

**Mary Taylor, CPA**  
Auditor of State



**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY  
CUYAHOGA COUNTY**

**TABLE OF CONTENTS**

Independent Accountants' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by *Government Auditing Standards*..... 1

**This page intentionally left blank.**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Cleveland Heights-University Heights Public Library  
Cuyahoga County  
2345 Lee Road  
Cleveland Heights, Ohio 44118

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights Public Library, Cuyahoga County, (the Library) as of and for the year ended December 31, 2008, which collectively comprise the Library's basic financial statements and have issued our report thereon dated August 11, 2009. 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Library's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Library's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Library'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 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 Library's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Library's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Library's internal control will not prevent or detect a material financial statement misstatement.

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 internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the Library's management in a separate letter dated August 11, 2009.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the Library's management in a separate letter dated August 11, 2009.

We intend this report solely for the information and use of the audit committee, management, and the Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

August 11, 2009

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY**

**CLEVELAND HEIGHTS, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2008**

**Issued by:  
Nancy S. Levin  
Director/Fiscal Officer**





**Cleveland Heights-University Heights Public Library**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2008*  
*Table of Contents*

---

<b><i>I. Introductory Section</i></b>	<b>Page</b>
Table of Contents .....	i
Transmittal Letter .....	iv
List of Principal Officials .....	xiv
Organization Chart .....	xv
GFOA Certificate of Achievement .....	xvi
Map of Library’s Service Area .....	xvii
<b><i>II. Financial Section</i></b>	
Independent Accountants’ Report .....	1
Management’s Discussion and Analysis .....	3
Basic Financial Statements:	
Government Wide Financial Statements:	
Statement of Net Assets .....	12
Statement of Activities .....	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	14
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities .....	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: General Fund .....	18
Notes to the Basic Financial Statements .....	19
Combining Statements and Individual Fund Schedules:	
Combining Statements - Nonmajor Governmental Funds:	
Fund Descriptions .....	36

**Cleveland Heights-University Heights Public Library**

*Comprehensive Annual Financial Report*

*For the Year Ended December 31, 2008*

*Table of Contents (continued)*

---

Combining Balance Sheet - Nonmajor Governmental Funds.....	37
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	38
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	39
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual:	
Major Funds:	
General Fund.....	40
Nonmajor Funds:	
Staff Development Fund.....	41
LLOhio Grant Fund.....	42
Building and Repairs Fund.....	43

***III. Statistical Section***

Statistical Section Table of Contents.....	S1
Net Assets by Component – Last Six Years.....	S2
Changes in Net Assets – Last Six Years.....	S4
Fund Balances, Governmental Funds – Last Ten Years.....	S6
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S8
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years.....	S10
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years.....	S12
Real Property and Public Utility Tax Levies and Collections – Last Ten Years.....	S16
Personal Property Tax Levies and Collections – Last Ten Years.....	S18
Principal Real Property Taxpayers – 2008 and 2001.....	S20
Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years.....	S21
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S22
Principal Employers – 2008 and 2006.....	S23
Demographic and Economic Statistics – Last Five Years.....	S24

**Cleveland Heights-University Heights Public Library**

*Comprehensive Annual Financial Report*

*For the Year Ended December 31, 2008*

*Table of Contents (continued)*

---

Full-Time Equivalent Library Employees by Function/Program – Last Three Years.....	S26
Capital Assets Statistics by Function/Program – Last Three Years .....	S27
Operating Indicators by Function/Program – Last Three Years.....	S28



Nancy S. Levin  
Director/Clerk

Catherine Hakala-Ausperk  
Deputy Director

Cleveland Heights-University Heights Public Library  
2345 Lee Road Cleveland Heights, Ohio 44118-3493

Ph: 216.932.3600 Fax: 216.932.0932 [www.heightslibrary.org](http://www.heightslibrary.org)

August 11, 2009

To the Board of Library Trustees,  
Citizens of Cleveland Heights–University Heights City School District

With great pleasure we submit to you the Cleveland Heights–University Heights Public Library's (the Library) eighteenth Comprehensive Annual Financial Report (CAFR). It is prepared by the Library's Business Office for the year ended December 31, 2008. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Library. We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to set forth fairly the financial position and results of operations of the Library, and that all disclosures necessary to enable the reader to gain the maximum understanding of the Library's financial activity have been included. This report will provide the taxpayers of the Cleveland Heights–University Heights City School District with comprehensive financial data in a format that enables them to gain a true understanding of the Library's financial status.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mary Taylor, CPA, Auditor of State, has issued an unqualified ("clean") opinion on the Library's financial statements for the year ended December 31, 2008. The independent auditor's report is located at the front of 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. MD&A complement this letter of transmittal and should be read in conjunction with it.

## **REPORTING ENTITY**

The Cleveland Heights–University Heights Public Library is organized under Ohio State law as a school district public library. A seven–member board, one member appointed each year by the local board of education for a seven–year term, governs the Library. The taxing authority for the school district public library is the Board of Education, but the Library operates under a separate budget with funds derived primarily from the Public Library Fund and three property tax levies totaling 7.8-mills.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board, “The Financial Reporting Entity,” the Library is considered to be a related organization of the Cleveland Heights-University Heights City School District.

The Director is responsible for the administration of the Library, and the Fiscal Officer oversees the Library’s financial affairs. The Board of Library Trustees hired Nancy S. Levin to assume both positions in October, upon the retirement of Stephen Wood.

## **PROFILE OF GOVERNMENT**

In November 1916, a Board of Trustees was appointed to form a public library for the village of Cleveland Heights but, because of World War I, the Library was not organized until 1920. At that time a librarian was appointed and the Cleveland Heights Public Library opened in the basement of the Coventry Elementary School, where the school library was merged with it. In 1926 the Library moved into its own permanent building at 1925 Coventry Road.

The Cleveland Heights–University Heights Public Library is presently comprised of four buildings: The 110,000 square foot Lee Road Library including the Activity Center (our Main Library), where renovation was completed in 2006, incorporating the old Lee Road branch built in 1932 and an earlier renovation from 1968; the Noble Neighborhood Library, built in 1937; the University Heights Library, built in 1952; and the original 1926 building which became the Coventry Village Library in 1968.

In 1973, the Library placed its first five–year operating levy on the ballot and it passed by 67.8 percent. In 2008, the community passed its third continuing levy. This financial support has allowed the Library to develop innovative approaches to the public service that the residents of the community demand. For example, in 1981, the Cleveland Heights–University Heights Public Library was the first library to join the Cleveland Public Library’s automated circulation system and online catalog. CLEVNET, as it is now known, has grown to over 31 libraries in 10 counties in northern Ohio.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Although its boundaries coincide with those of the Cleveland Heights–University Heights City School District, primarily the cities of Cleveland Heights and University Heights, being adjacent to the major metropolitan area of Cleveland enlarges the role of the Library. The population of Cuyahoga County is highly mobile and most residents use several libraries to meet their recreational reading and informational needs; thus, many people come into the Library from outside its immediate service area. Participation in CLEVNET also expands the Library’s role through the mutual sharing of materials and resources both within Cuyahoga County and throughout the State.

Funding for the Library from the Library and Local Government Support Fund, which represents approximately 45.37 percent of the Library's total revenue, is derived from a percentage of statewide General Revenue Fund collections. Receipts from this source depend upon general economic conditions in Ohio, and upon allocation decisions made by the Cuyahoga County Budget Commission. The nationwide recession began to affect allocations of the Public Library Fund in the fall of 2008. The Board of Library Trustees and management believe that carefully planned reductions in expenditures and close monitoring of funds are essential to withstand the budget crisis on state and national levels.

In November of 1992, our residents approved a continuing, four-mill operating levy by a two-to-one margin. Beginning collection in 1993, this levy replaced a three-mill levy (with an effective rate of only 2.06 mills) and generates approximately \$3,085,000 annually in property taxes and intergovernmental revenues.

In March of 2000, the voters of the Cleveland Heights-University Heights City School District approved an additional continuing 1.9-mill operating levy. Collections began in 2001 and they generate approximately \$1,451,000 annually.

State law limits the property tax levies, which accounts for approximately 52.01 percent of the Library's revenue, to the revenue generated by real property appraisal values at the time of each levy's passage. As a result, property tax revenues cannot increase significantly during the term of each levy. Properties in the Library's taxing boundaries are largely residential and, over the past year, we have seen a significant decrease in property tax income, almost 3 percent, because of the foreclosure crisis affecting Cuyahoga County, the state and the nation. However, due to greater collections on delinquencies, the Library was able to realize a slight increase in this revenue source for 2008.

In November 2001, the voters of the Cleveland Heights-University Heights City School District approved a \$9.5 million bond issue. This money supported the renovation of the Main Library, the former Heights YMCA, purchased in 2000, and the construction of a pedestrian walkway over the street between the two buildings. This increased space allows needed growth in all departments and increased programming for the community. This renovation was completed and the facility re-opened in September of 2006.

The Board of Library Trustees went on the ballot in March 2008 for a third continuous 1.9 mill property tax levy, this one certified to generate \$2.3 million beginning in 2009. Unfortunately, the poor economy and the foreclosure crisis described above, indicate that income from this new levy, as with the older ones, will generate far less than planned. It is a situation with which future budget planners are required to deal.

The demographics of the Library's service area have changed since 2000. According to 2008 estimates, the most recent data provided by the Environmental Systems Research Institute, when compared with 2000 Census figures the number of our residents who are over the age of 65 has increased from 11.7 percent to 12.1 percent in Cleveland Heights, but decreased from 13.5 percent to 12.5 percent in University Heights. The overall population for the two cities has decreased by 3.9 percent (from 64,104 to 61,614). The racial mix is also changing as we have experienced a 14.4 percent increase in our African-American population in Cleveland Heights and a 23.3 percent increase in University Heights.

Neither city has any industry to speak of and both are excellent examples of relatively affluent "bedroom communities." Since 2000, the average household income has increased by 27.7 percent in the two communities. The percentage of residents having received college degrees and above is 55.5 percent and 59.9 percent in Cleveland Heights and University Heights respectively. At the same time, per capita income in Cleveland Heights is \$33,135 and is \$35,913 in University Heights, while the combined median household income for the two cities is \$61,401.

## **LONG-TERM FINANCIAL PLANNING**

The Library maintains five-year financial projections at all times and this is regularly shared with the Board of Library Trustees. It is updated as material changes to income and expenditures are determined, and it covers both operational and capital needs to maintain and enhance current services and facilities.

## **RELEVANT FINANCIAL POLICIES**

The Board of Library Trustees approved a long-term investment policy in May 2004 as part of their *By-Laws*. The purpose of this policy is to establish priorities and guidelines regarding the investment management of the Library's operating funds. These priorities and guidelines are based upon Chapter 135 ORC and prudent money management. The policy also follows Section 135.14 ORC in establishing what qualifies as an eligible investment. Safety of principal is the most important objective of the Library's investment policy. The policy also focuses on issues regarding liquidity and yield.

## **MAJOR INITIATIVES**

The Library's latest strategic plan uses the "Balanced Scorecard" approach that emphasizes results with measurements taken throughout the year, such as statistical use counts, community surveys, and customer feedback. It seeks a "balance" between past accomplishments and future achievements and recognizes that rapid change and the need to adjust quickly to customer needs requires that we replace the typical three to five year long-range plan with something that is shorter in duration and is updated regularly. The Board of Library Trustees approved a 2-year plan in 2008 to last through the transition to a new director. The objectives of this plan include: developing and effective web presence; improving the usability of our libraries; enriching and expanding our customer base; and developing, supporting and featuring staff skills.

Staff's work was based on the Library's Mission, Values and Vision that were reviewed and updated by the Board of Library Trustees in July, 2008.

### **The Library's Mission**

The Mission indicates what our organization is committed to do:

The Cleveland Heights–University Heights Public Library—Opening doors,  
opening minds.

## **The Library's Values**

We place great value in:

- Education and literacy,
- Understanding and responding to the needs of our customers,
- Effective management of financial resources,
- Assuring that our libraries remain free for all,
- Effective management and development of human resources, resulting in a diverse and culturally competent staff,
- Quality in all we do,
- Intellectual Freedom,
- A climate for innovation and change,
- Respect and tolerance for diverse viewpoints and individual differences,
- Integrity and ethics in the workplace,
- Shared organizational decision making and responsibility,
- Open, timely and effective internal and external communications,
- Contributing to a culture of respect and comfort for all.

## **The Library's Vision**

We will know we are succeeding when...

- Our services and facilities appeal to all ages,
- Our collections, services and staff are outstanding,
- We have established the Library as a Third Place or “someplace other than work or home where a person can go to... feel part of the community,”
- We remain focused on the needs of our customers.

Some highlights of our efforts in 2008 include:

### Statistics

A review of the statistics gathered this year show an increasing trend since we returned to Lee Road following renovation in 2006.

- Total circulation As times get tough, people go to libraries, as our usage statistics reflect. Our circulation total for 2008 was 1,900,466, an almost 5 percent increase over the previous year!
- We had an almost 10 percent increase in the number of card-holding borrowers who use our libraries, ending the year with a total of 42,185.
- The number of people entering the buildings, over 1 million, is a slight increase over 2007 and is equal to 17 visits per capita.
- Program attendance was 28,651 in 2008, with our customers attending over 1,886 programs.
- We hosted almost 200,000 visits to our website [www.heightslibrary.org](http://www.heightslibrary.org).
- Materials collection We continued to circulate materials at John Carroll University, through Clevnet's 30 members and in our own 4 buildings. Adult circulation was up to 1,449,501 while children's material circulation was 450,896. Audio visual materials including books on CD and MP3 players, as well as movies and music, circulated 859,983 times. Overall circulation was up 5 percent over 2007.



## Library Services and Programming

The Cleveland Heights-University Heights Public Library has a long tradition of customer service and we continued that focus again this year. It is manifested in many different ways including QIS, “Quality Information Service,” our proactive way of interacting with customers. The philosophy of “roving reference,” as opposed to a stationary, is still fairly new and experimental. Our implementation has not been without flaws and mistakes, but it is clearly the way to move forward.

The Welcome Desk at the Lee Road Library is staffed during all hours the building is open by various members of the staff from the Director to Pages. Although begun as a way of helping people find their way around a new and vastly different building, it has proven to be successful as a way of just greeting people that is much appreciated by our customers.

We are also a very popular resource for classes on computers, software and using the Internet. With the economic downturn, these skills are more important as job seekers apply for employment, people go back to school, and find their entertainment online. We held 466 computer classes for a total of 1,049 students. Our meeting rooms are also places where lifecycle events are held and organizational meetings that support such activities as ballroom dancing, knitting, and meditation take place.

In 2008, our meeting rooms were used a total of 1,419 times and the total number of people enjoying our rooms was 34,773! Although we minimally charge for social events and more than one use per month by non-profits, we generated \$9,645 in income to support our own programming.

In addition to its nationally known programming for the deaf community, the Coventry Village Library, recognizing its value to its local area, has become much more of a “popular” library. In 2008 we held 40 events for the deaf community at this branch, with 320 people attending. Purchases are predominately best seller fiction and non-fiction, DVDs, etc., and less of materials to build an enduring collection. This branch is also focusing on collecting, in a single location, the works of our many local authors. This gives us the ability to do programming in support of these writers who are truly assets to our community.

We provide homework help to both teens and elementary school children at the Lee Road Library. This is an important service that, unfortunately, relies on community volunteers of which there are all too few. Still, as we continue to “grow” the program, it is much appreciated by parents and students alike.

The Readers’ Advisory Team web site, [www.findagoodbook.net](http://www.findagoodbook.net), which features online book discussions, reviews and blogs, attracts fiction fans from around our communities and around the world. A newly revised web site, completed in 2008, expanded their efforts even further. Our library staff became the experts on blogging to promote reading at Ohio professional conferences.

Overall, the Library presented 1,886 programs with a total attendance of 28,651! While the number of programs was reduced from 2007 we focused on getting more bang for the buck from each one. Some of our unique programs included the “Go Red” health awareness event in February partnering with the Cedar-Lee Special Improvement District and the American Heart Association. One facet of the event was heart, cholesterol, blood pressure and body mass index screenings. A patron learned of a serious condition while at the event which alerted her to seek medical help and possibly saved her life. Other partnering events with the special improvement districts included “Rock the Block” events with all of the vendors on Lee Road in June and August and the Coventry Street Fair. In November we hosted a digital photography contest and display with another local business, naming the winners at our Tech Festival.

Programming is also provided by the library’s other partners HeightsArts, the Heights Parents Center. An art gallery is connected to the Main Library by walkway across Lee Road. It is operated by HeightsArts, and has had several important exhibits as well as regular classes geared to both children and adults. The Cleveland Heights Poet Laureate position, born from a collaboration with HeightsArts, the city and the library was filled in April for the fourth year.

Renovation in the former YMCA building commenced in 2008 to make way for the occupancy of another tenant, the Dobama Theater, Inc., with a 190 seat theater, dressing rooms, prop and shop space and offices. Dobama is known for its innovative contemporary plays and this Cleveland Heights cultural group will open its 50<sup>th</sup> season here in October of 2009.

Heights Parent Center, supported originally by a Library Services and Technology Act grant through the State Library of Ohio, operates "Little Heights," a family literacy center for children and their parents together. A Toy Lending library was also moved to the space in 2008 to serve families of young children. It is staffed mainly by volunteers.

In other Activity Center space, the Library's "Community Office" is our computer lab. Thirty PCs fill that space and provide our customers with scheduled access to the programs in Microsoft Office, including resume writing software, and other useful software tools. The room may be divided in two so that classes can be presented while the rest of the space remains available to our customers. We have increased the value of the Office to the community by increasing the scope of the software and by adding a high-speed color printer, scanner and copying machine. This space has become so popular that the Library is looking for ways to expand it in the near future.

The Library joined the local citizen journalism project sponsored by FutureHeights by contributing to the publication of the Heights Observer newspaper and website in 2008. Staff members serve on the editorial board and contribute articles to the monthly newspaper with a circulation of over 10,000 in Cleveland Heights and University Heights.

### Staff

Staffing in 2008 was impacted by the retirement of Director Stephen D. Wood in August and the branch manager of the University Heights Library, Maureen Weisblatt a month later. The positions were filled by Nancy S. Levin and Aurora Martinez who bring with them a long history of innovative service to library customers and much enthusiasm for engaging the community. Our Adult Services Coordinator moved out of state allowing us to hire Alice Iden in December. As the year ended, Children's Services Coordinator Amy Switzer was promoted to a new library and her replacement, Constance Dickerson, was hired early in 2009.

Health benefits were changed in 2008 to include a "health savings account" plan from United Health. Although the Library is paying into the HSA accounts of all participating full-time staff (\$800 for a single staff member and \$1,600 for families) the total overall cost for this change was only 3.6 percent above that of 2006. Time will tell, though, how successful and beneficial this change will be for our employees.

We continue expanding the staffing of our Young Adult Services Department but without increasing the overall staffing hours. Now we have staff at every building every afternoon specifically trained in working with this age group. Taking an interest in the teens has, by itself, reduced the behavior problems, but this staff understands that inappropriate behavior will not be tolerated. We've seen very positive outcomes from their efforts including 763 teen programs with a total attendance of 8,713 people.

Staff training continues to grow throughout the system. Increasing the knowledge of staff, even in areas outside their specific expertise, does increase their value as employees.

We continue to reap success through our tuition reimbursement program. Since 2000, well over \$37,000 has been paid out to our staff for furthering their education. We are very proud that we are able to offer this important program through the Staff Development Fund created by the late resident, Larry Bauer.

This is the seventh year we reimbursed staff for up to \$100 of their membership fees in professional organizations. Not only does this help support our profession, it also encourages greater participation by our staff and attendance at workshops and conferences. Training and staff development remain essential to quality customer service.

Thanks to financial support from our Friends of the Library, longevity with the system is acknowledged through the awarding of special pins. Throughout the year our productive and long-term staff is recognized through small gifts and food, also provided through support from our Friends. The Friends underwent a reorganization in 2008 and emerged with a revitalized commitment to advocacy, fundraising and social networking. In honor of the retirement of their Office Secretary after 14 years of service, the Friends established the “Gertrude Kleiner Award.” It is presented each year “...to a Library staff member whose extraordinary efforts advance the work of the Library.”

We are outsourcing many of the processing functions from our Technical Services Department and are now ordering new materials electronically from our jobbers. This electronic ordering and full processing of books has a major impact on the workload of this department that serves us well and allows us to transfer hours from this department to those providing direct service to the public.

The Library is a founding participant in the Heights Neighborhood Collaborative. Funded by the county’s Department of Children and Families, the Collaborative provides direct support services to local families in need. The Library provides space for meetings, training and family visitations.

Serving as a polling place in the presidential election of November 2008, an annual provider of tax forms and voter registration, and a training site in preparation for the 2010 census, allowed the Library to serve as a hub for civic activities as well.

### Buildings

After focusing on the renovation of the Lee Road Library, we turned our attention to the Library’s three branches this year and found them to be in excellent shape. In 2008, the Board of Library Trustees authorized a facilities maintenance 5 year plan that will ensure a regular cycle of upkeep and replacement of capital assets.

### Technology

All of our buildings are wireless and this is much appreciated by those customers with their own laptop computers. But this wireless access is valuable to the Library in other ways as well, especially when applied to our telephone system. A new method of telephone service, “Voice over Internet Protocol (VoIP),” was installed early in 2008.

We continue to update our website, and in 2008 began to explore the realm of social networking with Library presence on Facebook, MySpace and Twitter.

The Library was the first participant in CLEVNET, the 31-library automation system in northern Ohio operated by the Cleveland Public Library. Through CLEVNET’s resource sharing component, our customers effectively have access to over two and one-half million titles, 10 million items, as well as to a number of valuable resource databases, many available from home or office.

The Library participates in OPLIN, the Ohio Public Library Information Network. This state-wide service provides free, high-speed telecommunication lines to all public libraries in Ohio, a Web site providing links to useful resources around the world, and access to a number of commercial reference databases. These databases are valuable for adults and students alike.

Through CLEVNET, OPLIN and on our own, the number of electronic databases we provide our customers, especially remotely to homes and offices, is quite remarkable. And the Library participates in the statewide online reference service, *KnowItNow*. This extraordinary service provides to every resident twenty-four hour-a-day, seven day-a-week contact with a live librarian ready to answer even the most difficult question. Over 10,000 questions each month are answered throughout the State of Ohio.

Taken as a whole, this Library's staff-developed web site, membership in CLEVNET, participation in OPLIN, and *KnowItNow* bring to the residents of Cleveland Heights and University Heights and to all the Library's customers, an amount of information—available at their fingertips—that is truly staggering. We doubt there are many libraries of our size anywhere in the country that provide the breadth of resources we do.

The downside to our success was that our access to the Internet had slowed dramatically. Luckily, OPLIN switched from copper cable to fiber optic transmittal lines and increased our bandwidth ten-fold in November, 2008.

During the coming year, several major areas will be addressed. The Library plans to:

- Continue to provide unique, positive customer service experiences to everyone using our facilities by constantly revisiting the ways we provide that service;
- Continue work on our Balanced Scorecard strategic plan;
- Undergo a complete review of staff's position descriptions and evaluation system;
- Continue partnering with other community groups to increase the number of, and enhance, the many programs we offer to the community;
- Continue searching for opportunities to partner with our schools in ways that improve the educational experience;
- Continue planning, in this poor economy, to reduce spending in ways that have only a minor impact on the residents of our community and on the level of customer service we provide.

## **OTHER INFORMATION**

### Independent Audit

Included in this report is an unqualified audit opinion rendered on the Library's financial statements as of and for the year ended December 31, 2008, by our independent auditor, Auditor of State Mary Taylor, CPA.

Library management plans to continue to subject financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit also serves to maintain and strengthen the Library's accounting and budgetary controls.

### Awards

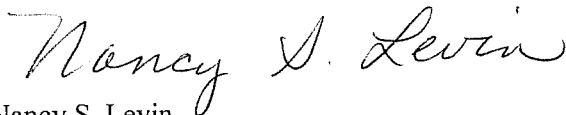
The Cleveland Heights-University Heights Public Library received a five-star rating from the Library Journal Index of Public Library Service. The five star rating looks at four statistics that libraries provide to their states, including; per capita circulation, the number of visits to the library, program attendance and computer usage. Not surprisingly, most of the 5-star libraries are in Ohio, the state with dedicated statewide funding for public libraries.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cleveland Heights–University Heights Public Library for its Comprehensive Annual Financial Report for the year ended December 31, 2007. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report the contents of which satisfy all program standards. The report must conform to generally accepted accounting principles and satisfy all applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year only. We believe this Comprehensive Annual Financial Report continues to meet the high standards set by GFOA, and therefore, we will be submitting this report to determine its eligibility for a Certificate.

#### Acknowledgements

We wish to express our appreciation to the members of the Board of Library Trustees for their continued interest and support in planning and conducting the financial operations of the Library in a responsible and progressive manner. Additional thanks go to Stephen D. Wood, the former director of this library, who contributed greatly to this report.

Respectfully Submitted,



Nancy S. Levin  
Director/Fiscal Officer

**CLEVELAND HEIGHTS–UNIVERSITY HEIGHTS PUBLIC LIBRARY**

**LIST OF PRINCIPAL OFFICIALS**  
as of December 31, 2008

**BOARD OF LIBRARY TRUSTEES**

President ..... Eric Silverman  
Vice-President ..... Glenn Billington  
Secretary ..... Audrey Cole  
Member ..... Esther Moss  
Member ..... Kevin Ortner  
Member ..... James Posch  
Member ..... CarDala Carter

**ADMINISTRATIVE STAFF**

Nancy S. Levin ..... Director/Fiscal Officer  
Catherine Hakala-Ausperk ..... Deputy Director  
James Teknipp ..... Business Manager  
Alice Iden ..... Adult Services Coordinator  
Steven Haynie ..... Young Adult Services Coordinator  
Pending ..... Children’s Services Coordinator  
Mary Beth Musk ..... Circulation Services Coordinator  
Laurie Marotta ..... Human Resources Coordinator  
Tonya Davis ..... Programming Coordinator  
Judithe Soppel ..... Public Relations Coordinator  
Gerald Kavulic ..... Buildings Coordinator  
Heather Howiler ..... Training & Staff Development Coordinator  
Mary Murphy ..... Technical Services Coordinator  
Matt Hoffman ..... Network Administrator  
Patricia Gray ..... Branch Manager, Coventry Village Library  
Jo Ann Vicarel ..... Branch Manager, Noble Neighborhood Library  
Aurora Martinez ..... Branch Manager, University Heights Library

## Color Organizational Chart

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cleveland Heights-University  
Heights Public Library, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2007

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.



President

Executive Director



# Map

*This page intentionally left blank.*



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Cleveland Heights-University Heights Public Library  
Cuyahoga County  
2345 Lee Road  
Cleveland Heights, Ohio 44118

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights Public Library, Cuyahoga County, Ohio, (the Library) as of and for the year ended December 31, 2008, which collectively comprise the Library's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Library'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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 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 Cleveland Heights-University Heights Public Library, Cuyahoga County, Ohio, as of December 31, 2008, and the respective changes in financial position thereof and the budgetary comparison for the General fund 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 August 11, 2009, on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the Library's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

August 11, 2009

## **Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2008*

*Unaudited*

---

The management's discussion and analysis of the Cleveland Heights-University Heights Public Library's (the Library) financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2008. The intent of this management's discussion and analysis is to look at the Library's financial performance as a whole. Readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Library's financial performance.

### **Financial Highlights**

Key financial highlights for 2008 are as follows:

- Total net assets decreased \$826,851 or a 3.78 percent decrease from 2007.
- Total assets of governmental activities increased \$1,147,524 which represents a 4.27 percent increase from 2007. This change was due in-large part from an increase in property taxes receivable of \$1,897,021 which was the result of Library passing a continuous 1.9 mill property tax levy.
- Total current liabilities increased by \$1,969,815 or 47.81 percent from 2007, primarily as a result of a corresponding increase in deferred revenue from the increased property taxes receivable.
- Total capital assets decreased by \$235,988 or 1.29 percent under 2007.
- Total outstanding long-term liabilities at 2008 were \$4,560 more than year 2007 or a 0.51 percent increase.
- On a modified accrual basis, Library property tax revenue has increased by \$10,710 or 0.27 percent from 2007.

### **Using This Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Cleveland Heights-University Heights Public Library as a financial whole or as an entire operating entity. The statements provide a detailed look at the Library's specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole Library, presenting both an aggregate view of the Library'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 dollars remain for future spending. The fund financial statements also look at the Library's most significant funds with all other nonmajor funds presented in total in one column.

## **Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2008*

*Unaudited*

---

### **Reporting the Cleveland Heights-University Heights Public Library as a Whole**

#### *Statement of Net Assets and the Statement of Activities*

While this document contains information about the funds used by the Library to provide services to our citizens, the view of the Library as a whole considers all financial transactions and asks the question, "How did we do financially during 2008?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the Library's net assets and the changes in those net assets. The change in net assets is important because it tells the reader whether, for the Library as a whole, the financial position of the Library has improved or diminished. However, in evaluating the overall position of the Library, non-financial information such as changes in the Library's tax base and the condition of the Library's capital assets also need to be evaluated.

The Statement of Net Assets and the Statement of Activities are divided into the following categories:

- Assets
- Liabilities
- Net Assets (Assets minus Liabilities)
- Program Expenses and Revenues
- General Revenues
- Net Assets Beginning of Year and Year's End

### **Reporting the Cleveland Heights-University Heights Public Library'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 Cleveland Heights-University Heights Public Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Library's funds can be classified as governmental funds. Fund financial reports provide detailed information about the Library's major funds. The Library has established funds that account for the multitude of services and facilities provided to our residents. However, these fund financial statements focus on the Library's most significant funds. In the case of the Cleveland Heights-University Heights Public Library, our major fund is the general fund.

**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. All Library activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year end available for spending in future periods. Our funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Library's general operations and the basic services it provides. Governmental fund

**Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2008*

*Unaudited*

information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. Because the focus of 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, 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 governmental fund financial statements can be found on pages 14 – 17 of this report.

**The Cleveland Heights-University Heights Public Library as a Whole**

Recall that the Statement of Net Assets pictures the Library as a whole. Table 1 provides a summary of the Library's net assets for 2008 compared to 2007.

**Table 1**

*Net Assets*

	Governmental Activities		
	2008	2007	Change
<b>Assets</b>			
Current and Other Assets	\$9,945,440	\$8,561,928	\$1,383,512
Capital Assets, Net	18,102,095	18,338,083	(235,988)
<b>Total Assets</b>	<b>28,047,535</b>	<b>26,900,011</b>	<b>1,147,524</b>
<b>Liabilities</b>			
Current Liabilities	6,089,842	4,120,027	(1,969,815)
Long-Term Liabilities			
Due Within One Year	319,566	289,033	(30,533)
Due in More Than One Year	571,490	597,463	25,973
<b>Total Liabilities</b>	<b>6,980,898</b>	<b>5,006,523</b>	<b>(1,974,375)</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	17,520,804	17,685,439	(164,635)
Restricted for:			
Capital Projects	702,020	555,910	146,110
Staff Development	451,114	463,836	(12,722)
Unrestricted	2,392,699	3,188,303	(795,604)
<b>Total Net Assets</b>	<b>\$21,066,637</b>	<b>\$21,893,488</b>	<b>(\$826,851)</b>

## Cleveland Heights-University Heights Public Library

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2008*

*Unaudited*

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Cleveland Heights-University Heights Public Library, assets exceeded liabilities by \$21,066,637 at year-end 2008. Total governmental assets increased by \$1,147,524 while total governmental liabilities increased by \$1,974,375 resulting in a decrease to net assets of \$826,851. By comparing assets and liabilities, one can see the overall position of the Library is good.

Although the Cleveland Heights-University Heights Public Library's investment in its capital assets is reported net of related debt, which is strictly capital leases, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Additionally, the Cleveland Heights-University Public Library works very hard to stabilize current liabilities and reduce long-term liabilities.

Table 2 shows the changes in net assets for the years ended December 31, 2008 and 2007.

**Table 2**  
*Change in Net Assets*

	Governmental Activities		
	2008	2007	Change
<b>Revenues</b>			
<i>Program Revenues</i>			
Charges for Services	\$126,657	\$144,698	(\$18,041)
Operating Grants	6,558	3,206	3,352
<i>Total Program Revenues</i>	133,215	147,904	(14,689)
<i>General Revenues</i>			
Property Taxes	4,019,850	4,000,385	19,465
Grants and Entitlements not Restricted	3,506,609	3,688,533	(181,924)
Investment Earnings	67,337	162,444	(95,107)
Miscellaneous	1,890	90,942	(89,052)
<i>Total General Revenues</i>	7,595,686	7,942,304	(346,618)
<i>Total Revenues</i>	7,728,901	8,090,208	(361,307)
<b>Program Expenses</b>			
General Government:			
Public Service	7,047,915	8,026,175	978,260
Administration	1,478,715	1,584,531	105,816
Interest and Fiscal Charges	29,122	28,289	(833)
<i>Total Program Expenses</i>	8,555,752	9,638,995	1,083,243
<i>Decrease in Net Assets</i>	(826,851)	(1,548,787)	721,936
Net Assets Beginning of Year	21,893,488	23,442,275	(1,548,787)
Net Assets End of Year	\$21,066,637	\$21,893,488	(\$826,851)



**Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2008*

*Unaudited*

The vast majority of revenue supporting all governmental activities is general revenue. General revenue totaled \$7,595,686 or 98.28 percent of total revenue. The most significant portion of the general revenues is local property tax. The remaining amount of revenue received was in the form of program revenues, which equaled \$133,215 or 1.72 percent of total revenue.

The Library also carefully invests its funds in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Director and Business Manager pay close attention to daily interest rates and have made the Library's money "work for us", even during these difficult economic times of dropping interest rates. The Library realized \$67,337 in interest revenue. This additional revenue is utilized as part of the Library's plan to pay for future projects or improvements.

**Analysis of Overall Financial Positions and Results of Operations**

In Table 3 below, the total cost of services column contains all costs related to the programs and the net cost of services column shows how much of the total amount is not covered by program revenues. The net costs are program costs that must be covered by unrestricted State aid (Library and Local Government Support Fund) or local taxes.

**Table 3**  
*Governmental Activities*

<u>Programs</u>	<u>Total Cost of Services 2008</u>	<u>Total Cost of Services 2007</u>	<u>Net Cost of Services 2008</u>	<u>Net Cost of Services 2007</u>
General Government:				
Public Service	\$7,047,915	\$8,026,175	\$6,938,262	\$7,907,493
Administration	1,478,715	1,584,531	1,455,153	1,555,309
Interest and Fiscal Charges	29,122	28,289	29,122	28,289
Total Expenses	<u>\$8,555,752</u>	<u>\$9,638,995</u>	<u>\$8,422,537</u>	<u>\$9,491,091</u>

The difference in these two columns of \$133,215 represents restricted grants, fees and donations. The dependence upon general tax revenues for governmental activities is apparent. 98.44 percent of total expenses are supported through taxes and other general revenue.

**Governmental Activities**

Several revenue sources fund our governmental activities with the Library property tax being the largest contributor. Property tax revenues account for \$4,019,850 or 52.01 percent of total revenues. General revenues from grants and entitlements, such as local government funds, are also major sources of revenue.

## **Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2008*

*Unaudited*

---

Library property tax revenue collections (using full accrual numbers) in 2008 were 0.49 percent more than in 2007 and that increase can be attributed to an increase in new construction. The Library System's geographic boundaries encompass several inner-ring suburbs of the City of Cleveland. These communities are primarily residential in nature. The proximity and the easy access of the cities to major cultural, educational and medical facilities in northeast Ohio typically contributes to climbing property values, a key indicator of a community's economic health and stability, where the primary "industry" is housing. And, typically, the vitality of the area is also demonstrated by new construction over the past few years, development and redevelopment of retail and commercial corridors found throughout each community. However, the current foreclosure crisis and overall increase in delinquencies, in addition to a generally stagnant state economy, is cause for concern today and into the future.

Although the Library relies heavily upon local property taxes to support its operations, we continue to actively solicit and receive additional grant and entitlement funds to help offset operating and program costs. Grants and entitlements account for \$3,506,609 or 45.37 percent of total revenue.

82.38 percent of the Library's program expenses are for public services. Administration accounts for an additional 17.28 percent. The remaining program expenses, amounting to less than one percent, represent other obligations such as interest and fiscal charges.

### **The Library's Funds**

Information about the Library's governmental funds begins on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenue of \$7,815,937 and expenditures of \$8,315,204. The most significant fund is our general fund with an unreserved fund balance at year-end of \$822,519 compared to annual expenditures of \$8,019,219. \$400,000 was transferred to the buildings and repairs capital projects fund. This transfer enabled the Library to fund various capital improvements. The general fund balance had a decrease of \$632,655 from 2007 due to the transfer and a combination of decreased interest revenue and increased public service expenditures.

### **General Fund Budgetary Highlights**

The Library's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of 2008, the Library amended its general fund budget, but no amendment was significant. For the general fund, original and final budgeted revenues were \$7,579,205 and \$7,511,659, respectively. The difference was the result of lowering anticipated property tax revenues for the year. Actual revenues were \$282,589 higher than final budgeted resources due to increases to anticipated property tax and intergovernmental collections. Original and final budgeted expenditures in the general fund were \$8,645,481. Actual expenditures were \$594,212 lower than final budgeted expenditures due to careful monitoring of expenditures.

# Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2008

Unaudited

---

## Capital Assets and Debt

### Capital Assets

(Table 4)

Capital Assets at December 31  
(Net of Accumulated Depreciation)

	Governmental Activities	
	2008	2007
Land	\$791,638	\$791,638
Land Improvements	162,799	170,102
Buildings and Building Improvements	15,972,379	16,178,336
Equipment	1,154,402	1,171,627
Furniture	17,205	21,239
Vehicles	3,672	5,141
Total Capital Assets	<u>\$18,102,095</u>	<u>\$18,338,083</u>

Total capital assets for the Cleveland Heights-University Heights Public Library as of December 31, 2008 were \$18,102,095, \$235,988 lower than 2007. The most significant changes in our capital assets came from taking another year's worth of depreciation at \$482,531 offset by \$246,543 in additions. The Library is committed to a long-term goal of rebuilding and renovating facilities. See Note 10 for additional information on capital assets.

### Long-term Obligations

As of December 31, 2008, the Cleveland Heights-University Heights Public Library had \$891,056 in compensated absences and capital leases outstanding with \$319,566 due within one year. See Note 15 for additional information on the Library's debt.

(Table 5)

Outstanding Obligations at Year End

	Governmental Activities	
	2008	2007
Compensated Absences	\$309,765	\$233,852
Capital Leases	581,291	652,644
Total	<u>\$891,056</u>	<u>\$886,496</u>

## **Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2008*

*Unaudited*

---

### **Current Financial Related Activities**

The Cleveland Heights-University Heights Public Library has continued to maintain the highest standard of service to the patrons of our communities. The Cleveland Heights-University Heights Public Library is financially strong. Over the past seventeen years we have enjoyed positive growth in revenues and at the same time adopted a strong, fiscally responsible financial plan to live within our means. The Board of Library Trustees and administration closely monitor its revenues and expenditures in accordance with its financial forecast.

The Cleveland Heights-University Heights Public Library relies on its property tax payers to support its operations, and the fiscal capacity and community support for the Library is quite strong. The Cleveland Heights-University Heights Public Library voters have passed additional operating levies in the years 1992 and 2000, which help the general operations and permanent improvements of the Library. In addition, the community overwhelmingly passed a bond issue in 2001 to support the renovation of the main library and cultural arts center. The Cleveland Heights-University Heights Public Library continues to communicate to the community that they rely upon their support for the majority of its operations and will continue to work diligently to plan expenses, staying carefully within the Library's budget and financial forecast. The community realizes the income generated by local levies remains constant, thereby forcing the Library to come back to the voters from time to time for additional support.

The Board of Trustees and Director work extremely hard at containing health care costs by securing updated competitive proposals from various health care providers. While the cost increases for medical insurance are unavoidable in today's environment, the Library is working diligently to maintain a high level of coverage for its employees at the lowest cost possible.

### **Contacting the Library's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the Library's finances and demonstrates the Library's accountability for all money it receives, spends, and invests. Please direct any questions about this report or financial information inquiries to Director/Fiscal Officer Nancy S. Levin, Cleveland Heights-University Heights Public Library, 2345 Lee Road, Cleveland Heights, Ohio 44118-3493, or telephone 216-932-3600. We also offer information regarding our Library on our web site, [www.heightslibrary.org](http://www.heightslibrary.org).

## Basic Financial Statements

**Cleveland Heights-University Heights Public Library**

*Statement of Net Assets*

*December 31, 2008*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$2,157,616
Accrued Interest	1,541
Intergovernmental Receivable	1,698,985
Prepaid Items	25,516
Property Taxes Receivable	6,061,782
Nondepreciable Capital Assets, Net	791,638
Depreciable Capital Assets, Net	<u>17,310,457</u>
<i>Total Assets</i>	<u>28,047,535</u>
<b>Liabilities</b>	
Accounts Payable	100,133
Accrued Wages	208,066
Intergovernmental Payable	91,922
Deferred Revenue	5,689,721
Long-Term Liabilities:	
Due Within One Year	319,566
Due In More Than One Year	<u>571,490</u>
<i>Total Liabilities</i>	<u>6,980,898</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	17,520,804
Restricted for:	
Capital Projects	702,020
Staff Development	451,114
Unrestricted	<u>2,392,699</u>
<i>Total Net Assets</i>	<u>\$21,066,637</u>

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**

*Statement of Activities*

*For the Year Ended December 31, 2008*

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
General Government:				
Public Service	\$7,047,915	\$103,739	\$5,914	(\$6,938,262)
Administration	1,478,715	22,918	644	(1,455,153)
Interest and Fiscal Charges	29,122	0	0	(29,122)
<i>Total Governmental Activities</i>	<b>\$8,555,752</b>	<b>\$126,657</b>	<b>\$6,558</b>	<b>(8,422,537)</b>
			<b>General Revenues</b>	
			Property Taxes Levied for General Purposes	4,019,850
			Grants and Entitlements not Restricted to Specific Programs	3,506,609
			Investment Earnings	67,337
			Miscellaneous	1,890
			<i>Total General Revenues</i>	<b>7,595,686</b>
			Change in Net Assets	(826,851)
			<i>Net Assets Beginning of Year</i>	<b>21,893,488</b>
			<i>Net Assets End of Year</i>	<b>\$21,066,637</b>

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**

*Balance Sheet  
Governmental Funds  
December 31, 2008*

	General	Other Governmental Fund	Total Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$977,586	\$1,153,134	\$2,130,720
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	26,896	0	26,896
Receivables:			
Property Taxes	6,061,782	0	6,061,782
Intergovernmental	1,698,985	0	1,698,985
Accrued Interest	1,541	0	1,541
Prepaid Items	25,516	0	25,516
<i>Total Assets</i>	<u>\$8,792,306</u>	<u>\$1,153,134</u>	<u>\$9,945,440</u>
<b>Liabilities</b>			
Accounts Payable	\$100,133	\$0	\$100,133
Accrued Wages	208,066	0	208,066
Intergovernmental Payable	91,922	0	91,922
Deferred Revenue	7,517,403	0	7,517,403
<i>Total Liabilities</i>	<u>7,917,524</u>	<u>0</u>	<u>7,917,524</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	25,367	104,731	130,098
Reserved for Unclaimed Monies	26,896	0	26,896
Unreserved, Undesignated, Reported in:			
General Fund	822,519	0	822,519
Special Revenue Funds	0	449,604	449,604
Capital Projects Fund	0	598,799	598,799
<i>Total Fund Balances</i>	<u>874,782</u>	<u>1,153,134</u>	<u>2,027,916</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$8,792,306</u>	<u>\$1,153,134</u>	<u>\$9,945,440</u>

See accompanying notes to the basic financial statements



**Cleveland Heights-University Heights Public Library**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2008*

<b>Total Governmental Fund Balances</b>	\$2,027,916
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	18,102,095
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	372,061
Intergovernmental	<u>1,455,621</u>
Total	1,827,682
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds:	
Compensated Absences	(309,765)
Capital Leases	<u>(581,291)</u>
Total	<u>(891,056)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>\$21,066,637</u></u>

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2008*

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property Taxes	\$4,006,125	\$0	\$4,006,125
Patron Fines and Fees	108,402	0	108,402
Intergovernmental	3,607,370	0	3,607,370
Interest	41,820	25,517	67,337
Donations	3,558	3,000	6,558
Rentals	18,255	0	18,255
Miscellaneous	1,034	856	1,890
<i>Total Revenues</i>	<u>7,786,564</u>	<u>29,373</u>	<u>7,815,937</u>
<b>Expenditures</b>			
Current:			
General Government:			
Public Service	6,423,265	3,000	6,426,265
Administration	1,434,835	31,950	1,466,785
Capital Outlay	60,644	261,035	321,679
Debt Service:			
Principal Retirement	71,353	0	71,353
Interest and Fiscal Charges	29,122	0	29,122
<i>Total Expenditures</i>	<u>8,019,219</u>	<u>295,985</u>	<u>8,315,204</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(232,655)</u>	<u>(266,612)</u>	<u>(499,267)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	400,000	400,000
Transfers Out	(400,000)	0	(400,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(400,000)</u>	<u>400,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(632,655)	133,388	(499,267)
<i>Fund Balances Beginning of Year</i>	<u>1,507,437</u>	<u>1,019,746</u>	<u>2,527,183</u>
<i>Fund Balances End of Year</i>	<u><u>\$874,782</u></u>	<u><u>\$1,153,134</u></u>	<u><u>\$2,027,916</u></u>

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**  
*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, 2008*

**Net Change in Fund Balances - Total Governmental Funds** (\$499,267)

*Amounts reported for governmental activities in the statement of activities are different because*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlay	246,543	
Depreciation	<u>(482,531)</u>	
 Total		 (235,988)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes	13,725	
Intergovernmental	<u>(100,761)</u>	
 Total		 (87,036)

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 71,353

Some expenses, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (75,913)

*Change in Net Assets of Governmental Activities* (\$826,851)

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$3,957,639	\$3,920,007	\$4,006,125	\$86,118
Patron Fines and Fees	110,989	110,000	109,476	(524)
Intergovernmental	3,385,966	3,358,152	3,612,288	254,136
Interest	95,249	94,400	41,387	(53,013)
Donations	2,018	2,000	3,558	1,558
Rentals	20,180	20,000	19,770	(230)
Miscellaneous	7,164	7,100	1,644	(5,456)
<i>Total Revenues</i>	7,579,205	7,511,659	7,794,248	282,589
<b>Expenditures</b>				
Current:				
General Government:				
Public Service	6,898,587	6,898,587	6,543,392	355,195
Administration	1,665,873	1,665,873	1,441,607	224,266
Capital Outlay	81,021	81,021	66,270	14,751
<i>Total Expenditures</i>	8,645,481	8,645,481	8,051,269	594,212
<i>Excess of Revenues Under Expenditures</i>	(1,066,276)	(1,133,822)	(257,021)	876,801
<b>Other Financing Uses</b>				
Transfers Out	(200,000)	(200,000)	(400,000)	(200,000)
<i>Net Change in Fund Balance</i>	(1,266,276)	(1,333,822)	(657,021)	676,801
<i>Fund Balance Beginning of Year</i>	1,283,697	1,283,697	1,283,697	0
Prior Year Encumbrances Appropriated	252,306	252,306	252,306	0
<i>Fund Balance End of Year</i>	\$269,727	\$202,181	\$878,982	\$676,801

See accompanying notes to the basic financial statements

## **Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

### **Note 1 – Description of the Library and Reporting Entity**

The Cleveland Heights-University Heights Public Library (the Library) was organized as a school district public library in 1920 under the laws of the State of Ohio. The Library has its own Board of Trustees of seven members who are appointed by the Cleveland Heights-University Heights Board of Education. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued, contracting, acquiring, holding, possessing, and disposing of real property, and of exercising such other powers and privileges conferred upon it by law. The Library also determines and operates under its own budget. Control and management of the Library is governed by sections 3375.33 to 3375.41 of the Ohio Revised Code with the administration of the day-to-day operations of the Library being the responsibility of the Director and financial accountability being solely that of the Fiscal Officer.

The Library is fiscally independent of the Board of Education, although the Board of Education serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the Board of Education must put the levy on the ballot. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the Board of Education.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board, “The Financial Reporting Entity,” the Library is considered to be a related organization of the Cleveland Heights-University Heights City School District.

Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. Component units may also include organizations for which the Library approves the budget, the issuance of debt or the levying of taxes. The Library has no component units.

The Friends of the Cleveland-Heights-University Heights Public Library, Inc. is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. Therefore, this organization has been excluded from the reporting entity of the Library.

### **Note 2 - Summary of Significant Accounting Policies**

The financial statements of the Cleveland-Heights-University Heights Public Library have been prepared in conformity with generally accepted accounting principles (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 Library also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the Library's accounting policies are described below.

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

### ***A. Basis of Presentation***

The Library's basic financial statements 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 Library as a whole. These statements usually distinguish between those activities of the Library that are governmental and those that are considered business-type. However, the Library has only governmental activities; therefore no business-type activities are presented.

The statement of net assets presents the financial condition of the governmental activities of the Library at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Library'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 Library, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Library.

***Fund Financial Statements*** During the year, the Library segregates transactions related to certain Library 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 Library 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.

### ***B. Fund Accounting***

The Library 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 Library's funds are all classified as governmental.

***Governmental Funds*** Governmental funds are those through which most governmental functions 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 Library's major governmental fund:

***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 Library for any purpose provided it is expended or transferred according to the general laws of Ohio.

The other governmental funds of the Library account for grants and other resources whose use is restricted to a particular purpose.

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

### **C. Measurement Focus**

**Government-wide Financial Statements** The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Library are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total 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 statements for governmental funds.

### **D. 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. 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 Nonexchange 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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Library, available means expected to be received within thirty-one days of year-end.

Nonexchange transactions, in which the Library receives value without directly giving equal value in return, include property taxes, Library and Local Government Support Fund payments, grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from Library and Local Government Support Fund payments, 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 Library must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Library on a reimbursement basis. On the 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: interest, federal and state grants and subsidies, state-levied locally shared taxes, fees and rentals.

**Deferred Revenue** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

---

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance year 2009 operations, have been recorded as deferred revenue. 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.

***E. Cash and Cash Equivalents***

To improve cash management, cash received by the Library is deposited into one bank account. Monies for all funds are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the Library's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

During 2008, investments were limited to STAROhio, Federal Home Loan Mortgage Corporation Bonds, US Savings Bonds and nonnegotiable certificates of deposit.

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.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2008.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2008 amounted to \$41,820 which includes \$10,471 assigned from other Library funds.

Investments with original maturities of three months or less at the time they are purchased and investments of the cash management pool are presented on the financial statements as cash equivalents.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2008, 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 reflecting the expenditure/expense in the year in which the services are consumed.



**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2008*

---

---

**G. Restricted Assets**

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies.

**H. Capital Assets**

All capital assets of the Library are general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital 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. The Library was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The Library maintains a capitalization threshold of five hundred dollars with the exception of land as land was listed regardless of cost. The Library does not possess any infrastructure. 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 capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Land Improvements	5-40 Years
Buildings and Improvements	5-99 Years
Equipment	3-20 Years
Furniture	5-20 Years
Vehicles	10 years

**I. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Library will compensate the employees for the benefits through paid time off or some other means. The Library records a liability for all accumulated unused vacation time when earned for all employees.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

Sick leave benefits are accrued as a liability using the vesting method. The liability includes amounts accumulated by those employees who are currently eligible to receive termination benefits and those the Library has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the Library's termination policy. The Library records a liability for accumulated unused sick leave for all employees payable at 25 percent of their ending accumulated sick leave balance.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund(s) from which the employees who have resigned or retired will be paid.

***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, compensated absences 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. Capital leases are recognized as a liability on the governmental fund financial statements when due.

***K. Fund Balance Reserves***

The Library reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund equity reserves have been established for encumbrances and unclaimed monies. Under Ohio law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years.

***L. 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 constitutional provisions or enabling legislation adopted by the Library or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

***M. Internal Activity***

Transfers between governmental activities are eliminated on the government wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

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 financial statements.

### ***N. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Library Administration and that are either unusual in nature or infrequent in occurrence.

### ***O. Estimates***

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### ***P. Budgetary Process***

All funds are legally required to be budgeted and appropriated. The budgetary process is prescribed by provisions of the Ohio Administrative Code and entails the preparation of budgetary documents within an established timetable. The Ohio Administrative Code section 117-8 does not require public libraries to budget receipts. However, sound budget practice suggests a government cannot appropriate responsibly unless they have an estimate of resources to support the appropriations. The Board must annually approve appropriation measures and subsequent amendments. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

The certificate of estimated resources establishes a limit on the amount the Board of Trustees may appropriate. The appropriations resolution is the Board of Trustees' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board of Trustees. The legal level of control has been established by the Board of Trustees at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Trustees. The Fiscal Officer has been given authority to allocate Board appropriations to the function and object levels within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Fiscal Officer. The amounts reported as the original and final budgeted amounts on the budgetary statements reflect the amounts in the original and final amended certificate in effect at the time original and final appropriations were passed.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Trustees during the year.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

---

**Note 3 - Change in Accounting Principles**

For 2008, the Library has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations". GASB Statement No. 49 addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effect of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of this Statement did not result in any change to the Library's financial statements.

**Note 4 - Budgetary Basis of Accounting**

While the Library 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 Balance - Budget (Non-GAAP Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis (generally accepted accounting principles) are:

- a) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- b) Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- c) Encumbrances are treated as expenditures for all funds (budget) rather than as a reservation of fund balance (GAAP).
- d) Unrecorded cash represents amounts received but not reported by the Library on the operating statements (budget), but which is reported on the GAAP basis operating statements.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
GAAP Basis	(\$632,655)
Net Adjustment for Revenue Accruals	5,502
Net Adjustment for Expenditure Accruals	93,450
Beginning Unrecorded Cash	2,182
Encumbrances	(125,500)
Budget Basis	<u><u>(\$657,021)</u></u>

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

### **Note 5 - Deposits and Investments**

State statutes classify monies held by the Library into three categories.

Active monies are public monies necessary to meet current demands on the Library treasury. Such monies must be maintained either as cash in the Library treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Library has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by 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.

Protection of the Library'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 treasurer 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.

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

1. United States treasury bills, bonds, notes or any other obligation and 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; and
6. The State Treasurer's investment pool (STAROhio).

## Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2008

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 Library, 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 treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

### Deposits

**Custodial Credit Risk** Custodial credit risk for deposits is the risk that in the event of bank failure, the Library will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$602,498 of the Library's bank balance of \$1,322,846 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Library to a successful claim by the FDIC.

The Library has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Library or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

### Investments

Investments are reported at fair value. As of December 31, 2008, the Library had the following investments:

	Maturity			Total
	Less Than Six Years	More Than Six Years But Less Than Thirteen Years	More Than Thirteen Years But Less Than Eighteen Years	
STAROhio	\$322,412	\$0	\$0	\$322,412
Federal Home Loan Mortgage Corporation Bonds	300,234	0	0	300,234
United States Savings Bonds	40,806	185,656	204,484	430,946
Total Portfolio	\$663,452	\$185,656	\$204,484	\$1,053,592

**Interest Rate Risk** arises because potential purchases of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Library does not have an investment policy beyond the requirements of State statute. Ohio Law addresses interest rate risk by requiring that the Library's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

**Credit Risk** The Federal Home Loan Mortgage Corporation Bonds carry a rating of AAA by Moody's. STAROhio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The Library has no investment policy that addresses credit risk.

**Concentration of Credit Risk** is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The Library places no limit on the amount it may invest in any one issuer. The following is the Library's allocation as of December 31, 2008:

<u>Investment</u>	<u>Percentage of Investments</u>
US Savings Bonds	40.90 %
Federal Home Loan Mortgage Corporation Bonds	28.50
STAROhio	30.60

**Note 6 - Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the Cleveland Heights-University Heights City School District. Property tax revenue received during 2008 for real and public utility property taxes represents collections of the 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) is for 2008 taxes.

2008 real property taxes are levied after October 1, 2008, on the assessed value as of January 1, 2008, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2008 real property taxes are collected in and intended to finance 2009.

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2008 public utility property taxes became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes.

2008 tangible personal property taxes are levied after October 1, 2007, on the value as of December 31, 2007. Collections are made in 2008. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The full tax rate for all Library operations for the year ended December 31, 2008 was \$7.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

---

Category	Assessed Values
Real Estate	
Residential/Agricultural	\$1,035,088,170
Other Real Estate	182,208,130
Tangible Personal Property	
Public Utility	12,095,890
General	4,791,945
Total	<u><u>\$1,234,184,135</u></u>

In March 2008, the Library passed a continuous 1.9 mill property tax levy, certified to generate \$2.3 million in revenue.

The County Treasurer collects property tax on behalf of all taxing districts within the county, including the Library district. The County Auditor periodically remits to the Library its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2008 and for which there is an enforceable legal claim. In the general fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2008 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while on a modified accrual basis it is deferred.

**Note 7 - Receivables**

Receivables at December 31, 2008, consisted of taxes, interest and due from other governments. The intergovernmental receivables at December 31, 2008 were \$1,437,280 of Library and Local Government Support Fund revenues received through the State of Ohio and \$261,705 for homestead and rollback. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables except property taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

**Note 8 – Capital Leases**

In prior years, the Library entered into lease agreements for the acquisition of copiers, communication equipment, an office phone system and an energy management system. The Library’s lease obligations meet the criteria of a capital lease as defined by Financial Accounting Standards Board Statement Number 13, “Accounting for Leases,” and have been recorded on the government-wide statements. The original amounts capitalized for the capital leases and the book value as of December 31, 2008 follows:

Assets:	
Equipment	\$713,377
Less: Accumulated Depreciation	<u>(69,675)</u>
Current Book Values	<u><u>\$643,702</u></u>



## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

The following is a schedule of the future long-term minimum lease payments required on the capital leases and present value of the minimum lease payments as of December 31, 2008. All lease payments are made from the general fund.

<u>Year Ending December 31,</u>	<u>Amount</u>
2009	\$93,383
2010	91,592
2011	79,138
2012	68,438
2013	49,987
2014-2018	249,935
2019-2020	99,974
Total Minimum Lease Payments	732,447
Less: Amount Representing Interest	(151,156)
Present Value of Minimum Lease	<u>\$581,291</u>

### Note 9 - Risk Management

The Library 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 2008, the Library contracted with Love Insurance for various types of insurance coverage as follows:

<u>Type of Coverage</u>	<u>Coverage</u>
Comercial Property	\$27,056,558
Inland Marine:	
Electronic Equipment	375,000
Electronic Media and Extra Expense (per)	30,000
General Liability	2,000,000
Comercial Crime and Computer Fraud (per)	5,000
Public Employee Dishonesty, Forgery and Funds Transfer Fraud (per)	10,000
Vehicle	1,000,000
Errors and Omissions	2,000,000
Library Officials	100,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

The Library 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. The System administers and pays all claims.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2008, was as follows:

	Balance 12/31/07	Additions	Reductions	Balance 12/31/08
Governmental activities:				
Capital assets, not being depreciated				
Land	\$791,638	\$0	\$0	\$791,638
Capital assets, being depreciated				
Land Improvements	601,715	17,809	0	619,524
Buildings and Building Improvements	19,615,122	99,643	0	19,714,765
Equipment	2,008,068	127,941	0	2,136,009
Furniture	48,592	1,150	0	49,742
Vehicles	14,688	0	0	14,688
Total capital assets being depreciated	22,288,185	246,543	0	22,534,728
Accumulated depreciation				
Land Improvements	(431,613)	(25,112)	0	(456,725)
Buildings and Building Improvements	(3,436,786)	(305,600)	0	(3,742,386)
Equipment	(836,441)	(145,166)	0	(981,607)
Furniture	(27,353)	(5,184)	0	(32,537)
Vehicles	(9,547)	(1,469)	0	(11,016)
Total accumulated depreciation	(4,741,740)	(482,531) *	0	(5,224,271)
Total Capital assets being depreciated, net	17,546,445	(235,988)	0	17,310,457
Governmental activities capital assets, net	\$18,338,083	(\$235,988)	\$0	\$18,102,095

\* Depreciation expense was charged to governmental activities as follows:

General Government:	
Public Service	\$472,880
Administration	9,651
Total	<u>\$482,531</u>

**Note 11 - Defined Benefit Pension Plan**

**A. Ohio Public Employees Retirement System**

Plan Description – The Library participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension 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 percent 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. Under the combined plan, OPERS invests

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

employer contributions to provide a formula retirement benefit similar in nature to the traditional pension plan benefit. Member contributions, the investment of which is self-directed by the members, 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 pension 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. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2008, members in state and local classifications contributed 10.0 percent of covered payroll and public safety and law enforcement members contributed 10.1 percent.

The Library's contribution rate for 2008 was 14.0 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Library's required contributions for pension obligations to the traditional and combined plans for the year ended December 31, 2008, 2007, and 2006 were \$282,822, \$333,286, and \$358,639, respectively; 89.10 percent has been contributed for 2008 and 100 percent for 2007 and 2006. Contributions to the member-directed plan for 2008 were \$9,009 made by the Library and \$6,435 made by plan members.

### **Note 12 - Postemployment Benefits**

#### ***A. Ohio Public Employees Retirement System***

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment health care coverage, age-and-service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State Statute requires that public employers fund post-employment health care through their contributions to OPERS. A portion of each employer's contribution to the traditional and combined plans is set aside for the funding of post-retirement health care.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2008*

---

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2008, state and local employers contributed at a rate of 14.0 percent of covered payroll. Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. For 2008, the amount of the employer contributions which was allocated to fund post-employment health care was 7.0 percent of covered payroll.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Library's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$282,822, \$219,530, and \$175,421, respectively; 89.10 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

**Note 13 – Other Employee Benefits**

***A. Compensated Absences***

All full time, 30 hour and part time employees earn vacation by payroll period at different rates which are affected by length of service. Up to 100 percent of the annual vacation allowance may be carried forward from one year to the next. Upon retirement or death, employees are paid 25 percent of their accumulated hours of sick leave. Accrued vacation leave is paid upon retirement, termination or death of the employee.

Sick leave for full time and 30 hour employees is also earned by payroll period and can be accumulated up to 105 days, plus the current year. Part time staff can also earn sick leave which accumulates to a comparable amount.

***B. Insurance***

The Library provides medical, dental and vision insurance to employees on a paid premium basis. Other employee benefits include life insurance coverage, long-term disability insurance and an IRC Section 125 flexible benefit plan.

**Note 14 – Interfund Transfers**

The general fund transferred \$400,000 to the building and repairs capital projects fund for the purchase and maintenance of various items throughout the Library.

## Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2008

---

---

### Note 15 - Long-Term Obligations

A schedule of changes in bonds and other long-term obligations of the Library during 2008 follows:

	Principal Outstanding 12/31/2007	Additions	Deletions	Principal Outstanding 12/31/2008	Amounts Due In One Year
<i><b>Governmental Activities</b></i>					
Compensated Absences	\$233,852	\$321,457	\$245,544	\$309,765	\$244,996
Capital Lease Obligations	652,644	0	71,353	581,291	74,570
<i>Total Governmental Activities</i>	<u>\$886,496</u>	<u>\$321,457</u>	<u>\$316,897</u>	<u>\$891,056</u>	<u>\$319,566</u>

Compensated absences will be paid from the general fund.

### Note 16 – Construction and Improvement of Facilities

In 2001, the Board of Library Trustees of the Cleveland Heights-University Heights Public Library submitted to the Cleveland Heights-University Heights City School District a bond issue to be used for improvements to the Library System. The School District serves as the taxing authority and issues tax related debt on behalf of the Library, although their 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 Library Trustees.

With approval of the bond issue in 2001, the School District issued bond anticipation notes for Library improvements in the amount of \$5,000,000 in 2001 and of \$4,500,000 during 2002. During 2002, the notes were rolled into bonds. Because the bonds are general obligations of the Cleveland Heights-University Heights City School District, the long-term obligation is excluded from the general long-term obligations of the Cleveland Heights-University Heights Public Library. The receipt and expenditure of the proceeds from the property tax levy for the retirement of the debt is reflected in the School District's bond retirement fund.

## **Combining Statements – Nonmajor Governmental Funds**

### ***Nonmajor Special Revenue Funds***

The Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes. A description of the Library's nonmajor special revenue funds follows:

***Staff Development Fund*** - This fund accounts for revenue received as interest from principal left to the Library as part of the estate of Larry Bauer. It is used specifically for staff development programs.

***LLOhio Grant Fund*** - This fund accounts for revenue received from the State, fees and donations to be used for leadership development for library professionals.

### ***Nonmajor Capital Projects Fund***

The Capital Projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities.

***Building and Repairs Fund*** - This fund accounts for monies set aside by the Board of Library Trustees specifically for major capital and technology improvements.

**Cleveland Heights-University Heights Public Library**

*Combining Balance Sheet*

*Nonmajor Governmental Funds*

*December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$451,114	\$702,020	\$1,153,134
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>	\$0	\$0	\$0
<b>Fund Balances</b>			
Reserved for Encumbrances	1,510	103,221	104,731
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	449,604	0	449,604
Capital Projects Fund	0	598,799	598,799
<i>Total Fund Balances</i>	451,114	702,020	1,153,134
<i>Total Liabilities and Fund Balances</i>	\$451,114	\$702,020	\$1,153,134

**Cleveland Heights-University Heights Public Library**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Interest	\$19,228	\$6,289	\$25,517
Donations	3,000	0	3,000
Miscellaneous	0	856	856
<i>Total Revenues</i>	<u>22,228</u>	<u>7,145</u>	<u>29,373</u>
<b>Expenditures</b>			
Current:			
General Government:			
Public Service	3,000	0	3,000
Administration	31,950	0	31,950
Capital Outlay	0	261,035	261,035
<i>Total Expenditures</i>	<u>34,950</u>	<u>261,035</u>	<u>295,985</u>
<i>Excess of Revenues Under Expenditures</i>	(12,722)	(253,890)	(266,612)
<b>Other Financing Sources</b>			
Transfers In	0	400,000	400,000
<i>Net Change in Fund Balances</i>	(12,722)	146,110	133,388
<i>Fund Balances Beginning of Year</i>	<u>463,836</u>	<u>555,910</u>	<u>1,019,746</u>
<i>Fund Balances End of Year</i>	<u><u>\$451,114</u></u>	<u><u>\$702,020</u></u>	<u><u>\$1,153,134</u></u>



**Cleveland Heights-University Heights Public Library**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2008*

	Staff Development	LLOhio Grant	Total Nonmajor Special Revenue Funds
<b>Revenues</b>			
Interest	\$19,228	\$0	\$19,228
Donations	0	3,000	3,000
<i>Total Revenues</i>	<u>19,228</u>	<u>3,000</u>	<u>22,228</u>
<b>Expenditures</b>			
Current:			
General Government:			
Public Service	0	3,000	3,000
Administration	31,950	0	31,950
<i>Total Expenditures</i>	<u>31,950</u>	<u>3,000</u>	<u>34,950</u>
<i>Net Change in Fund Balances</i>	(12,722)	0	(12,722)
<i>Fund Balances Beginning of Year</i>	<u>463,836</u>	<u>0</u>	<u>463,836</u>
<i>Fund Balances End of Year</i>	<u><u>\$451,114</u></u>	<u><u>\$0</u></u>	<u><u>\$451,114</u></u>

**Cleveland Heights-University Heights Public Library**

*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund*

*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$3,957,639	\$3,920,007	\$4,006,125	\$86,118
Patron Fines and Fees	110,989	110,000	109,476	(524)
Intergovernmental	3,385,966	3,358,152	3,612,288	254,136
Interest	95,249	94,400	41,387	(53,013)
Donations	2,018	2,000	3,558	1,558
Rentals	20,180	20,000	19,770	(230)
Miscellaneous	7,164	7,100	1,644	(5,456)
<i>Total Revenues</i>	<u>7,579,205</u>	<u>7,511,659</u>	<u>7,794,248</u>	<u>282,589</u>
<b>Expenditures</b>				
Current:				
General Government:				
Public Service				
Salaries and Wages	4,308,299	4,308,299	4,124,212	184,087
Purchased Services	1,578,554	1,578,554	1,414,876	163,678
Materials and Supplies	980,634	980,634	979,809	825
Other	31,100	31,100	24,495	6,605
Total Public Service	<u>6,898,587</u>	<u>6,898,587</u>	<u>6,543,392</u>	<u>355,195</u>
Administration				
Salaries and Wages	1,286,894	1,286,894	1,231,908	54,986
Purchased Services	52,057	52,057	49,610	2,447
Materials and Supplies	176,922	176,922	160,089	16,833
Other	150,000	150,000	0	150,000
Total Administration	<u>1,665,873</u>	<u>1,665,873</u>	<u>1,441,607</u>	<u>224,266</u>
Capital Outlay				
Land Improvements	6,000	6,000	0	6,000
Building Improvements	11,872	11,872	6,249	5,623
Furniture and Equipment	13,149	13,149	13,149	0
Capital Outlay	50,000	50,000	46,872	3,128
Total Capital Outlay	<u>81,021</u>	<u>81,021</u>	<u>66,270</u>	<u>14,751</u>
<i>Total Expenditures</i>	<u>8,645,481</u>	<u>8,645,481</u>	<u>8,051,269</u>	<u>594,212</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,066,276)</u>	<u>(1,133,822)</u>	<u>(257,021)</u>	<u>876,801</u>
<b>Other Financing Uses</b>				
Transfers Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(400,000)</u>	<u>(200,000)</u>
<i>Net Change in Fund Balance</i>	<u>(1,266,276)</u>	<u>(1,333,822)</u>	<u>(657,021)</u>	<u>676,801</u>
<i>Fund Balance Beginning of Year</i>	<u>1,283,697</u>	<u>1,283,697</u>	<u>1,283,697</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>252,306</u>	<u>252,306</u>	<u>252,306</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$269,727</u>	<u>\$202,181</u>	<u>\$878,982</u>	<u>\$676,801</u>

**Cleveland Heights-University Heights Public Library**

*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Staff Development Fund  
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$20,000	\$20,000	\$19,228	(\$772)
<b>Expenditures</b>				
Current:				
General Government:				
Administration				
Salaries and Wages	4,857	4,857	4,857	0
Purchased Services	27,918	27,918	20,130	7,788
Materials and Supplies	9,349	9,349	8,473	876
<i>Total Expenditures</i>	42,124	42,124	33,460	8,664
<i>Net Change in Fund Balance</i>	(22,124)	(22,124)	(14,232)	7,892
<i>Fund Balance Beginning of Year</i>	462,212	462,212	462,212	0
Prior Year Encumbrances Appropriated	1,624	1,624	1,624	0
<i>Fund Balance End of Year</i>	\$441,712	\$441,712	\$449,604	\$7,892

**Cleveland Heights-University Heights Public Library**

*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
LLOhio Grant Fund  
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Donations	\$3,000	\$3,000	\$3,000	\$0
<b>Expenditures</b>				
Current:				
General Government:				
Public Service				
Purchased Services	3,000	3,000	3,000	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**Cleveland Heights-University Heights Public Library**

*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Building and Repairs Fund  
For the Year Ended December 31, 2008*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Interest	\$10,000	\$10,000	\$6,289	(\$3,711)
Miscellaneous	0	0	856	856
<i>Total Revenues</i>	<u>10,000</u>	<u>10,000</u>	<u>7,145</u>	<u>(2,855)</u>
<b>Expenditures</b>				
Current:				
Capital Outlay				
Building Improvements	300,000	300,000	217,102	82,898
Furniture and Equipment	254,493	254,493	147,154	107,339
<i>Total Expenditures</i>	<u>554,493</u>	<u>554,493</u>	<u>364,256</u>	<u>190,237</u>
<i>Excess of Revenues Under Expenditures</i>	(544,493)	(544,493)	(357,111)	187,382
<b>Other Financing Sources</b>				
Transfers In	210,000	210,000	400,000	190,000
<i>Net Change in Fund Balance</i>	(334,493)	(334,493)	42,889	377,382
<i>Fund Balance Beginning of Year</i>	551,416	551,416	551,416	0
Prior Year Encumbrances Appropriated	4,494	4,494	4,494	0
<i>Fund Balance End of Year</i>	<u>\$221,417</u>	<u>\$221,417</u>	<u>\$598,799</u>	<u>\$377,382</u>

*(This Page Intentionally Left Blank.)*

## Statistical Section

This part of the Cleveland Heights-University Heights Public Library, Ohio'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 Library's overall financial health.

---

<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	<b><i>S2 – S9</i></b>
These schedules contain trend information to help the reader understand how the Library's financial performance and well-being have changed over time.	
<b><i>Revenue Capacity</i></b> .....	<b><i>S10 – S20</i></b>
These schedules contain information to help the reader assess the Library's most significant local revenue, the property tax.	
<b><i>Debt Capacity</i></b> .....	<b><i>S21 – S22</i></b>
These schedules present information to help the reader assess the affordability of the Library's current levels of outstanding debt and the Library's ability to issue additional debt in the future.	
<b><i>Economic and Demographic Information</i></b> .....	<b><i>S23 – S25</i></b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the Library's financial activities take place.	
<b><i>Operating Information</i></b> .....	<b><i>S26 – S28</i></b>
These schedules contain service and infrastructure data to help the reader understand how the information in the Library's financial report relates to the services the Library provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The Library implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**Cleveland Heights-University Heights Public Library**

*Net Assets By Component*

*Last Six Years*

*(Accrual Basis of Accounting)*

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$17,520,804	\$17,685,439	\$18,041,395	\$11,967,722
Restricted:				
Capital Projects	702,020	555,910	1,311,793	6,997,038
Debt Service	0	0	312,489	0
Other Purposes	451,114	463,836	468,404	470,199
Unrestricted	<u>2,392,699</u>	<u>3,188,303</u>	<u>3,308,194</u>	<u>3,491,863</u>
<i>Total Governmental Activities</i> <i>Net Assets</i>	<u>\$21,066,637</u>	<u>\$21,893,488</u>	<u>\$23,442,275</u>	<u>\$22,926,822</u>



<u>2004</u>	<u>2003</u>
\$6,649,002	\$5,895,502
12,049,830	12,100,420
0	0
474,850	482,381
<u>3,324,272</u>	<u>3,241,771</u>
<u>\$22,497,954</u>	<u>\$21,720,074</u>

**Cleveland Heights-University Heights Public Library**

*Changes in Net Assets*

*Last Six Years*

*(Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government:				
Public Service	\$103,739	\$116,109	\$100,472	\$105,936
Administration	22,918	28,589	20,658	21,698
Subtotal - Charges for Services	<u>126,657</u>	<u>144,698</u>	<u>121,130</u>	<u>127,634</u>
Operating Grants and Contributions:				
General Government:				
Public Service	5,914	2,573	36,541	2,318
Administration	644	633	703	475
Subtotal - Operating Grants and Contributions	<u>6,558</u>	<u>3,206</u>	<u>37,244</u>	<u>2,793</u>
Capital Grants and Contributions:				
General Government				
Public Service	<u>0</u>	<u>0</u>	<u>598</u>	<u>257,999</u>
<i>Total Primary Government Program Revenues</i>	<u>133,215</u>	<u>147,904</u>	<u>158,972</u>	<u>388,426</u>
<b>Expenses</b>				
Governmental Activities:				
General Government:				
Public Service	7,047,915	8,026,175	6,201,050	6,956,913
Administration	1,478,715	1,584,531	1,452,755	1,178,367
Interest and Fiscal Charges	<u>29,122</u>	<u>28,289</u>	<u>42,244</u>	<u>13,564</u>
<i>Total Governmental Activities Expenses</i>	<u>8,555,752</u>	<u>9,638,995</u>	<u>7,696,049</u>	<u>8,148,844</u>
<b>Net Expense</b>				
Governmental Activities	<u>(8,422,537)</u>	<u>(9,491,091)</u>	<u>(7,537,077)</u>	<u>(7,760,418)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	4,019,850	4,000,385	4,045,997	4,154,144
Grants and Entitlements not Restricted to Specific Programs	3,506,609	3,688,533	3,628,958	3,617,300
Investment Earnings	67,337	162,444	357,563	414,154
Miscellaneous	<u>1,890</u>	<u>90,942</u>	<u>20,012</u>	<u>3,688</u>
<i>Total Governmental Activities</i>	<u>7,595,686</u>	<u>7,942,304</u>	<u>8,052,530</u>	<u>8,189,286</u>
<b>Change in Net Assets</b>				
Governmental Activities	<u>(\$826,851)</u>	<u>(\$1,548,787)</u>	<u>\$515,453</u>	<u>\$428,868</u>

2004	2003
\$116,469	\$174,815
27,876	0
<u>144,345</u>	<u>174,815</u>
5,819	3,138
305	0
<u>6,124</u>	<u>3,138</u>
87,557	4,732
<u>238,026</u>	<u>182,685</u>
6,144,037	6,238,829
1,381,107	1,191,302
16,172	14,292
<u>7,541,316</u>	<u>7,444,423</u>
<u>(7,303,290)</u>	<u>(7,261,738)</u>
4,178,114	4,155,802
3,722,905	3,554,417
176,561	411,667
3,590	2,750
<u>8,081,170</u>	<u>8,124,636</u>
<u>\$777,880</u>	<u>\$862,898</u>

**Cleveland Heights-University Heights Public Library**

*Fund Balances, Governmental Funds*

*Last Ten Years*

*(Modified Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>General Fund</b>				
Reserved	\$52,263	\$217,258	\$239,157	\$164,238
Unreserved	822,519	1,290,179	1,444,866	1,570,289
Total General Fund	874,782	1,507,437	1,684,023	1,734,527
<b>All Other Governmental Funds</b>				
Reserved	104,731	6,118	1,051,773	5,986,236
Unreserved, Undesignated, Reported in:				
Special Revenue funds	449,604	462,212	464,618	467,195
Debt Service fund	0	0	312,489	0
Capital Projects fund	598,799	551,416	263,806	1,013,806
Total All Other Governmental Funds	1,153,134	1,019,746	2,092,686	7,467,237
<b>Total Governmental Funds</b>	<b>\$2,027,916</b>	<b>\$2,527,183</b>	<b>\$3,776,709</b>	<b>\$9,201,764</b>

2004	2003	2002	2001	2000	1999
\$145,124	\$116,477	\$189,898	\$167,254	\$45,485	\$212,647
1,364,190	1,340,247	774,226	674,246	508,939	245,047
1,509,314	1,456,724	964,124	841,500	554,424	457,694
884,406	806,656	900,145	251,641	244,541	280,378
471,150	471,052	486,019	489,386	453,484	476,793
0	0	0	0	0	0
11,169,124	11,305,093	10,885,191	6,542,394	1,005,458	1,740,229
12,524,680	12,582,801	12,271,355	7,283,421	1,703,483	2,497,400
\$14,033,994	\$14,039,525	\$13,235,479	\$8,124,921	\$2,257,907	\$2,955,094

**Cleveland Heights-University Heights Public Library**

*Changes in Fund Balances, Governmental Funds*

*Last Ten Years*

*(Modified Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Revenues</b>				
Property Taxes	\$4,006,125	\$3,995,415	\$4,137,884	\$4,134,195
Patron Fines and Fees	108,402	123,751	107,456	114,514
Intergovernmental	3,607,370	3,693,850	3,686,792	3,671,580
Interest	67,337	162,444	357,563	414,154
Donations	6,558	3,206	22,630	260,792
Rentals	18,255	20,947	13,674	13,120
Miscellaneous	1,890	90,942	20,012	3,688
<i>Total Revenues</i>	<u>7,815,937</u>	<u>8,090,555</u>	<u>8,346,011</u>	<u>8,612,043</u>
<b>Expenditures</b>				
Current:				
General Government:				
Public Service	6,426,265	6,202,089	5,864,854	5,683,861
Administration	1,466,785	1,577,507	1,419,563	1,182,721
Capital Outlay	321,679	1,574,996	6,927,497	6,515,594
Debt Service:				
Principal Retirement	71,353	79,224	108,261	99,285
Interest and Fiscal Charges	29,122	34,084	36,449	13,564
<i>Total Expenditures</i>	<u>8,315,204</u>	<u>9,467,900</u>	<u>14,356,624</u>	<u>13,495,025</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(499,267)</u>	<u>(1,377,345)</u>	<u>(6,010,613)</u>	<u>(4,882,982)</u>
<b>Other Financing Sources (Uses)</b>				
Inception of Capital Lease	0	127,819	585,558	50,752
Transfers In	400,000	612,489	712,489	900,000
Transfers Out	(400,000)	(612,489)	(712,489)	(900,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>127,819</u>	<u>585,558</u>	<u>50,752</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$499,267)</u></u>	<u><u>(\$1,249,526)</u></u>	<u><u>(\$5,425,055)</u></u>	<u><u>(\$4,832,230)</u></u>
Debt Service as a Percentage of Noncapital Expenditures	1.2%	1.2%	2.0%	1.6%

2004	2003	2002	2001	2000	1999
\$4,204,497	\$4,058,172	\$3,969,137	\$3,897,506	\$2,568,771	\$2,545,036
133,045	159,975	148,495	151,515	161,772	180,204
3,669,810	3,659,416	3,688,977	3,982,598	3,812,425	3,568,195
176,561	411,667	298,272	136,202	159,615	172,304
88,737	7,870	88,190	121,983	1,652	216,787
11,300	14,840	15,438	13,750	15,828	14,442
3,590	2,750	4,501,097	5,135,139	2,188	1,170
<u>8,287,540</u>	<u>8,314,690</u>	<u>12,709,606</u>	<u>13,438,693</u>	<u>6,722,251</u>	<u>6,698,138</u>
5,640,180	5,923,909	5,883,555	5,621,448	5,297,826	5,032,724
1,358,823	1,138,871	1,276,581	982,663	968,274	876,887
1,284,583	496,791	429,481	1,056,666	1,120,994	272,500
111,935	95,464	65,103	36,951	34,337	32,946
16,172	14,292	13,880	9,571	4,830	6,466
<u>8,411,693</u>	<u>7,669,327</u>	<u>7,668,600</u>	<u>7,707,299</u>	<u>7,426,261</u>	<u>6,221,523</u>
<u>(124,153)</u>	<u>645,363</u>	<u>5,041,006</u>	<u>5,731,394</u>	<u>(704,010)</u>	<u>476,615</u>
118,622	128,109	77,394	128,191	0	14,628
1,000,000	500,000	600,000	1,300,000	200,000	525,000
<u>(1,000,000)</u>	<u>(500,000)</u>	<u>(600,000)</u>	<u>(1,300,000)</u>	<u>(200,000)</u>	<u>(525,000)</u>
<u>118,622</u>	<u>128,109</u>	<u>77,394</u>	<u>128,191</u>	<u>0</u>	<u>14,628</u>
<u>(\$5,531)</u>	<u>\$773,472</u>	<u>\$5,118,400</u>	<u>\$5,859,585</u>	<u>(\$704,010)</u>	<u>\$491,243</u>
1.8%	1.6%	1.1%	0.7%	0.6%	0.7%

**Cleveland Heights-University Heights Public Library**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2008	\$1,035,088,170	\$182,208,130	\$3,477,989,429	\$12,095,890	\$13,745,330
2007	1,034,579,860	196,135,280	3,516,328,971	11,548,270	13,123,034
2006	1,031,665,920	186,687,680	3,481,010,286	17,706,520	20,121,045
2005	903,510,300	165,323,030	3,053,809,514	27,878,630	31,680,261
2004	902,759,460	232,806,480	3,244,474,114	30,356,400	34,495,909
2003	900,693,110	165,866,620	3,047,313,514	31,701,920	36,024,909
2002	773,205,020	164,029,800	2,677,813,771	31,701,920	36,024,909
2001	772,943,680	156,749,390	2,656,265,914	20,379,170	23,158,148
2000	773,287,850	153,174,770	2,647,036,057	30,906,950	35,121,534
1999	681,420,410	131,617,280	2,322,964,829	26,927,490	30,599,420

Source: Cuyahoga County, Ohio; County Auditor

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage was 12.5 percent for 2007, 6.25 percent for 2008 and will be zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.



Tangible Personal Property					Weighted Average Tax Rate (per \$1,000 of Assessed Value)
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$4,791,945	\$76,671,120	\$1,234,184,135	\$3,568,405,877	34.59 %	\$5.4490
9,140,242	73,121,936	1,251,403,652	3,602,573,942	34.74	3.6256
17,686,445	94,327,707	1,253,746,565	3,595,459,038	34.87	3.6480
23,111,301	100,483,917	1,119,823,261	3,185,973,692	35.15	4.1328
22,495,796	97,807,809	1,188,418,136	3,376,777,832	35.19	4.1154
25,539,854	102,159,416	1,123,801,504	3,185,497,839	35.28	4.1556
25,539,854	102,159,416	994,476,594	2,815,998,096	35.32	4.6741
24,751,484	99,005,936	974,823,724	2,778,429,998	35.09	4.6527
34,917,354	139,669,416	992,286,924	2,821,827,007	35.16	4.6755
23,459,179	93,836,716	863,424,359	2,447,400,965	35.28	3.3440

**Cleveland Heights-University Heights Public Library**

*Property Tax Rates - Direct and Overlapping Governments*

*(Per \$1,000 of Assessed Valuation)*

*Last Ten Years*

	2008	2007	2006	2005
<b>Voted Millage - by levy</b>				
1992 Current Expense				
Residential/Agricultural Real	\$2.2031	\$2.1967	\$2.1947	\$2.4945
Commercial/Industrial and Public Utility Real	2.7275	2.7105	2.7188	2.9866
General Business and Public Utility Personal	4.0000	4.0000	4.0000	4.0000
2000 Current Expense				
Residential/Agricultural Real	1.2864	1.2826	1.2815	1.4565
Commercial/Industrial and Public Utility Real	1.4562	1.4471	1.4515	1.5945
General Business and Public Utility Personal	1.9000	1.9000	1.9000	1.9000
2008 Current Expense				
Residential/Agricultural Real	1.9000	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	1.9000	0.0000	0.0000	0.0000
General Business and Public Utility Personal	1.9000	0.0000	0.0000	0.0000
<b>Total Millage</b>				
Residential/Agricultural Real	\$5.3895	\$3.4793	\$3.4762	\$3.9510
Commercial/Industrial and Public Utility Real	6.0837	4.1576	4.1703	4.5811
General Business and Public Utility Personal	7.8000	5.9000	5.9000	5.9000
<b>Overlapping Rates by Taxing District</b>				
Cleveland Heights City				
Residential/Agricultural Real	\$12.9000	\$12.9000	\$13.0000	\$13.0000
Commercial/Industrial and Public Utility Real	12.9000	12.9000	13.0000	13.0000
General Business and Public Utility Personal	12.9000	12.9000	13.0000	13.0000
University Heights City				
Residential/Agricultural Real	13.2000	13.2000	13.2000	13.2000
Commercial/Industrial and Public Utility Real	13.2000	13.2000	13.2000	13.2000
General Business and Public Utility Personal	13.2000	13.2000	13.2000	13.2000

2004	2003	2002	2001	2000	1999
\$2.4929	\$2.4928	\$2.8747	\$2.8710	\$2.8689	\$3.2540
2.8406	3.0505	3.1400	3.1377	3.1377	3.5588
4.0000	4.0000	4.0000	4.0000	4.0000	4.0000
1.4556	1.4555	1.6785	1.6764	1.6751	0.0000
1.5166	1.6286	1.6764	1.6752	1.6752	0.0000
1.9000	1.9000	1.9000	1.9000	1.9000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
\$3.9485	\$3.9483	\$4.5532	\$4.5474	\$4.5440	\$3.2540
4.3572	4.6791	4.8164	4.8129	4.8129	3.5588
5.9000	5.9000	5.9000	5.9000	5.9000	4.0000

\$13.1000	\$14.0000	\$14.1000	\$14.0000	\$14.1000	\$14.8000
13.1000	14.0000	14.1000	14.0000	14.1000	14.8000
13.1000	14.0000	14.1000	14.0000	14.1000	14.8000
13.2000	13.2000	13.2000	13.2000	13.2000	13.2000
13.2000	13.2000	13.2000	13.2000	13.2000	13.2000
13.2000	13.2000	13.2000	13.2000	13.2000	13.2000

(continued)

**Cleveland Heights-University Heights Public Library**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

	2008	2007	2006	2005
<b>South Euclid City</b>				
Residential/Agricultural Real	\$13.1066	\$12.9048	\$12.9037	\$13.2397
Commercial/Industrial and Public Utility Real	13.2611	13.0691	13.0711	13.2964
General Business and Public Utility Personal	14.9000	14.7000	14.7000	14.9000
<b>Cleveland Heights/University Heights City School District</b>				
Residential/Agricultural Real	60.2980	60.1573	53.0145	59.4523
Commercial/Industrial and Public Utility Real	76.2906	75.8676	68.9863	75.1736
General Business and Public Utility Personal	136.7000	136.7000	129.6000	129.5000
<b>Cuyahoga County</b>				
Residential/Agricultural Real	12.6607	11.8688	11.8655	11.7227
Commercial/Industrial and Public Utility Real	12.8153	12.4535	12.4941	12.5762
General Business and Public Utility Personal	13.3200	13.4200	13.4200	13.5200
<b>Special Taxing Districts (1)</b>				
Residential/Agricultural Real	4.1597	4.1590	4.1576	4.2965
Commercial/Industrial and Public Utility Real	4.3911	4.3800	4.3962	4.5552
General Business and Public Utility Personal	4.7800	4.7800	4.7800	4.7800

Source: Cuyahoga County Auditor

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The Library's basic property tax rate may be increased only by a majority vote of the Library's residents.

Overlapping rates are those of local and county governments that apply to property owners within the Cities.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

(1) Metro Parks, Port Authority, County Library, Community College

2004	2003	2002	2001	2000	1999
\$13.2394	\$13.3393	\$13.4860	\$13.4860	\$13.4853	\$13.7393
13.3008	13.4031	13.4723	13.4811	13.4230	13.6790
14.9000	15.0000	15.0000	15.0000	15.0000	15.1000
59.5232	51.0205	58.0479	56.9136	56.1752	53.7189
71.8459	68.2727	70.1257	69.2618	68.5620	67.7656
129.6000	121.1000	121.1000	121.1000	120.4000	111.0000
10.9754	10.9899	12.4609	11.3815	11.3967	11.4114
11.9846	12.0433	12.8764	12.0023	11.9298	12.3736
13.5200	13.5200	14.6500	14.6500	14.6500	13.7500
4.2949	4.1139	1.2758	1.2771	1.2812	1.4267
4.5175	4.0096	1.3447	1.3335	1.3247	1.5039
4.7800	4.4800	1.5500	1.5500	1.5500	1.5500

**Cleveland Heights-University Heights Public Library**  
*Real Property and Public Utility Tax Levies And Collections*  
*Last Ten Years*

Year	Total Tax Levy(1)	Current Tax Collections(1)	Percent of Current Tax Collections To Current Tax Levy	Delinquent Tax Collection	Total Tax Collections(2)
2008	\$4,437,530	\$4,120,788	92.86%	\$220,649	\$4,341,437
2007	4,464,818	4,112,555	92.11	221,087	4,333,642
2006	4,511,524	4,245,826	94.11	234,895	4,480,721
2005	4,560,243	4,276,028	93.77	223,680	4,499,708
2004	4,514,148	4,303,482	95.33	264,985	4,568,467
2003	4,533,482	4,203,470	92.72	212,737	4,416,207
2002	4,383,205	4,102,149	93.59	218,360	4,320,509
2001	4,431,593	4,185,829	94.45	115,372	4,301,201
2000	2,790,287	2,658,169	95.27	119,373	2,777,542
1999	2,772,395	2,657,244	95.85	111,572	2,768,816

Source: Cuyahoga County, Ohio; County Auditor

(1) Information for Real and Public Utility Property Only

(2) State Reimbursements of Rollback and Homestead Exemptions are included

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Total Tax Levy
97.83%	\$355,942	8.02 %
97.06	358,336	8.03
99.32	353,366	7.83
98.67	445,253	9.76
101.20	425,304	9.42
97.41	451,686	9.96
98.57	354,058	8.08
97.06	289,640	6.54
99.54	165,429	5.93
99.87	167,888	6.06

**Cleveland Heights-University Heights Public Library**

*Personal Property Tax Levies And Collections*

*Last Ten Years*

---

---

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections To Tax Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
2008	\$58,520	\$58,167	99.40 %	\$14,940	\$73,107
2007	110,798	107,935	97.42	8,944	116,879
2006	108,802	105,406	96.88	20,597	126,003
2005	149,948	135,438	90.32	368	135,806
2004	182,702	136,508	74.72	3,533	140,041
2003	172,501	130,509	75.66	4,274	134,783
2002	164,408	130,475	79.36	6,575	137,050
2001	137,832	140,694	102.08	(17,978)	122,716
2000	147,166	121,881	82.82	4,055	125,936
1999	102,985	91,759	89.10	2,679	94,438

Source: Cuyahoga County, Ohio; County Auditor

(1) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

Note: The County does not identify delinquent collections by the year for which the tax was levied.



Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (1)	Percentage of Delinquent Taxes to Total Tax Levy
124.93 %	\$16,119	27.54 %
105.49	49,536	44.71
115.81	42,370	38.94
90.57	58,250	38.85
76.65	40,006	21.90
78.13	68,535	39.73
83.36	27,119	16.49
89.03	10,130	7.35
85.57	27,494	18.68
91.70	7,688	7.47

**Cleveland Heights-University Heights Public Library**

*Principal Real Property Taxpayers*

2008 and 2001

<u>2008</u>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
Severance SPE Lease Company	\$15,923,180	1.31 %
Inland Western	14,671,900	1.21
Kaiser Foundation	11,616,780	0.95
Macy Department Store	8,552,780	0.70
University Square, Incorporated	7,827,610	0.64
Target	6,279,500	0.52
Coral Cedar Center, LLC	4,575,910	0.38
ARC American Retirement Community	3,415,590	0.28
Severance SPE FEECO, LLC	3,218,680	0.26
Concord Park I, II, & III	2,591,190	0.21
<b>Total</b>	<b>\$78,673,120</b>	<b>6.46 %</b>
<b>Total Assessed Valuation</b>	<b>\$1,217,296,300</b>	

<u>2001 (1)</u>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
Kaiser Foundation	\$7,791,840	0.84 %
SCIT, Incorporated	6,029,880	0.65
Wal Mart	4,113,250	0.44
American Retirement Corporation	3,866,590	0.42
Star Wood Wasserman	3,720,640	0.40
East Ohio Gas Company	2,541,630	0.27
Coral Seuh, LLC	2,504,740	0.27
Concord Company	2,290,390	0.25
Lancashire Towers Associates	2,173,640	0.23
Waldorf Partners, LTD	2,143,020	0.23
<b>Total</b>	<b>\$37,175,620</b>	<b>4.00 %</b>
<b>Total Assessed Valuation</b>	<b>\$929,693,070</b>	

Source: Cuyahoga County Auditor

(1) Information prior to 2001 is not available.

**Cleveland Heights-University Heights Public Library**

*Ratios of Outstanding Debt to  
Total Personal Income and Debt Per Capita  
Last Ten Years*

<u>Fiscal Year</u>	<u>Capital Leases</u>	<u>Total Personal Income (1)</u>	<u>Percentage Of Personal Income</u>	<u>Population (2)</u>	<u>Per Capita</u>
2008	\$581,291	\$2,078,917,974	0.03 %	61,614	\$9
2007	652,644	2,078,917,974	0.03	61,614	11
2006	604,049	2,078,917,974	0.03	61,614	10
2005	126,752	2,099,250,690	0.01	62,610	2
2004	175,285	2,112,600,876	0.01	63,411	3
2003	168,598	N/A	N/A	N/A	N/A
2002	135,953	N/A	N/A	N/A	N/A
2001	123,662	N/A	N/A	N/A	N/A
2000	32,422	N/A	N/A	N/A	N/A
1999	85,077	N/A	N/A	N/A	N/A

(1) Personal Income and Population amounts derived from S24.

**Cleveland Heights-University Heights Public Library**

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2008*

Jurisdiction	Governmental Activities Debt	Percentage Applicable to Library(1)	Amount Applicable to the Library
<b>Direct</b>			
Capital Leases	5581,291	100.00 %	5581,291
<b>Overlapping</b>			
Cuyahoga County			
General Obligation Bonds	169,434,000	4.19	7,099,285
Revenue Bonds	97,796,000	4.19	4,097,652
Capital Leases	24,862,000	4.19	1,041,718
Loans	7,012,000	4.19	293,803
Greater Cleveland Regional Transit Authority			
General Obligation Bonds	140,763,731	4.19	5,898,000
State Infrastructure Bank Loans	3,575,318	4.19	149,806
Capital Leases	23,684,005	4.19	992,360
City of Cleveland Heights			
General Obligation Bonds	16,120,000	95.00	15,314,000
Economic Development Revenue Bond	680,000	95.00	646,000
OPWC Loans	1,329,937	95.00	1,263,440
Capital Leases	36,280	95.00	34,466
Bond Anticipation Notes	910,000	95.00	864,500
City of University Heights			
General Obligation Bonds	735,000	100.00	735,000
Bond Anticipation Notes	2,815,000	100.00	2,815,000
OWDA Loans	108,241	100.00	108,241
OPWC Loans	488,006	100.00	488,006
Capital Leases	356,084	100.00	356,084
Police Pension	284,666	100.00	284,666
City of South Euclid			
General Obligation Bonds	7,973,354	6.51	519,065
Special Assessment Bonds	270,000	6.51	17,577
OPWC Loans	1,935,257	6.51	125,985
OWDA Loans	1,893,877	6.51	123,291
Capital Leases	406,035	6.51	26,433
Police and Fire Pension	308,796	6.51	20,103
Bond Anticipation Notes	18,010,000	6.51	1,172,451
Cleveland Heights-University Heights City School District			
General Obligation Bonds	12,009,871	100.00	12,009,871
QZAB Bonds	5,500,000	100.00	5,500,000
Capital Lease	750,571	100.00	750,571
<i>Total Overlapping Debt</i>	<u>540,048,029</u>		<u>62,747,375</u>
<i>Total Direct and Overlapping Debt</i>	<u>5540,629,320</u>		<u>563,328,666</u>

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2007 collection year. The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent those of the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.

**Cleveland Heights-University Heights Public Library**

*Principal Employers*

*Current Year and Two Years Ago (1)*

<b>2008</b>			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Cleveland Heights-University Heights City School District	Public Education	1,011	3.05 %
Cleveland Heights City Hall	Local Government	921	2.78
John Carroll University	Higher Education	684	2.06
Bellefaire Jewish Children's Center	Social Services	506	1.53
Kaiser Foundation	Healthcare	349	1.05
Wal Mart, Inc.	Retail Store	300	0.91
AI Healthcare	Healthcare	245	0.74
Target's	Retail Store	220	0.66
Hebrew Academy	Private Education	214	0.65
Motorcars, Inc.	New and Used Cars	209	0.63
<b>Total</b>		<b>4,659</b>	<b>14.06 %</b>
<b>Total Employment within the Library District</b>		<b>33,140</b>	

<b>2006</b>			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Cleveland Heights-University Heights City School District	Public Education	1,164	3.69 %
Cleveland Heights City Hall	Local government	921	2.92
John Carroll University	Higher Education	585	1.86
Wal-Mart, Inc.	Retail Store	300	0.95
Kaiser Permanente	Medical Facility	300	0.95
Heinen's	Grocery/Retail	200	0.64
Kauffman's	Retail Store	200	0.64
Target's	Retail Store	200	0.64
Tops	Grocery/Retail	190	0.60
Home Depot, Inc.	Retail Store	150	0.48
<b>Total</b>		<b>4,210</b>	<b>13.37 %</b>
<b>Total Employment within the Library District</b>		<b>31,488</b>	

Source: Survey conducted by the two Cities.

(1) Information prior to 2006 is not available.

(2) The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent combined totals for the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.

**Cleveland Heights-University Heights Public Library**

*Demographic and Economic Statistics*

*Last Five Years (1)*

Year	Population (2)	Total Personal Income (3)	Median Family Income (4)	Per Capita Income (3)	Unemployment Rate (3)	
					Cuyahoga County	State of Ohio
2008	61,614	\$2,078,917,974	\$61,401	\$33,741	6.8%	6.5%
2007	61,614	2,078,917,974	61,401	33,741	6.3	5.6
2006	61,614	2,078,917,974	61,401	33,741	6.1	5.6
2005	62,610	2,099,250,690	60,864	33,529	5.9	5.9
2004	63,411	2,112,600,876	60,326	33,316	6.6	5.9

Sources:

- (1) Information prior to 2004 is not available.
- (2) Estimates 2004-2008, Environmental Systems Research Institute (ESRI), 2008. The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent combined totals for the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.
- (3) ESRI, 2005-2008
- (4) County and State Records
- (5) Records of Cities of Cleveland Heights and University Heights.
- (6) Cuyahoga County, Ohio; County Auditor  
Represents total real property assessed value for the Cities of Cleveland Heights and University Heights.
- (7) Federal Reserve Bank of Cleveland

<u>City Square Miles (5)</u>	<u>Estimated Actual Property Value (6)</u>	<u>Number of Building Permits (5)</u>	<u>Dollar Value of Building Permits (5)</u>	<u>Bank Deposits (in thousands)(7)</u>
10.11	\$3,568,405,877	4,278	\$30,508,251	\$166,063,810
10.11	3,602,573,942	4,563	40,280,589	142,682,116
10.11	3,595,459,038	2,159	42,688,348	153,725,693
10.11	3,185,973,603	2,071	52,872,625	105,769,931
10.11	3,376,777,832	2,107	30,161,964	101,838,959

**Cleveland Heights-University Heights Public Library**  
*Full-Time Equivalent Library Employees by Function/Program*  
*Last Three Years (1)*

Function/Program	2008	2007	2006
<b>Public Service</b>			
Adult Services	16.625	16.700	17.825
Young Adult Services	6.600	4.975	4.600
Children's Services	9.325	8.200	7.875
Circulation Services	21.550	20.825	20.250
Technical Services	8.700	6.925	5.525
Information Technology	2.000	2.000	2.175
Building Services	6.000	5.725	5.950
Coventry Village Library	6.750	5.675	5.800
Noble Neighborhood Library	8.150	7.400	8.725
University Heights Library	7.650	6.375	6.225
Marketing and Communications	4.000	2.225	1.500
Administrative Support	2.500	5.925	5.800
<b>Administration</b>			
Main Library	5.000	10.000	10.000
Branch Library	3.000	3.000	3.000
Totals:	107.850	105.950	105.250

**Method:** Using total hours worked by all staff divided by a 40-hour work week at December 31.

(1) Information prior to 2006 is not available



**Cleveland Heights-University Heights Public Library**

*Capital Assets Statistics by Function/Program*

*Last Three Years (1)*

Function/Program	2008	2007	2006
<b>Public Service</b>			
Number of Buildings	4	4	4
Public Meeting Rooms	12	12	12
Vehicles for Delivery	1	1	1
Square Footage			
1920 Coventry Village Library	5,105	5,105	5,105
1937 Noble Neighborhood Library	11,160	11,160	11,160
1952 University Heights Library	11,160	11,160	11,160
1932 Lee Road (Main) Library	107,856	107,856	107,856
Public Use Copy Machines	8	8	7
Public Use Fax Machines	4	4	4
Public Use PCs	120	127	123
ATMs	1	1	1
Cafes	1	1	1
Art Galleries	1	1	1
Technology Classrooms	2	N/A	N/A
<b>Administration</b>			
Square Footage (at Lee Road)	2,144	2,144	2,144
Administrative Copy Machine	1	1	1
Staff Use PCs	92	92	89

(1) Information prior to 2006 is not available

## Cleveland Heights-University Heights Public Library

### Operating Indicators by Function/Program

Last Three Years (1)

Function/Program	2008	2007	2006
<b>Public Service</b>			
Circulation By Building			
Coventry Village Library	142,632	123,230	143,688
Lee Road Library	1,325,253	1,248,260	1,127,499
Noble Neighborhood Library	218,722	239,337	278,741
University Heights Library	213,859	200,039	216,506
Total Circulation, All Buildings	1,900,466	1,810,866	1,766,434
Circulation By Age Level			
Total Adult Circulation	1,449,501	1,379,985	1,337,745
Total Juvenile Circulation	450,896	436,781	428,689
Circulation By Type of Materials			
Books and Magazines	1,032,297	1,021,905	1,019,068
Videocassettes and DVDs	627,489	553,931	509,809
Recordings (Discs, Tapes, CDs)	232,494	234,135	229,645
Computer Software	1,225	1,202	2,211
Other Items	6,892	5,693	5,691
Library Collections Systemwide			
Books	288,070	284,276	306,202
E-books	18,801	15,944	15,944
Videocassettes and DVDs	28,977	25,736	23,904
Recordings (Discs, Tapes, CDs)	37,932	31,771	28,415
Computer Software	119	145	194
Magazine Subscriptions	847	1,033	1,181
Databases Provided	325	78	80
Electronic Resources			
Number of PCs Available for Public	120	127	123
Number of Weekly Users of Electronic Resources	2,103	2,103	5,755
Annual Number of Users of Electronic Resources	109,356	109,356	299,260
Outside Web Documents Accessed	N/A	20,769,709	20,769,709
Public Service Transactions Systemwide			
Average Weekly Building Attendance	19,553	18,862	19,963
Annual Building Attendance	1,016,783	980,864	1,038,076
Average Weekly Reference Transactions	6,482	5,936	6,238
Annual Reference Transactions	337,064	308,672	324,376
Total Annual Library Programs	1,886	2,955	1,935
Total Annual Library Programs Attendance	28,651	43,251	13,821
<b>Administration</b>			
Purchase orders Issued	2,569	1,056	644
Accounts Payable Checks/Vouchers Issued	2,628	3,682	2,658
Payroll Checks/Direct Deposits Processed/Issued	4,520	4,582	4,595
W-2s and 1099s Issued	202	221	205
Board Resolutions	60	50	81

(1) Information prior to 2006 is not available.



**Mary Taylor, CPA**  
Auditor of State

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY**

**CUYAHOGA 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 27, 2009**