Security of persons & property				
Police				
Personal services	7,250	7,250	7,250	-
Materials & supplies	250	250	-	250
Total security of persons & property	<u>7,500</u>	<u>7,500</u>	<u>7,250</u>	<u>250</u>
Total expenditures	<u>7,500</u>	<u>7,500</u>	<u>7,250</u>	<u>250</u>
Net change in fund balance	200	200	40	(160)
Fund balances at beginning of year	<u>15,628</u>	<u>15,628</u>	<u>15,628</u>	<u>-</u>
Fund balance at end of year	<u>\$ 15,828</u>	<u>\$ 15,828</u>	<u>\$ 15,668</u>	<u>\$ (160)</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT COMPUTER
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 3,634	\$ 3,634	\$ 5,320	\$ 1,686
Total revenues	<u>3,634</u>	<u>3,634</u>	<u>5,320</u>	<u>1,686</u>
Expenditures:				
Current:				
General government				
Finance/legal/council				
Contractual services	2,594	2,594	2,400	194
Materials & supplies	10,806	10,806	10,000	806
Total General government	<u>13,400</u>	<u>13,400</u>	<u>12,400</u>	<u>1,000</u>
Total expenditures	<u>13,400</u>	<u>13,400</u>	<u>12,400</u>	<u>1,000</u>
Excess of revenues over/(under) expenditures	<u>(9,766)</u>	<u>(9,766)</u>	<u>(7,080)</u>	<u>2,686</u>
Other financing sources:				
Transfers in	1,366	1,366	2,000	634
Total other financing sources	<u>1,366</u>	<u>1,366</u>	<u>2,000</u>	<u>634</u>
Net change in fund balance	(8,400)	(8,400)	(5,080)	3,320
Fund balances at beginning of year	5,487	5,487	5,487	-
Prior year encumbrances appropriated	10,000	10,000	10,000	-
Fund balance at end of year	<u>\$ 7,087</u>	<u>\$ 7,087</u>	<u>\$ 10,407</u>	<u>\$ 3,320</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY EVENTS AND PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 5,612	\$ 5,612	\$ 3,550	\$ (2,062)
Other	10,430	10,430	6,600	(3,830)
Total revenues	<u>16,042</u>	<u>16,042</u>	<u>10,150</u>	<u>(5,892)</u>
Expenditures:				
Current:				
Leisure time activity				
General government				
Materials & supplies	20,000	20,000	14,185	5,815
Total leisure time activity	<u>20,000</u>	<u>20,000</u>	<u>14,185</u>	<u>5,815</u>
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>14,185</u>	<u>5,815</u>
Excess of revenues over/(under) expenditures	<u>(3,958)</u>	<u>(3,958)</u>	<u>(4,035)</u>	<u>(77)</u>
Other financing sources:				
Transfers in	15,806	15,806	10,000	(5,806)
Other financing uses	(11,848)	(11,848)	(70)	11,778
Total other financing sources	<u>3,958</u>	<u>3,958</u>	<u>9,930</u>	<u>5,972</u>
Net change in fund balance	-	-	5,895	5,895
Fund balances at beginning of year	<u>3,678</u>	<u>3,678</u>	<u>3,678</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,678</u>	<u>\$ 3,678</u>	<u>\$ 9,573</u>	<u>\$ 5,895</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX ABATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 500	\$ 500	\$ -	\$ (500)
Total revenues	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
Net change in fund balance	500	500	-	(500)
Fund balances at beginning of year	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 6,500</u>	<u>\$ (500)</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NIBRS2
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	\$ 866	\$ 866	\$ 866	\$ -
Fund balance at end of year	<u>\$ 866</u>	<u>\$ 866</u>	<u>\$ 866</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
JUVENILE TASK FORCE
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	\$ 375	\$ 375	\$ 375	\$ -
Fund balance at end of year	<u>\$ 375</u>	<u>\$ 375</u>	<u>\$ 375</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DOMESTIC VIOLENCE
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	\$ 58	\$ 58	\$ 58	\$ -
Fund balance at end of year	<u>\$ 58</u>	<u>\$ 58</u>	<u>\$ 58</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE EMS GRANT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 2,500	\$ 2,500
Total revenues	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Expenditures:				
Current:				
Security of Persons & Property				
Fire				
Personal services	450	450	450	-
Capital outlay	398	398	398	-
Total security of persons & property	<u>848</u>	<u>848</u>	<u>848</u>	<u>-</u>
Total expenditures	<u>848</u>	<u>848</u>	<u>848</u>	<u>-</u>
Net change in fund balance	(848)	(848)	1,652	2,500
Fund balances at beginning of year	347	347	347	-
Prior year encumbrances appropriated	1,000	1,000	1,000	-
Fund balance at end of year	<u>\$ 499</u>	<u>\$ 499</u>	<u>\$ 2,999</u>	<u>\$ 2,500</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SENIOR CENTER IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ -	\$ -	\$ 1,572	\$ 1,572
Total revenues	-	-	1,572	1,572
Net change in fund balance	-	-	1,572	1,572
Fund balances at beginning of year	13,831	13,831	13,831	-
Fund balance at end of year	<u>\$ 13,831</u>	<u>\$ 13,831</u>	<u>\$ 15,403</u>	<u>\$ 1,572</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA GRANT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 780	\$ 780
Total revenues	-	-	780	780
Net change in fund balance	-	-	780	780
Fund balances at beginning of year	<u>9,522</u>	<u>9,522</u>	<u>9,522</u>	<u>-</u>
Fund balance at end of year	<u>\$ 9,522</u>	<u>\$ 9,522</u>	<u>\$ 10,302</u>	<u>\$ 780</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
McKINLEY FIELD
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ -	\$ -	\$ 2	\$ 2
Total revenues	-	-	2	2
Net change in fund balance	-	-	2	2
Fund balances at beginning of year	<u>20</u>	<u>20</u>	<u>20</u>	<u>-</u>
Fund balance at end of year	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 22</u>	<u>\$ 2</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WYMAN WOODS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	<u>5</u>	<u>5</u>	<u>5</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL SWIMMING POOL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ -	\$ -	\$ 1,774	\$ 1,774
Total revenues	<u>-</u>	<u>-</u>	<u>1,774</u>	<u>1,774</u>
Net change in fund balance	-	-	1,774	1,774
Fund balances at beginning of year	<u>1,345</u>	<u>1,345</u>	<u>1,345</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,345</u>	<u>\$ 1,345</u>	<u>\$ 3,119</u>	<u>\$ 1,774</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CONVENTION AND VISITOR'S BUREAU
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	2,085	2,085	2,085	-
Fund balance at end of year	<u>\$ 2,085</u>	<u>\$ 2,085</u>	<u>\$ 2,085</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CORONARY CARE
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ -	\$ -	\$ 100	\$ 100
Total revenues	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>
Net change in fund balance	-	-	100	100
Fund balances at beginning of year	<u>2,367</u>	<u>2,367</u>	<u>2,367</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,367</u>	<u>\$ 2,367</u>	<u>\$ 2,467</u>	<u>\$ 100</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH DARE TRUST
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	\$ 3,898	\$ 3,898	\$ 3,898	\$ -
Fund balance at end of year	<u>\$ 3,898</u>	<u>\$ 3,898</u>	<u>\$ 3,898</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
K-9 TRUST
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	\$ 975	\$ 975	\$ 975	\$ -
Fund balance at end of year	<u>\$ 975</u>	<u>\$ 975</u>	<u>\$ 975</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TOURNAMENT TRUST
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 6,000	\$ 6,000	\$ -	\$ (6,000)
Other	2,000	2,000	-	(2,000)
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>(8,000)</u>
Expenditures:				
Current:				
Leisure time activity				
Parks & recreation				
Materials & supplies	6,000	6,000	-	6,000
Other	2,000	2,000	50	1,950
Total leisure time activity	<u>8,000</u>	<u>8,000</u>	<u>50</u>	<u>7,950</u>
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>50</u>	<u>7,950</u>
Net change in fund balance	-	-	(50)	(50)
Fund balances at beginning of year	<u>50</u>	<u>50</u>	<u>50</u>	<u>-</u>
Fund balance at end of year	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ (50)</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH SWIM TRUST
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balances at beginning of year	\$ 550	\$ 550	\$ 550	\$ -
Fund balance at end of year	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
C. RAY BUCK SPORTS PARK
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ -	\$ -	\$ 100	\$ 100
Total revenues	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>
Expenditures:				
Current:				
Leisure time activity				
Parks & Recreation				
Materials & supplies	8,000	8,000	6,432	1,568
Total leisure time activity	<u>8,000</u>	<u>8,000</u>	<u>6,432</u>	<u>1,568</u>
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>6,432</u>	<u>1,568</u>
Net change in fund balance	(8,000)	(8,000)	(6,332)	1,668
Fund balances at beginning of year	<u>51,975</u>	<u>51,975</u>	<u>51,975</u>	<u>-</u>
Fund balance at end of year	<u>\$ 43,975</u>	<u>\$ 43,975</u>	<u>\$ 45,643</u>	<u>\$ 1,668</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GREENSPACE PARKLAND TRUST
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Leisure time activity				
Parks & Recreation				
Materials & supplies	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Total leisure time activity	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total expenditures	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Net change in fund balance	(1,000)	(1,000)	-	1,000
Fund balances at beginning of year	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PIERCE FIELD PARK TRUST
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ -	\$ -	\$ 34,430	\$ 34,430
Total revenues	-	-	34,430	34,430
Expenditures:				
Current:				
Leisure time activity				
Parks & recreation				
Contractual services	50,000	50,000	41,204	8,796
Total leisure time activity	50,000	50,000	41,204	8,796
Total expenditures	50,000	50,000	41,204	8,796
Excess of revenues over/(under) expenditures	(50,000)	(50,000)	(6,774)	43,226
Other financing sources:				
Sale of capital assets	-	-	5,260	5,260
Total other financing sources	-	-	5,260	5,260
Net change in fund balance	(50,000)	(50,000)	(1,514)	48,486
Fund balances at beginning of year	139,028	139,028	139,028	-
Fund balance at end of year	<u>\$ 89,028</u>	<u>\$ 89,028</u>	<u>\$ 137,514</u>	<u>\$ 48,486</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2006

	Library Bond Retirement	Street Light Debt Service	Total Nonmajor Debt Service Funds
Assets:			
Equity in pooled cash and cash equivalents	\$ -	\$ 1	\$ 1
Receivables (net of allowances for uncollectibles):			
Capital lease	205,000	-	205,000
Total assets	\$ 205,000	\$ 1	\$ 205,001
 Liabilities:			
Unearned revenue	\$ 205,000	\$ -	\$ 205,000
Total liabilities	205,000	-	205,000
 Fund balances:			
Unreserved, undesignated, reported in:			
Capital projects funds	-	1	1
Total fund balances	-	1	1
Total liabilities & fund balances	\$ 205,000	\$ 1	\$ 205,001

CITY OF GRANDVIEW HEIGHTS, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Library Bond Retirement</u>	<u>Street Light Debt Service</u>	<u>Total Nonmajor Debt Service Funds</u>
Revenues:			
Capital lease revenue	\$ 215,605		\$ 215,605
Total revenues	<u>215,605</u>	<u>-</u>	<u>215,605</u>
Expenditures:			
Debt service:			
Principal retirement	195,000	220,000	415,000
Interest and fiscal charges	20,605	6,933	27,538
Total expenditures	<u>215,605</u>	<u>226,933</u>	<u>442,538</u>
Excess of revenues over/(under) expenditures	<u>-</u>	<u>(226,933)</u>	<u>(226,933)</u>
Other financing sources:			
Transfers in	-	215,911	215,911
Total other financing sources	<u>-</u>	<u>215,911</u>	<u>215,911</u>
Net change in fund balance	-	(11,022)	(11,022)
Fund balances at beginning of year	<u>-</u>	<u>11,023</u>	<u>11,023</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET LIGHT DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Debt service:				
Principal retirement	\$ 220,054	\$ 220,054	\$ 220,000	\$ 54
Interest and fiscal charges	6,946	6,946	6,933	13
Total expenditures	<u>227,000</u>	<u>227,000</u>	<u>226,933</u>	<u>67</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>(227,000)</u>	<u>(227,000)</u>	<u>(226,933)</u>	<u>67</u>
Other financing sources:				
Transfers in	223,767	223,767	215,911	(7,856)
Total other financing sources	<u>223,767</u>	<u>223,767</u>	<u>215,911</u>	<u>(7,856)</u>
Net change in fund balance	(3,233)	(3,233)	(11,022)	(7,789)
Fund balances at beginning of year	<u>11,023</u>	<u>11,023</u>	<u>11,023</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 7,790</u></u>	<u><u>\$ 7,790</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ (7,789)</u></u>

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2006

	<u>General Improvement</u>	<u>Sewer Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 211,845	\$ 234,286	\$ 446,131
Receivables (net of allowances for uncollectibles):			
Accounts	15,601	3,795	19,396
Total assets	<u>\$ 227,446</u>	<u>\$ 238,081</u>	<u>\$ 465,527</u>
 Liabilities:			
Accounts payable	\$ 11,458	\$ -	\$ 11,458
Unearned revenue	4,362	-	4,362
Total liabilities	<u>15,820</u>	<u>-</u>	<u>15,820</u>
 Fund balances:			
Reserved for encumbrances	155,181	40,256	195,437
Unreserved, undesignated, reported in:			
Capital projects funds	56,445	197,825	254,270
Total fund balances	<u>211,626</u>	<u>238,081</u>	<u>449,707</u>
Total liabilities & fund balances	<u>\$ 227,446</u>	<u>\$ 238,081</u>	<u>\$ 465,527</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	General Improvement	Sewer Improvement	Total Nonmajor Capital Projects Funds
Revenues:			
Charges for services	\$ 63,097	\$ 161,126	\$ 224,223
Intergovernmental	22,548	-	22,548
Other	5,000	-	5,000
Total revenues	<u>90,645</u>	<u>161,126</u>	<u>251,771</u>
Expenditures:			
Capital outlay	207,403	654,787	862,190
Debt service:			
Principal retirement	-	13,885	13,885
Interest and fiscal charges	-	7,657	7,657
Total expenditures	<u>207,403</u>	<u>676,329</u>	<u>883,732</u>
Excess of revenues over/(under) expenditures	<u>(116,758)</u>	<u>(515,203)</u>	<u>(631,961)</u>
Other financing sources:			
Premium on sale of notes	-	647,551	647,551
Transfers in	100,000	-	100,000
Total other financing sources	<u>100,000</u>	<u>647,551</u>	<u>747,551</u>
Net change in fund balance	(16,758)	132,348	115,590
Fund balances at beginning of year	<u>228,384</u>	<u>105,733</u>	<u>334,117</u>
Fund balance at end of year	<u>\$ 211,626</u>	<u>\$ 238,081</u>	<u>\$ 449,707</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 65,239	\$ 65,239	\$ 65,794	\$ 555
Other	4,234	4,234	5,000	766
Total revenues	<u>69,473</u>	<u>69,473</u>	<u>70,794</u>	<u>1,321</u>
Expenditures:				
Current:				
General government				
General government				
Capital outlay	85,000	85,000	70,744	14,256
Total general government	<u>85,000</u>	<u>85,000</u>	<u>70,744</u>	<u>14,256</u>
Transportation				
Streets and highways				
Contractual services	10,000	10,000	20,000	(10,000)
Materials and supplies	35,000	35,000	34,139	861
Capital outlay	188,750	242,916	241,898	1,018
Total transportation	<u>233,750</u>	<u>287,916</u>	<u>296,037</u>	<u>(8,121)</u>
Total expenditures	<u>318,750</u>	<u>372,916</u>	<u>366,781</u>	<u>6,135</u>
Excess of revenues over/(under) expenditures	<u>(249,277)</u>	<u>(303,443)</u>	<u>(295,987)</u>	<u>7,456</u>
Other financing sources:				
Transfer in	84,683	84,683	100,000	15,317
Other financing sources	19,094	19,094	22,548	3,454
Total other financing sources	<u>103,777</u>	<u>103,777</u>	<u>122,548</u>	<u>18,771</u>
Net change in fund balance	(145,500)	(199,666)	(173,439)	26,227
Fund balances at beginning of year	190,978	190,978	190,978	-
Prior year encumbrances appropriated	27,666	27,666	27,666	-
Fund balance at end of year	<u>\$ 73,144</u>	<u>\$ 18,978</u>	<u>\$ 45,205</u>	<u>\$ 26,227</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 679,934	\$ 679,934	\$ 647,551	\$ (32,383)
Charges for services	163,466	163,466	157,331	(6,135)
Total revenues	<u>843,400</u>	<u>843,400</u>	<u>804,882</u>	<u>(38,518)</u>
Expenditures:				
Current:				
Transportation				
Capital outlay	857,652	860,485	702,128	158,357
Total transportation	<u>857,652</u>	<u>860,485</u>	<u>702,128</u>	<u>158,357</u>
Debt service:				
Principal retirement	16,513	13,885	13,885	-
Interest and fiscal charges	7,862	7,657	7,657	-
Total debt service	<u>24,375</u>	<u>21,542</u>	<u>21,542</u>	<u>-</u>
Total expenditures	<u>882,027</u>	<u>882,027</u>	<u>723,670</u>	<u>158,357</u>
Net change in fund balance	(38,627)	(38,627)	81,212	119,839
Fund balances at beginning of year	49,850	49,850	49,850	-
Prior year encumbrances appropriated	62,968	62,968	62,968	-
Fund balance at end of year	<u>\$ 74,191</u>	<u>\$ 74,191</u>	<u>\$ 194,030</u>	<u>\$ 119,839</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTION - AGENCY FUND**

Agency Fund

Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Mayor's Court

To account for monies collected and to be distributed by the Mayor's Court.

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2006

	Beginning Balance 12/31/2005	Additions	Reductions	Ending Balance 12/31/2006
Assets:				
Equity in pooled cash and cash equivalents	\$ 2,817	\$ 20,697	\$ (12,014)	\$ 11,500
Receivables (net of allowance for uncollectibles):				
Accounts	9,197	19,202	(9,197)	19,202
Total assets	<u>\$ 12,014</u>	<u>\$ 39,899</u>	<u>\$ (21,211)</u>	<u>\$ 30,702</u>
Liabilities:				
Due to other governments	\$ 12,014	\$ 30,702	\$ (12,014)	\$ 30,702
Total liabilities	<u>\$ 12,014</u>	<u>\$ 30,702</u>	<u>\$ (12,014)</u>	<u>\$ 30,702</u>



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The CITY of
GRANDVIEW HEIGHTS

STATISTICAL SECTION



The CITY of
GRANDVIEW HEIGHTS

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The statistical section of the City of Grandview Heights’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.

Contents	Page
Financial Trends	116-121
<i>These schedules contain trend information to help the reader understand how the City of Grandview Heights’s financial performance and well-being have changed over time .</i>	
Revenue Capacity	122-127
<i>These schedules contain information to help the reader assess the city’s most significant local revenue source, the income tax</i>	
Debt Capacity	128-131
<i>These schedules contain 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..</i>	
Demographic and Economic Information	132-133
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city’s financial activities take place .</i>	
Operating Information	134-139
<i>These schedules contain service and infrastructure 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.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF GRANDVIEW HEIGHTS, OHIO

NET ASSETS BY COMPONENT
LAST THREE YEARS (a)
(accrual basis of accounting)

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental activities			
Invested in capital assets, net of related debt	\$ 3,532,321	\$ 3,058,195	\$ 2,968,591
Restricted	1,585,464	1,366,202	1,129,550
Unrestricted	1,726,118	574,967	793,489
Total governmental activities net assets	<u>\$ 6,843,903</u>	<u>\$ 4,999,364</u>	<u>\$ 4,891,630</u>

(a) The year ended December 31, 2004 was the first year of implementation of GASB Statement No. 34

CITY OF GRANDVIEW HEIGHTS, OHIO

CHANGES IN NET ASSETS
LAST THREE YEARS (a)
(accrual basis of accounting)

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Program Revenues:			
Governmental Activities			
Charges for Services:			
General Government	\$ 172,519	\$ 165,083	\$ 145,008
Security of Persons & Property	551,316	546,146	313,295
Public Health Services	124,633	120,857	115,103
Transportation	115,292	131,657	90,834
Leisure Time Activities	227,938	251,661	227,898
Operating Grants & Contributions	563,107	457,437	484,031
Capital Grants & Contributions	<u>22,548</u>	<u>24,276</u>	<u>-</u>
Total Governmental Activities Program Revenues	<u>\$ 1,777,353</u>	<u>\$ 1,697,117</u>	<u>\$ 1,376,169</u>
Expenses:			
Governmental Activities			
General Government	\$ 1,707,802	\$ 1,530,412	\$ 1,373,306
Security of Persons & Property	4,339,500	4,060,294	3,999,902
Public Health Services	33,557	31,868	31,199
Transportation	1,165,134	1,304,154	1,176,973
Community environment	15,903	-	-
Leisure Time Activities	735,040	888,488	704,961
Basic Utility Services	111,066	65,674	112,592
Interest & Fiscal Charges	<u>38,760</u>	<u>48,174</u>	<u>55,069</u>
Total Governmental Activities Expenses	<u>8,146,762</u>	<u>7,929,064</u>	<u>7,454,002</u>
Total Primary Government Net (Expense)/Revenue	<u>\$ (6,369,409)</u>	<u>\$ (6,231,947)</u>	<u>\$ (6,077,833)</u>
General Revenues and Other Changes in Net Assets			
Governmental Activities			
Taxes:			
Property & Other Local Taxes Levied For:			
General Purposes	\$ 1,566,802	\$ 1,439,355	\$ 1,480,632
Police and fire pensions	129,868	106,158	107,808
Municipal Income Taxes Levied For:			
General Purposes	5,147,926	3,447,179	2,818,456
Grants and Entitlements not Restricted to Specific Programs	1,002,555	959,886	1,241,372
Investment Earnings	99,301	50,104	70,840
Lease	215,605	214,855	213,430
Miscellaneous	51,891	76,355	139,629
Special item	<u>-</u>	<u>45,789</u>	<u>-</u>
Total Governmental Activities	<u>8,213,948</u>	<u>6,339,681</u>	<u>6,072,167</u>
Total Primary Government Change in Net Assets	<u>\$ 1,844,539</u>	<u>\$ 107,734</u>	<u>\$ (5,666)</u>

(a) The year ended December 31, 2004 was the first year of implementation of GASB Statement No. 34

CITY OF GRANDVIEW HEIGHTS, OHIO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Fund					
Reserved	\$ 253,194	\$ 98,091	\$ 280,941	\$ 1,629,691	\$ 316,783
Unreserved	<u>1,356,521</u>	<u>730,789</u>	<u>1,048,555</u>	<u>231,168</u>	<u>1,782,461</u>
Total General Fund	<u>\$ 1,609,715</u>	<u>\$ 828,880</u>	<u>\$ 1,329,496</u>	<u>\$ 1,860,859</u>	<u>\$ 2,099,244</u>
All Other Governmental Funds					
Reserved	\$ 270,657	\$ 99,732	\$ 62,525	\$ 274,914	\$ 820,299
Undesignated (deficit), Reported in:					
Special Revenue funds	927,655	880,499	699,427	588,191	450,610
Debt Service funds	1	11,023	-	2,278	-
Capital Project funds	<u>254,270</u>	<u>254,764</u>	<u>210,343</u>	<u>216,592</u>	<u>265,074</u>
Total All Other Governmental Funds	<u>1,452,583</u>	<u>1,246,018</u>	<u>972,295</u>	<u>1,081,975</u>	<u>1,535,983</u>
Total Governmental funds	<u>\$ 3,062,298</u>	<u>\$ 2,074,898</u>	<u>\$ 2,301,791</u>	<u>\$ 2,942,834</u>	<u>\$ 3,635,227</u>

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$ 3,091,378	\$ 154,164	\$ 75,847	\$ 71,903	\$ 39,094
<u>193,283</u>	<u>2,630,256</u>	<u>2,018,330</u>	<u>1,036,448</u>	<u>1,067,061</u>
<u>\$ 3,284,661</u>	<u>\$ 2,784,420</u>	<u>\$ 2,094,177</u>	<u>\$ 1,108,351</u>	<u>\$ 1,106,155</u>
\$ 476,960	\$ 39,890	\$ 325,949	\$ 1,016,593	\$ 790,823
389,964	472,708	273,020	219,298	378,845
-	-	998	11,998	11,998
<u>(23,002)</u>	<u>408,846</u>	<u>126,167</u>	<u>(254,301)</u>	<u>(285,083)</u>
<u>843,922</u>	<u>921,444</u>	<u>726,134</u>	<u>993,588</u>	<u>896,583</u>
<u>\$ 4,128,583</u>	<u>\$ 3,705,864</u>	<u>\$ 2,820,311</u>	<u>\$ 2,101,939</u>	<u>\$ 2,002,738</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Revenues:					
Municipal income tax	\$ 4,787,451	\$ 3,334,135	\$ 2,809,215	\$ 3,354,944	\$ 3,538,669
Property and other taxes	1,735,924	1,571,355	1,611,839	1,499,012	1,494,919
Charges for services	1,010,117	1,057,546	781,606	644,704	613,060
Licenses, permits & fees	88,852	76,063	51,062	34,014	26,286
Fines and forfeitures	123,080	121,418	100,720	73,355	78,505
Intergovernmental	1,561,177	1,459,706	1,633,145	1,568,948	1,430,951
Investment Income	99,301	50,104	70,840	100,608	169,898
Capital lease revenue	215,605	-	-	-	-
Miscellaneous	61,682	281,406	280,352	344,693	370,486
Total revenues	<u>9,683,189</u>	<u>7,951,733</u>	<u>7,338,779</u>	<u>7,620,278</u>	<u>7,722,774</u>
Expenses:					
Current:					
General government	1,671,651	1,508,045	1,340,210	1,271,972	1,214,082
Security of persons and property	4,054,938	3,870,414	3,875,942	3,948,678	3,703,386
Public health and welfare	33,207	31,868	31,199	31,199	36,835
Transportation	1,059,646	1,209,774	1,124,026	1,136,907	1,090,844
Community environment	15,736	-	-	-	-
Leisure time activities	659,262	842,853	635,219	677,800	90,224
Utility services	111,066	65,674	112,592	116,326	676,543
Other	-	-	-	-	87,770
Capital outlay	1,280,738	303,060	434,443	758,220	1,152,338
Debt service	520,099	629,348	721,742	834,050	288,529
Total expenditures	<u>9,406,343</u>	<u>8,461,036</u>	<u>8,275,373</u>	<u>8,775,152</u>	<u>8,340,551</u>
Excess of revenues over (under) expenditures	<u>276,846</u>	<u>(509,303)</u>	<u>(936,594)</u>	<u>(1,154,874)</u>	<u>(617,777)</u>
Other Financing Sources (Uses):					
Sale of capital assets	12,813	4,308	-	9,931	-
Loan issuance	-	-	-	18,557	113,853
Note issuance	647,551	220,000	-	440,000	-
Bond issuance	-	10,762	335,000	-	-
Capital lease transaction	50,190	-	41,576	-	10,568
Other sources uses	-	-	-	-	-
Transfers in	361,121	204,100	152,480	87,140	1,562,459
Transfers out	(361,121)	(204,100)	(152,480)	(87,140)	(1,562,459)
Total Other Financing Sources (Uses)	<u>710,554</u>	<u>235,070</u>	<u>376,576</u>	<u>468,488</u>	<u>124,421</u>
Special item:					
Sale of land	-	47,340	-	-	-
Net change in fund balances	<u>\$ 987,400</u>	<u>\$ (226,893)</u>	<u>\$ (560,018)</u>	<u>\$ (686,386)</u>	<u>\$ (493,356)</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	6.4%	7.7%	9.2%	10.4%	4.0%

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$	3,639,651	\$ 3,876,770	\$ 3,669,203	\$ 3,382,604	\$ 3,143,497
	1,575,105	1,564,338	1,521,419	1,167,732	1,129,271
	582,089	656,663	605,570	564,115	566,559
	25,049	19,295	25,710	23,597	52,706
	91,357	82,884	108,737	122,632	133,333
	1,780,780	1,680,582	1,559,541	1,225,175	1,516,138
	155,575	155,632	135,544	125,868	147,002
	-	-	-	-	-
	<u>468,086</u>	<u>348,458</u>	<u>427,215</u>	<u>355,754</u>	<u>306,252</u>
	<u>8,317,692</u>	<u>8,384,622</u>	<u>8,052,939</u>	<u>6,967,477</u>	<u>6,994,758</u>
	1,212,730	930,998	1,174,667	1,040,971	1,089,408
	3,535,848	3,293,286	3,150,976	3,056,145	2,814,671
	32,606	44,904	43,976	41,313	39,655
	963,325	970,109	881,713	741,787	815,833
	-	-	-	-	-
	654,722	597,333	641,814	607,943	586,493
	95,769	74,907	449,302	417,615	438,908
	1,591	272,218	-	-	-
	1,457,930	1,253,765	897,742	613,939	1,450,325
	<u>381,226</u>	<u>423,165</u>	<u>352,723</u>	<u>357,712</u>	<u>355,806</u>
	<u>8,335,747</u>	<u>7,860,685</u>	<u>7,592,913</u>	<u>6,877,425</u>	<u>7,591,099</u>
	<u>(18,055)</u>	<u>523,937</u>	<u>460,026</u>	<u>90,052</u>	<u>(596,341)</u>
	6,209	7,728	125	9,149	-
	306,833	-	258,221	-	-
	-	353,888	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	731,457	858,726	530,253	1,099,598	1,358,256
	<u>(731,457)</u>	<u>(858,726)</u>	<u>(530,253)</u>	<u>(1,099,598)</u>	<u>(1,358,256)</u>
	<u>313,042</u>	<u>361,616</u>	<u>258,346</u>	<u>9,149</u>	<u>-</u>
	-	-	-	-	-
\$	<u>294,988</u>	<u>885,553</u>	<u>718,372</u>	<u>99,201</u>	<u>(596,341)</u>
	5.5%	6.4%	5.3%	5.7%	5.8%

CITY OF GRANDVIEW HEIGHTS, OHIO

ASSESSED VALUATION AND ESTIMATED TRUE VALUES OF TAXABLE PROPERTY
LAST TEN YEARS
(\$000's omitted)

Tax Year	Collection Year	Real Property		Personal Property		Public Utility		TOTAL	
		Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual
1996	1997	\$123,338	\$352,395	\$21,031	\$84,125	\$11,932	\$34,090	\$156,301	\$470,610
1997	1998	124,541	355,831	21,667	86,667	13,039	37,253	159,246	479,750
1998	1999	124,610	356,029	19,719	78,877	12,882	36,806	157,212	471,712
1999	2000	144,272	412,206	21,777	87,106	13,018	37,195	179,067	536,507
2000	2001	144,496	412,847	19,217	76,867	13,210	37,744	176,924	527,458
2001	2002	144,963	414,181	18,280	73,119	7,388	21,110	170,631	508,409
2002	2003	173,674	496,212	18,156	75,650	6,949	19,854	198,779	591,716
2003	2004	174,156	497,588	15,183	66,012	6,805	19,442	196,143	583,042
2004	2005	174,818	499,481	13,188	57,340	6,704	19,155	194,711	575,976
2005	2006	173,800	496,571	4,129	17,952	6,644	18,983	184,573	533,506

Source: County Auditor - Franklin County, Ohio

CITY OF GRANDVIEW HEIGHTS, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
RATES EXPRESSED PER \$1,000 OF ASSESSED VALUATION
LAST TEN YEARS

Tax Year	Collection Year	City of Grandview Heights	Franklin County	Grandview Heights City School District	Grandview Heights Public Library	TOTAL	Res/Agr Effective Rate	Com/Ind Effective Rate
1996	1997	\$9.30	\$15.12	\$75.55	\$4.70	\$104.67	\$65.1810	\$81.9324
1997	1998	9.30	15.22	75.53	4.70	104.75	58.1863	79.8766
1998	1999	10.70	17.54	82.32	4.70	115.26	58.3470	79.8745
1999	2000	10.70	17.64	81.82	4.70	114.86	70.9715	91.2948
2000	2001	10.70	17.64	81.97	4.70	115.01	63.3449	87.8017
2001	2002	10.70	17.64	82.17	4.70	115.21	63.4357	87.6917
2002	2003	10.70	17.64	92.12	4.70	125.16	63.4904	87.7132
2003	2004	10.70	17.64	92.33	4.70	125.37	65.1613	90.1249
2004	2005	10.70	18.44	92.45	4.70	126.29	66.4980	92.2907
2005	2006	10.70	18.44	101.28	4.70	135.12	63.7188	92.3448

Source: County Auditor - Franklin County, Ohio

CITY OF GRANDVIEW HEIGHTS
TOP PRINCIPAL PROPERTY TAXPAYERS
December 31, 2006

Rank	Taxpayer Name	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>			
1.	Columbus Southern Power	\$4,472,120	2.00%
2.	Columbia Gas of Ohio Inc	1,686,420	0.75%
<u>Real Estate</u>			
1.	NRI Equity Land	5,530,610	2.47%
2.	Columbia Gas of Ohio Inc.	1,352,660	0.60%
3.	Woodhill Garden	981,930	0.44%
4.	Court Realty Ltd	957,250	0.43%
5.	Popajack LLC	900,320	0.40%
6.	Tarbill Family LP	875,010	0.39%
7.	Jamestown Apartments Corp	875,000	0.39%
8.	5700 Greenpointe LLC	858,540	0.38%
9.	William E Benua TR	760,950	0.34%
10.	Big Valley LTD LLC	647,500	0.29%
<u>Tangible Personal Property</u>			
1.	Loeb Electric Company	1,027,244	0.46%
2.	Capital Wholesale Drug Company	275,437	0.12%
3.	Floyd Bell Associates Inc.	228,684	0.10%
4.	Bearing Distributors Inc.	199,807	0.09%
5.	Carro Printing Company	199,198	0.09%
6.	C.W. Demary Service Inc.	128,908	0.06%
7.	Columbus Builders Supply Inc.	118,443	0.05%
8.	Columbus Prescription Pharmacies	118,000	0.05%
9.	General Electric Company	117,679	0.05%
10.	Time Warner Entertainment Inc.	111,388	0.05%
	ALL OTHERS	<u>201,614,706</u>	<u>89.99%</u>
	TOTAL ASSESSED VALUATION	<u><u>\$224,037,804</u></u>	<u><u>100.00%</u></u>

CITY OF GRANDVIEW HEIGHTS, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Tax Year	Collection Year	Total Tax Levy	Current Collection	Delinquent Collection	Total Tax Collections	Accumulated Outstanding Delinquent Taxes	Percent of Total Collections to Tax Levy	Percent of Delinquent Taxes to Total Tax Levy
1996	1997	\$ 1,247,885	\$ 1,217,036	\$ 30,150	\$ 1,247,186	\$ 34,832	99.94%	2.79%
1997	1998	1,247,759	1,258,715	32,010	1,290,725	31,741	103.44%	2.54%
1998	1999	1,704,292	1,672,787	20,421	1,693,208	54,369	99.35%	3.19%
1999	2000	1,722,467	1,691,061	36,069	1,727,130	58,007	100.27%	3.37%
2000	2001	1,717,429	1,691,082	48,302	1,739,384	52,620	101.28%	3.06%
2001	2002	1,661,761	1,624,621	41,005	1,665,626	52,009	100.23%	3.13%
2002	2003	1,704,160	1,568,725	28,213	1,596,938	171,171	93.71%	10.04%
2003	2004	1,685,540	1,583,743	124,511	1,708,255	147,774	101.35%	8.77%
2004	2005	1,628,655	1,561,778	102,766	1,664,543	122,048	102.20%	7.49%
2005	2006	1,717,404	1,657,596	100,654	1,758,250	80,615	102.38%	4.69%
Ten Year Average		\$1,603,735	\$1,552,714	\$56,410	\$1,609,124	\$80,519	100.34%	5.02%

Source: County Auditor - Franklin County, Ohio

CITY OF GRANDVIEW HEIGHTS, OHIO

INCOME TAX COLLECTIONS

LAST TEN YEARS

(Cash Basis)

Tax Year	Tax Rate	Withholding Tax	Individual Tax	Business Income Tax	Inter-City Transfers	Total Tax Collections	Total General Fund Revenues	Total Income Taxes as a % of Total General Fund Revenues
1997	2.0%	\$ 2,683,122	\$ 199,612	\$ 224,516	\$ 60,929	\$ 3,168,179	\$ 5,956,957	53.18%
1998	2.0%	2,638,068	261,009	307,465	83,619	3,290,161	6,167,854	53.34%
1999	2.0%	2,794,062	492,957	370,754	33,084	3,690,857	6,925,392	53.29%
2000	2.0%	3,016,094	263,464	524,210	1,207	3,804,975	7,185,603	52.95%
2001	2.0%	2,848,347	311,404	522,647	11,724	3,694,122	7,392,863	49.97%
2002	2.0%	2,754,701	314,365	336,957	(55)	3,405,968	7,052,685	48.29%
2003	2.0%	2,679,253	401,388	391,960	100	3,472,701	6,914,095	50.23%
2004	2.0%	2,217,335	374,771	306,626	-	2,898,732	6,581,916	44.04%
2005	2.5%*	2,301,243	507,106	359,984	-	3,168,333	6,688,374	47.37%
2006	2.5%*	2,919,962	1,101,634	631,762	-	4,653,358	8,364,610	55.63%
Ten Year Average		\$ 2,685,219	\$ 422,771	\$ 397,688	\$ 19,061	\$ 3,524,739	\$ 6,923,035	50.91%

*Note: Tax rate was increased to 2.5% of taxable income effective July 1, 2005.

Source: Regional Income Tax Agency & City financial reports

CITY OF GRANDVIEW HEIGHTS, OHIO
INCOME TAX COLLECTIONS
CURRENT YEAR AND NINE YEARS AGO
(Cash Basis)

	<u>Fiscal Year 2006</u>		<u>Fiscal Year 1997</u>	
Withholding Tax	\$ 2,919,962	62.75%	\$ 2,683,122	84.69%
Individual Tax	1,101,634	23.67%	199,612	6.30%
Business Income Tax	631,762	13.58%	224,516	7.09%
Inter-City Transfers	<u>-</u>	<u>0.00%</u>	<u>60,929</u>	<u>1.92%</u>
Total Income Tax Collections	\$ 4,653,358	100.00%	\$ 3,168,179	100.00%

CITY OF GRANDVIEW HEIGHTS, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Mortgage Revenue Bonds	General Obligation Bonds	General Obligation Notes	OPWC Loans	Total Debt	Percent of Per Capita Income	Total Debt Per Capita
2006	\$ 205,000	\$ -	\$ -	\$ 1,460,966	\$ 1,665,966	6059.16%	\$263.14
2005	400,000	-	220,000	889,078	1,509,078	5488.56%	238.36
2004	585,000	-	335,000	914,095	1,834,095	6670.65%	289.70
2003	760,000	-	440,000	963,836	2,163,836	7869.93%	336.26
2002	930,000	535,000	-	979,515	2,444,515	8890.76%	374.98
2001	1,090,000	535,000	-	892,483	2,517,483	9156.15%	380.46
2000	1,245,000	620,000	-	612,109	2,477,109	9009.31%	369.99
1999	1,395,000	695,000	-	258,221	2,348,221	9004.61%	334.98
1998	1,535,000	770,000	-	-	2,305,000	8838.87%	328.82
1997	1,670,000	845,000	-	-	2,515,000	9644.14%	358.77

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF GRANDVIEW HEIGHTS, OHIO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Fiscal Year	General Bonded Debt Outstanding				Percent of Actual Taxable Property Value	Per Capita
	Mortgage Revenue Bonds	General Obligation Bonds	General Obligation Notes	Total		
2006	\$ 205,000	\$ -	\$ -	\$ 205,000	111.07%	\$178.42
2005	400,000	-	220,000	620,000	318.42%	536.80
2004	585,000	-	335,000	920,000	469.04%	782.31
2003	760,000	-	440,000	1,200,000	603.69%	1,036.27
2002	930,000	535,000	-	1,465,000	858.58%	1,216.78
2001	1,090,000	535,000	-	1,625,000	918.48%	1,334.15
2000	1,245,000	620,000	-	1,865,000	1041.51%	1,476.64
1999	1,395,000	695,000	-	2,090,000	1329.42%	1,626.46
1998	1,535,000	770,000	-	2,305,000	1447.45%	1,784.06
1997	1,670,000	845,000	-	2,515,000	1609.07%	1,888.14

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF GRANDVIEW HEIGHTS

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT

As of December 31, 2006

(\$000's omitted)

Governmental Unit	Assessed Valuation	Gross General Obligation	Percent Applicable to District	Amount Applicable to District
Direct:				
City of Grandview Heights	\$224,037.8	\$220.0	100.00%	\$220.0
Overlapping:				
Franklin County	28,303,349.2	146,566.0	0.79%	1,160.2
Grandview Heights City School District	264,599.2	175.0	84.67%	148.2
		146,741.0		1,308.3
		<u>\$146,961.0</u>		<u>\$1,528.3</u>

Source: Ohio Municipal Advisory Council

CITY OF GRANDVIEW HEIGHTS, OHIO

LEGAL DEBT MARGIN INFORMATION

LAST TEN YEARS

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Debt Service Available Balance	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2006	\$ 19,380,165	\$ -	\$ 1	\$ 19,380,166	0.00%
2005	20,444,648	220,000	11,023	20,235,671	1.08%
2004	20,595,048	335,000	3,234	20,263,282	1.63%
2003	20,871,799	440,000	2,278	20,434,077	2.11%
2002	17,916,279	535,000	-	17,381,279	2.99%
2001	18,576,972	535,000	-	18,041,972	2.88%
2000	18,802,026	620,000	-	18,182,026	3.30%
1999	16,507,221	695,000	998	15,813,219	4.21%
1998	16,720,825	770,000	11,998	15,962,823	4.61%
1997	16,411,609	845,000	11,998	15,578,607	5.15%

Note: Debt limit is calculated as assessed valuation multiplied by 10.5%.

CITY OF GRANDVIEW HEIGHTS, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
FISCAL YEARS 1997-2006

Fiscal Year	Population	Per Capita Income	Median Age	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2006	6,331 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,149	4.7%
2005	6,331 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,155	4.8%
2004	6,331 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,176	4.3%
2003	6,435 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,158	4.9%
2002	6,519 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,204	4.4%
2001	6,617 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,218	2.7%
2000	6,695 ⁽²⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,263	2.7%
1999	7,010 ⁽³⁾	\$26,078 ⁽³⁾	33.5 ⁽³⁾	1,285	2.5%
1998	7,010 ⁽³⁾	\$26,078 ⁽³⁾	33.5 ⁽³⁾	1,292	2.5%
1997	7,010 ⁽³⁾	\$26,078 ⁽³⁾	33.5 ⁽³⁾	1,332	2.7%

OTHER MISCELLANEOUS INFORMATION ⁽⁶⁾

Date of Incorporation 1906
Form of Government Mayor/Council
Population (as of 7/1/2004) 6,331

Area in square miles 1.24

City Acreage by class:

Single family	507	62.6%
Multi-family	131	16.2%
Retail	17	2.1%
Industrial	155	19.1%

Facilities & Services

Miles of streets	20.37
Number of street lights	583
Number of traffic lights	10

Sources:

- (1) US Census 2004 population estimates
- (2) Federal 2000 decennial census
- (3) Federal 1990 decennial census
- (4) Grandview Heights City Schools
- (5) Ohio Job & Family Services, Labor Market Information department. Rates are for Franklin County.
- (6) City departments

CITY OF GRANDVIEW HEIGHTS, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2006		
	Payroll Tax Withholding	Rank	Percent of Total Withholding
Bravo Development, Inc.	\$ 359,216	1	12.30%
Grandview Heights Board of Ed.	223,003	2	7.64%
Loeb Electric Company	197,119	3	6.75%
The W. W. Williams Company	121,812	4	4.17%
Columbia Gas of Ohio	99,083	5	3.39%
City of Grandview Heights	97,270	6	3.33%
Fine Line Graphics Corp.	67,322	7	2.31%
Limbach Company, LLC	59,360	8	2.03%
Sequent, Inc.	57,425	9	1.97%
Columbus Prescription Pharmacies	50,780	10	1.74%
Total of top ten	<u>\$ 1,332,390</u>		<u>45.63%</u>
Total withholdings - all employers	<u>\$ 2,919,962</u>		

	1997		
	Payroll Tax Withholding	Rank	Percent of Total Withholding
Penn Traffic Company	\$ 521,660	1	19.44%
Columbia Gas of Ohio	224,849	2	8.38%
Fine Line Graphics Corp	91,069	3	3.39%
Thomas W. Ruff & Co	86,475	4	3.22%
City of Grandview Heights	68,462	5	2.55%
Ohio Periodical-Columbus Division	43,213	6	1.61%
Floyd Bell Associates Inc.	32,914	7	1.23%
Installed Building Products	25,214	8	0.94%
Gourmet Corp DBA Gourment Mark	17,991	9	0.67%
General Electric	17,980	10	0.67%
Total of top ten	<u>\$ 1,129,827</u>		<u>42.11%</u>
Total withholdings - all employers	<u>\$ 2,683,122</u>		

Source: Regional Income Tax Agency (RITA) records.

CITY OF GRANDVIEW HEIGHTS, OHIO
FULL TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

<u>Function/Program</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General government	9.200	8.653	9.007	10.375	10.593
Administration	2.900	3.823	3.990	5.424	5.709
Finance	3.000	2.996	3.017	2.952	2.884
Legal department	0.800	0.827	1.000	1.000	1.000
Building & zoning	2.500	1.007	1.000	0.999	1.000
Security of persons & property	39.800	40.909	44.557	47.282	47.372
Fire/EMS	17.000	16.694	18.886	19.678	19.318
Police	18.000	19.468	20.898	22.950	23.111
Communications	4.800	4.747	4.773	4.654	4.943
Service	5.800	6.208	6.163	6.642	7.074
Sanitation	7.000	6.271	7.328	7.248	7.278
Parks & recreation	12.200	12.159	11.524	12.169	12.755
Total full-time equivalent (FTE)	<u>74.000</u>	<u>74.200</u>	<u>78.579</u>	<u>83.716</u>	<u>85.072</u>

Source: City payroll systems

2001	2000	1999
11.194	11.704	11.506
6.215	6.740	6.387
3.059	3.101	2.976
0.958	1.000	1.000
0.962	0.863	1.143
43.500	45.094	45.550
18.063	19.150	18.959
20.594	21.753	21.888
4.843	4.191	4.703
6.218	6.365	7.143
6.654	6.938	6.883
12.830	13.001	13.491
80.396	83.102	84.573

CITY OF GRANDVIEW HEIGHTS, OHIO
CONSTRUCTION ACTIVITY
FISCAL YEARS 1997-2006

Fiscal Year	Residential			Commercial/Retail			Total		
	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value
2006	403	\$4,582,590	\$11,371	47	\$4,912,899	\$104,530	450	\$9,495,489	\$21,101
2005	340	3,565,370	10,486	73	6,497,793	89,011	413	10,063,163	24,366
2004	340	3,964,297	11,660	49	5,356,396	109,314	389	9,320,693	23,961
2003	320	4,504,043	14,075	59	1,857,555	31,484	379	6,361,598	16,785
2002	235	3,237,460	13,776	56	1,792,858	32,015	291	5,030,318	17,286
2001	291	2,830,635	9,727	46	459,206	9,983	337	3,289,841	9,762
2000	249	1,578,399	6,339	46	2,729,846	59,344	295	4,308,245	14,604
1999	402	1,974,593	4,912	72	1,265,960	17,583	474	3,240,553	6,837
1998	275	1,918,000	6,975	53	802,149	15,135	328	2,720,149	8,293
1997	298	3,004,467	10,082	123	2,073,850	16,861	421	5,078,317	12,063



The CITY of
GRANDVIEW HEIGHTS

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CITY OF GRANDVIEW HEIGHTS, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2006	2005	2004	2003	2002
Police					
Physical arrests	653	497	493	423	NA
Parking citations	327	335	245	244	NA
Traffic citations	1,969	1,863	1,445	1,462	NA
Fire					
Emergency responses/calls answered	1,105	1,152	1,285	1,285	1,294
Fires extinguished	18	22	32	14	19
Inspections conducted	87	140	40	109	113
Sanitation					
Total refuse collected (tons)	3,025.1	3,149.0	3,586.0	3,729.6	3,606.1
Total recyclables collected (tons)	616.0	569.0	219.2	209.2	156.2
Total yard waste collected (tons)	997.0	911.9	894.6	889.6	950.0
Service					
Street resurfacing (miles)	1.100	0.128	0.530	0.440	1.290
Asphalt used for potholes/patching (tons)	25.0	27.5	34.5	10-15 (est)	10-15 (est)
Parks and Recreation					
Swimming pool memberships	1,629	2,729	2,059	2,166	2,022
Senior center memberships	600	510	472	470	475
Street/park trees planted	65	49	50	145	60
Per capita tree expenditure	\$4.58	\$4.18	\$3.30	\$4.37	\$4.99
Street/park trees removed	69	56	46	47	54
Finance					
Checks issued	1,650	1,828	1,738	1,959	2,371
Purchase orders issued	1,446	1,359	1,365	1,387	1,648
School District					
Total student enrollment	1,149	1,155	1,176	1,158	1,204
Total staff	165	158	155	163	162
Total certified staff	106	106	104	108	106
Average teacher/pupil ratio	10.840	10.896	11.308	10.722	11.358
Library					
Materials owned	173,427	168,946	163,863	166,015	165,115
Circulation volume	984,881	818,200	741,388	757,650	744,309
Visitors to Library	1,091,324	1,084,125	1,079,104	944,236	913,272

Sources: City Department Directors,
Grandview Heights City School District website,
Grandview Heights Public Library
"NA" indicates that the data was not available for that specific time period.

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
425	NA	NA	NA	NA
290	NA	NA	NA	NA
1,677	NA	NA	NA	NA
1,299	NA	NA	NA	NA
27	NA	NA	NA	NA
NA	NA	NA	NA	NA
3,696.8	3,729.6	3,467.5	3,528.0	NA
141.1	141.1	NA	NA	NA
1,093.7	849.2	NA	NA	NA
0.950	0.720	-	0.360	NA
10-15 (est)	10-15 (est)	10-15 (est)	10-15 (est)	NA
1,866	2,316	NA	NA	NA
440	420	NA	NA	NA
191	70	NA	NA	NA
\$6.57	\$4.60	NA	NA	NA
80	49	NA	NA	NA
4,325	5,048	6,169	NA	NA
1,501	1,540	1,693	NA	NA
1,218	1,263	1,285	NA	NA
177	175	170	164	163
114	113	110	111	110
10.684	11.177	11.682	NA	NA
160,052	157,044	NA	NA	NA
738,844	679,393	NA	NA	NA
902,072	902,214	NA	NA	NA

CITY OF GRANDVIEW HEIGHTS, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>Police</u>					
Stations	1	1	1	1	1
Cruisers	9	9	9	9	9
Bicycles	4	4	0	0	0
Motor Scooter	1	0	0	0	0
Motorcycles	2	2	2	0	0
<u>Fire/Emergency Medical Services</u>					
Stations	1	1	1	1	1
Ambulance/Medic Vehicle	2	2	2	2	2
Fire Truck	2	2	2	2	2
Staff Vehicles	4	4	3	3	3
<u>Sanitation/Service</u>					
Packer trucks	3	4	4	4	3
Cushman collection vehicles	7	7	7	7	7
Dump trucks	3	4	4	4	4
Staff/Other vehicles	4	2	2	2	2
<u>Other Public Works</u>					
Streets & alleys (miles)	20.37	20.37	20.37	20.37	20.37
Streetlights - owned	424	424	424	424	424
Street lights - contracted	159	159	159	159	159
Traffic signals	10	10	10	10	10
<u>Parks & Recreation</u>					
Number of parks	5	5	5	5	5
Park acreage	35	35	35	35	35
Shelter houses	2	2	2	2	2
Swimming pools	1	1	1	1	1
Tennis courts	4	4	4	4	4
Lighted baseball/softball fields	4	4	4	4	4
Senior Center	1	1	1	1	1
<u>Water</u>					
Water mains (miles)	5.93	5.93	5.93	5.93	5.93
Fire hydrants	208	208	208	208	208
<u>Sanitary/Storm Sewer System</u>					
Miles of sanitary sewers	20.76	20.76	20.76	20.76	20.76
Miles of storm sewers	11.1	11.1	11.1	11.1	11.1
Treatment plants (provided by City of Columbus)	0	0	0	0	0
Number of service connections	3000	3,000	3,000	3,000	3,000

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
1	1	1	1	1
9	9	9	9	9
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
1	1	1	1	1
2	2	2	2	2
2	2	2	2	2
3	3	3	3	3
3	3	4	3	3
7	7	7	7	7
4	4	4	4	4
2	2	2	2	2
20.37	20.37	20.37	20.37	20.37
424	424	424	424	424
159	159	159	159	159
10	10	10	10	10
5	5	5	5	5
35	35	35	35	35
2	2	2	2	2
1	1	1	1	1
4	4	4	4	4
4	4	4	4	4
1	1	1	1	1
5.93	5.93	5.93	5.93	5.93
208	208	208	208	208
20.76	20.76	20.76	20.76	20.76
11.1	11.1	11.1	11.1	11.1
0	0	0	0	0
3,000	3,000	3,000	3,000	3,000



The CITY of
GRANDVIEW HEIGHTS

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**CITY OF GRANDVIEW HEIGHTS
FRANKLIN COUNTY**

Report Issued Pursuant to

Government Auditing Standards

For the year ended December 31, 2006

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and City
Council of the City of Grandview Heights

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County, Ohio (the City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2007. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

City of Grandview Heights
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards*
Page 2

We noted certain matters that we reported to management of the City of Grandview Heights in a separate letter dated June 25, 2007.

This report is intended solely for the information and use of management and City Council and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kennedy Cottrell Richards LLC". The signature is written in a cursive, flowing style.

Kennedy Cottrell Richards LLC
June 25, 2007



Mary Taylor, CPA
Auditor of State

CITY OF GRANDVIEW HEIGHTS

FRANKLIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 9, 2007**