

**CITY OF CLEVELAND HEIGHTS
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2013**

James G. Zupka, CPA, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

City Council
City of Cleveland Heights
40 Severance Circle
Cleveland Heights, OH 44118

We have reviewed the *Independent Auditor's Report* of the City of Cleveland Heights, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2013 through December 31, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 19, 2014

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**CITY OF CLEVELAND HEIGHTS
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013**

TABLE OF CONTENTS

	<u>PAGE</u>
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133	3-5
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8
Status of Prior Findings and Recommendations	9

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

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

To the Members of City Council
City of Cleveland Heights, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Cleveland Heights, Ohio's basic financial statements and have issued our report thereon dated June 19, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Cleveland Heights, Ohio's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Cleveland Heights, Ohio's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Cleveland Heights, Ohio's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Cleveland Heights, Ohio's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Cleveland Heights, Ohio's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James G.
Zupka, CPA,
President



Digitally signed by James G. Zupka,
CPA, President
DN: cn=James G. Zupka, CPA,
President, o=James G. Zupka, CPA,
Inc., ou=Accounting,
email=jgzcpa@sbcglobal.net, c=US
Date: 2014.06.30 12:13:51 -04'00'

James G. Zupka, CPA, Inc.
Certified Public Accountants

June 19, 2014

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

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Ohio Society of Certified Public Accountants

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

To the Members of City Council
City of Cleveland Heights, Ohio

Report on Compliance for Each Major Federal Program

We have audited the City of Cleveland Heights, Cuyahoga County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Cleveland Heights, Ohio's major federal programs for the year ended December 31, 2013. The City of Cleveland Heights, Ohio's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Cleveland Heights, Ohio's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Cleveland Heights, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Cleveland Heights, Ohio's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Cleveland Heights, Ohio, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the City of Cleveland Heights, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Cleveland Heights, Ohio's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Cleveland Heights, Ohio's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Ohio, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Cleveland Heights, Ohio's basic financial statements. We issued our report thereon dated June 19, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

James G. Zupka
CPA, President

Digitally signed by James G. Zupka, CPA,
President
DN: cn=James G. Zupka, CPA, President,
o=James G. Zupka, CPA, Inc., ou=Accounting,
email=jgzcpa@sbcglobal.net, c=US
Date: 2014.06.30 12:14:20 -0400

James G. Zupka, CPA, Inc.
Certified Public Accountants

June 19, 2014

**CITY OF CLEVELAND HEIGHTS
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<i>Direct Program:</i>			
Community Development Block Grant	14.218	N/A	\$ 1,495,995
Total Direct Programs			<u>\$ 1,495,995</u>
<i>Passed through the Ohio Department of Development</i>			
Neighborhood Stabilization Program	14.256	N/A	224,745
<i>Passed through Cuyahoga County Housing Consortium</i>			
HOME Investment Partnership Program	14.239	M-05-DC-390216	344,167
<i>Passed through Cuyahoga Department of Development</i>			
Lead Safe Cuyahoga Program	14.900	LHC-OHLHB0373-07	<u>111,591</u>
Sub-Total Passed through Programs			<u>680,503</u>
Total U.S. Department of Housing and Urban Development			<u>2,176,498</u>
<u>U.S. Department of Health and Human Services</u>			
<i>Passed through Ohio Department of Aging and the Western Reserve Area Agency on Aging:</i>			
Title III-B of the Older Americans Act	93.044	N/A	<u>13,628</u>
Total U.S. Department of Health and Human Services			<u>13,628</u>
<u>U.S. Department of Homeland Security</u>			
Federal Emergency Management Agency	81.128	N/A	<u>272,551</u>
Total U.S. Department of Homeland Security			<u>272,551</u>
<u>U.S. Department of Transportation</u>			
<i>Passed through Greater Cleveland Regional Transit Authority</i>			
Federal Transit Formula Grant	20.507	OH-90-X640	<u>36,229</u>
Total U.S. Department of Transportation			<u>36,229</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,498,906</u>

See notes to the Schedule of Expenditures of Federal Awards

**CITY OF CLEVELAND HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) reports the City of Cleveland Heights' (the City's) federal award programs' disbursements. The schedule has been prepared on the cash basis of accounting.

NOTE 2: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. The initial loan of this money is recorded as a disbursement on the Schedule of Federal Awards Expenditures. Loans repaid, including interest, are used to make additional loans. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans; and therefore, are reported as federal expenditures in the year of disbursement. Prior year outstanding balances are reported in the schedule below.

These loans are collateralized by equipment and mortgages.

Activity in the CDBG revolving loan fund during 2013 is as follows:

Beginning loans receivable balance as of January 1, 2013	\$ 1,892,871
Write Offs	(15,000)
Loans made	80,619
Loan principal repaid	<u>(106,989)</u>
Ending loans receivable balance as of December 31, 2013	1,851,501
Cash balance on hand in the revolving loan fund as of December 31, 2013	3,153
Total value of revolving loan fund portion of the CDBG 14.218 Program	1,854,654
Other grants administered through the 14.218 Program	<u>1,495,995</u>
Total CDBG 14.218 Program	<u>\$ 3,350,649</u>

**CITY OF CLEVELAND HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 DECEMBER 31, 2013**

1. SUMMARY OF AUDITOR’S RESULTS

2013(i)	Type of Financial Statement Opinion	Unmodified
2013(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2013(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2013(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2013(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2013(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2013(v)	Type of Major Programs’ Compliance Opinions	Unmodified
2013(vi)	Are there any reportable findings under .510(a)?	No
2013(vii)	Major Programs (list): Community Development Block Grant - CFDA #14.218 Home Investment Partnership Program - CFDA #14.239	
2013(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2013(ix)	Low Risk Auditee?	Yes

2. FINDING RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CITY OF CLEVELAND HEIGHTS
 CUYAHOGA COUNTY, OHIO
 STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2013**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain.
2012-001	Understatement of Special Assessment Receivable	Yes	Corrective Action Taken

Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

CANDIDMARKS

CAFR



Comprehensive
Annual Financial Report 2013
Cleveland Heights, Ohio





CLEVELAND HEIGHTS, OHIO



INTRODUCTION SECTION

Cleveland Heights is home to numerous houses and apartments of various architectural styles which have been designated as Landmarks over the years by the Heights Landmark Commission.

Comprehensive Annual Financial Report

for the fiscal year ended
December 31, 2013

CAFR

Prepared by
The Department of Finance
Tom Raguz, Director
Sharron McCrory, Assistant Director

LANDMARKS



The Cleveland Heights Landmark Commission was created by City Council in 1979 to preserve and protect buildings, works of art and other objects of historical or architectural value to the Cleveland Heights community.

Designated Landmarks can be identified by their circular bronze Landmark plaques.

City of Cleveland Heights, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2013
Table of Contents

	<i>Page</i>
I. Introductory Section	
Title Page	i
Table of Contents	ii
Letter of Transmittal	vi
List of Principal Officials.....	xiii
Organizational Chart - City.....	xiv
Organizational Chart - Department of Finance.....	xv
GFOA Certificate of Achievement	xvi
 II. Financial Section	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities.....	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: General Fund	22
Statement of Fund Net Position - Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds.....	24
Statement of Cash Flows - Proprietary Funds	25
Statement of Fiduciary Assets and Liabilities – Agency Funds	27

Notes to the Basic Financial Statements	28
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Combining Statements and Individual Fund Schedules:

Combining Statements - Nonmajor Governmental Funds:

Fund Descriptions	62
Combining Balance Sheet - Nonmajor Governmental Funds	65
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	66
Combining Balance Sheet - Nonmajor Special Revenue Funds	67
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	71
Combining Balance Sheet - Nonmajor Capital Projects Funds	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	78

Combining Statement - Fiduciary Funds:

Fund Descriptions	80
Combining Statement of Changes in Assets and Liabilities Agency Funds	81

Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in
Fund Balances/Fund Equity - Budget (Non-GAAP Basis) and Actual:

Major Funds:

General Fund	83
General Bond Retirement Fund	90
Water Fund	91
Sewer Fund	93

Nonmajor Funds:

Street Construction, Maintenance and Repair Fund	94
Foundation Grants Fund	95
Communications System Fund	96
Public Building Maintenance Fund	97
Law Enforcement Trust Fund	98
Drug Law Enforcement Fund	99
Community Development Block Grant Fund	100
Home Program Fund	102
FEMA Grant Fund	103
Cain Park Operating Fund	104
Public Right of Way Fund	105
Indigent Driver's Alcohol Treatment Fund	106
Municipal Court Clerk Computerization Fund	107
DUI Enforcement and Education Fund	108
Municipal Court Special Projects Fund	109

Lead Safe Cuyahoga Fund	110
Neighborhood Stabilization Program Fund.....	111
Street Lighting Fund.....	112
Tree Fund	113
Police Pension Fund	114
Fire Pension Fund.....	115
Off-Street Parking Fund	116
Ambulance Services Fund	117
Office on Aging Donations Fund	118
Youth Recreation Donation Fund.....	119
Police Memorial Trust Fund.....	120
Youth Advisory Commission	121
Earned Benefits Fund	122
Police Facility Improvement Fund	123
Recreation Facility Improvement Fund.....	124
Capital Improvements Fund	125
Economic Development Fund	126
City Hall Maintenance Fund	127
Ring Road Construction Fund.....	128

III. Statistical Section

Contents	S1
Net Position by Component - Last Ten Years	S2
Changes in Net Position - Last Ten Years	S4
Fund Balances, Governmental Funds - Last Ten Years.....	S8
Changes in Fund Balances, Governmental Funds - Last Ten Years	S10
Property Tax Rates – Direct and Overlapping Governments - Last Ten Collection Years	S12
Assessed Valuation and Estimated True Values of Taxable Property - Last Ten Years	S14
Property Tax Levies and Collections – Last Ten Years.....	S16
Principal Taxpayers – 2013 and 2004.....	S17
Income Tax Revenue Base and Collections - Last Ten Years	S18
Ratio of General Obligation Bonded Debt to Estimated Actual Value and Bonded Debt Per Capita - Last Ten Years.....	S19
Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita - Last Ten Years	S20
Legal Debt Margin - Last Ten Years	S22
Computation of Direct and Overlapping Governmental Activities Debt.....	S24
Pledged Revenue Coverage Revenue Debt – Water Fund.....	S25

Pledged Revenue Coverage Revenue Debt – Sewer Fund.....	S26
Principal Employers - 2013 and 2006.....	S27
Demographic and Economic Statistics - Last Ten Years	S28
Full-Time Equivalent City Government Employees by Function/Program - Last Ten Years.....	S30
Operating Indicators by Function/Program - Last Ten Years	S32
Capital Asset Statistics by Function/Program - Last Ten Years	S36



June 19, 2014

Dear Members of Council and Residents of the
City of Cleveland Heights:

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires cities to file unaudited general purpose external financial statements with the Auditor of State within 150 days of fiscal year end.

The purpose of this letter is to acquaint you with the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2013. The City, and more specifically the Department of Finance, assumes responsibility for the accuracy, completeness, fairness of presentation, and all disclosures contained within this report and believe the data included is accurate in all material respects. Further, it is our intention to present it in a manner that fairly sets forth the financial position of the City and results of operations as measured by its various activities.

Management's discussion and analysis may be referenced to gain a better understanding of the City's financial activities. The management discussion and analysis serves to introduce the City's basic financial statements and gives the reader, management's analysis and explanation of the City's financial position.

CITY ORGANIZATION

The City of Cleveland Heights, located in northeastern Ohio immediately east of Cleveland, is a residential community, which covers 8.11 square miles. The City's population according to the 2010 Federal Census was 46,121. The City, incorporated under Ohio law in February 1921, operates under its own charter, which was adopted in August 1921. The Charter provides that the City operate under the council/manager form of government. The City Manager, appointed by the seven members elected Council, is the chief administrative officer of the City.

The City Manager, under authority granted by the City Charter, has the power to appoint and to remove all administrative officers and employees. Her appointment of the Directors of Law, Finance, and Planning requires the approval of a majority of the members of Council. A Vice City Manager and one assistant to the City Manager work with the City Manager in handling the administrative operations of the City, including the areas of Personnel, Budget and Capital Projects.

City Council holds its regular council meetings on the first and third Mondays of each month. The Charter provides procedures for special or emergency meetings, if the need arises. The City Manager and her administrative staff together with the various department directors attend all regular council meetings. City Council generally meets in committee or as a committee of the whole on those Mondays when there is no regularly scheduled meeting.

ECONOMIC CONDITIONS

The City continued to benefit due to its proximity to the major cultural, educational, and medical facilities in northeastern Ohio. These facilities include the University Circle area comprised of Case Western Reserve University and its associated University Hospitals, Severance Hall for the Performing Arts which also serves as resident base to the internationally-acclaimed Cleveland Symphony Orchestra, and the Cleveland Clinic, a world-renowned medical research and treatment facility. In addition, the City is strategically located to facilitate efficient and quick access to the downtown Cleveland business district, sports facilities for the Cleveland Indians major league baseball team, the Cleveland Cavaliers professional basketball team, the Cleveland Browns professional football team, the Great Lakes Science Center, and the National Rock and Roll Hall of Fame. As a result, the City's unemployment rate in April 2014 was 5.2 percent as compared to a Cuyahoga County rate of 7.2 percent, a State of Ohio rate of 5.7 percent, and a national rate of 6.3 percent.

The City of Cleveland Heights has felt the effects of the same economic downturn that stalled the economy of the State of Ohio and the nation as a whole in the earlier years of this decade. The City is optimistic that the next few years will bring closure to this period of downturn. The City is currently budgeting 2014 using the same conservative approach of the past few years. Revenues are being scrutinized for opportunities to create new revenue sources or to maximize the revenue from existing sources. Expenditures are being closely monitored at the department level as well as the City Manager level. City Council reviews the budget and financial status of the City on a regular basis.

2013 income tax collections remained relatively strong and accounted for 54 percent of all General Fund receipts on a modified accrual basis.

MAJOR INITIATIVES

Through a variety of municipal services and programs, together with public/private partnerships and citizen cooperation, there have been continued efforts to maintain and improve the exceptional environmental, economic, and social quality of life to which the residents of the City of Cleveland Heights have become accustomed.

Cain Park, the municipally-owned outdoor theatrical complex, is home to both the Alma Theater and the Dina Rees Evans Amphitheater. Orchestral, dance, and theatrical performances produced during 2013 included: Breakfast Club, Black Violin, Weird Al Yankovic, Kris Kristofferson, Oldboy, and Dancing Wheels. The Cain Park Arts Festival was again well attended in 2013 and is recognized as one of the best such events in the United States.

Monticello Boulevard (Noble to Belvoir) was completed at a cost of \$1,012,808 with the City's share at \$253,202. The District One Public Works Integrating Committee paid 50 percent of the costs and Cuyahoga County paid 25 percent.

Phase I of the Mayfield Road resurfacing project (westward City line to Coventry) was completed. The entire cost of the project is estimated at \$4,322,636. The Ohio Department of Transportation has agreed to provide the City with \$2,167,500 in funding, Cuyahoga County will contribute \$860,362 and the District One Public Works Integrating Committee has awarded \$794,744 for this project. This is expected to be finished in 2014.

There were various road resurfacing and surface treatment projects completed during the year at a cost of \$1,235,270.

PLANNED DEVELOPMENT PROJECTS FOR 2014

Resurfacing and surface treatment of streets as well as phase II of Mayfield Road resurfacing are some of the projects to be started and/or completed in 2014.

CITY UTILITIES

The City purchases water in bulk from the City of Cleveland through master meters and then distributes the water to City residents through the City's water mains. The City owns and maintains its water mains and also bills all water users for their consumption of water. While the City collects sewage through its own sewage system, the Northeast Ohio Regional Sewer District handles the treatment of sewage. The City's Automatic Water Meter Reading System (AMR) utilizes water meters which are read by radio signals rather than by conventional meter reader personnel, allowing staff to read the entire City in less than three working days. For convenience and safety, the meters are read in the middle of the night. The monthly water bills are sent with the billing information, a return envelope, and a message section that serves as an informative reminder of City events. As a matter of convenience, customers can now pay their water and sewer bills by credit card or ACH debit from their checking account. In addition, the City altered its relationship with the Northeast Ohio Regional Sewer District from master meter to that of a direct billing agent. This change resulted in residents receiving a direct statement each quarter from the Sewer District. A major benefit of this change is that residents are able to participate in the summer sprinkling program, which results in savings because of increased water usage in the summer.

The Cleveland Electric Illuminating Company and the Dominion East Ohio Gas Company, both independent, publicly-owned utilities provide City residents with electricity and natural gas. The City had placed issues of government aggregation of electricity supplies and natural gas supplies on the ballots in 2000 and 2001, respectively. Both issues were approved by the voters. The City proceeded with the aggregation plans and has now offered its residents City-wide aggregation plans with special rates for the supply of electricity and natural gas. The City is seeking a partner to supply electricity through the aggregation program. The City contracts with WPS Energy Services as its aggregation supplier of natural gas. The program has been popular with the residents.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) Program is administered by the Planning and Development Department. In 2013, the City received \$1.339 million in CDBG dollars which were allocated to an array of projects including housing preservation, commercial district improvements, youth programs, senior services, and fair housing.

CITY SERVICES

The City provides the following services for its citizens: Police and Fire Protection, Emergency Medical Services, Refuse, Recyclable and Yard Waste Collection, Street Maintenance, Recreation Programs, Municipal Court, Public Health, Community Development, Public Improvements, Water and Sewer Services, and General Administrative Services.

In addition to the basic services just described, the City continues to offer superior recreational facilities for its residents. The City operates a total of six municipal parks, which include one swimming pool and the usual sports, playground, and picnic facilities. In addition, the expansion of the Recreation Pavilion into a full-service Community Center was completed in 2001. The Olympic-size ice rink at the Community Center provides the City with two ice rinks. Other features of the Community Center are a Senior Activity Center, a field house and fitness center. The field house has two high school-size side-by-side courts with wooden floors, bleachers, scoreboards, glass backboards and the flexibility to accommodate basketball and volleyball as well as other programs. It also includes a four-lane elevated track with a rubberized surface and length of 180 yards. The fitness center features Nautilus exercise machines, aerobic, elliptical, and step machines along with a variety of bikes. There is also a cardio theater system and an aerobics room. The Community Center also contains child care facilities and meeting and general recreation rooms.

The curbside recycling program continued to be successful due to the cooperation of the residents. Included in the recycling collection are newspapers, magazines and catalogs, mixed paper (including cereal and dry good boxes), corrugated cardboard, metal, glass and #1 and #2 plastic containers. In addition, the City diverted most of its yard waste from the landfill to composting facilities. Cleveland Heights promotes the use of products made from recycled material whenever possible.

In keeping with its primarily residential character, the City operates an urban forestry department which is funded mainly through an annual special assessment on all properties. With the addition of new equipment and manpower, the department was able to concentrate on removing and replanting Cleveland Heights' aging urban forest. During 2013, the Forestry Division planted 246 trees, (size 2.5" caliper) and removed 433 hazardous trees and trimmed 839 trees. The trimming and removal of hazardous trees resulted in 257 loads of wood chips and 80 loads of logs. The Forestry Division responded to numerous storm damages and tree related emergencies as well as assisting the Streets Division during large snow storms. The Forestry Division also provided Christmas Tree chipping throughout the City. The City received its 36th – Tree City USA Award, sponsored by the National Arbor Day Foundation in cooperation with the U.S. Forest Service, the U.S. Conference of Mayors, the National Association of State Foresters, and the National League of Cities.

The annual street resurfacing program involves removal of the asphalt street surface to its base, making base repairs, replacing curbs, catch basin and manhole castings as needed, setting all castings flush to the new street level and placing a new asphalt surface which is crowned and graded for proper drainage. The primary sources of funding for this program are motor vehicle license fees and gasoline excise tax, which generate about \$1.6 million per year. The annual street surface treatment program extends the life of the road's surface by application of crack fillers, chip sealing, and single pass asphalt recycling, a method of reclaiming the top inch of loose asphalt.

FINANCIAL CONDITION

The City of Cleveland Heights has prepared these financial statements in accordance with GASB Statement 34, "*Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments*". GASB 34 created new basic financial statements for reporting on the City's financial activities as follows:

Government-Wide Financial Statements

These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses.

Fund Financial Statements

These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Fiduciary funds use the accrual basis of accounting.

Statement of Budgetary Comparisons

These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

As part of this reporting model, management is responsible for preparing a discussion and analysis of the City's finances for 2013. This discussion follows the Independent Auditors' Report.

The City maintains its legal level of budgetary control at the department level for personal services, capital outlay, other than personal services and non-governmental expenditures for all funds. However, management control is exercised at the department level (Public Safety, Public Health, Culture and Recreation, Community Development, Sanitation, Transportation, and General Government). The City Manager is authorized to transfer amounts between objects of expenditure within and between departments so long as the total appropriation for each fund does not exceed that of the Council approved appropriation. The City's fully automated financial system maintains this budgetary control through its purchase order/encumbrance feature. The purchase order, required before making any purchase, creates the encumbrance against the current budget. No purchase order will be generated unless there is sufficient unobligated budget to accept the encumbrance without a budget overrun.

INTERNAL ACCOUNTING AND REPORTING CONTROL

As part of its continuing commitment to excellence in financial reporting, the City utilizes a fully integrated, financial accounting, budgeting and reporting system. Because the system is integrated, the financial and budgetary information maintained by the system is immediately available to the City's management. The timeliness and accuracy of the information provided by the City's accounting, budgeting and reporting system provides each member of the City's management with a solid, informed financial basis for daily decision-making, performance evaluation and planning.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss resulting from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed within the framework of the concept of reasonable assurance. This concept recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management. Regular reviews of internal control occur within this policy framework. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

INDEPENDENT AUDIT

The financial records, books of accounts, and transactions of the City of Cleveland Heights, Ohio, for the year ended December 31, 2013, have been audited by James G. Zupka, CPA, Inc. The auditor's unmodified opinion has been included in this report.

In addition, the City is required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act of 1984 and the Single Audit Act Amendments of 1997 in accordance with U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Based upon prior experience, management believes that no material weakness in internal controls exist or questioned costs, if any, will have an adverse material effect on the financial condition of the City.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cleveland Heights, Ohio, for its comprehensive annual financial report for the fiscal year ended December 31, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. The City of Cleveland Heights, Ohio, has received a Certificate of Achievement for the last twenty-nine (29) consecutive years (fiscal years ended December 31, 1984 through December 31, 2012). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGMENTS

Successful preparation of a report of this scope depends upon the dedicated contributions of many employees. The sincere appreciation of those primarily responsible for its completion is extended to all contributors, but especially to those employees in the Departments of Finance, Planning, and Public Relations who have spent their time and energy on various parts of the project. Finally, City Staff wants to extend its appreciation to the Mayor and City Council for their support and commitment to responsible fiscal reporting.

POSTSCRIPT

All of the programs and offerings noted in this letter of transmittal are aimed at supporting the City's mission:

"Cleveland Heights is a mature residential community with a racially and culturally diverse population. We recognize this diversity as a primary strength and seek to retain our current population mix which contributes to a wholesome integrated community. In order to accomplish these objectives, we commit ourselves not only to traditional mandated services but to the following actions:

To maintain our housing stock at optimum value.

To maintain a high quality of life through recreational and cultural opportunities.

To maintain and support our commercial districts to ensure access to goods and services.

To actively engage in an on-going dialogue with neighborhood groups and residents so that changing needs of our community shape our services.

To remain competitive in relation to other surrounding communities in attracting new residents through developing new housing, controlling taxes and enhancing the quality of our community life through new and existing programs.

To assure a high return to our residents on every tax dollar."

As employees of the City of Cleveland Heights, we are proud of the community in which we work and live. We pledge our continued dedication to providing the highest possible level of service to the citizens of the City, and we commit ourselves to helping enhance the quality of life which our residents, our greatest asset, enjoy.

Respectfully submitted,



Tanisha R. Briley
City Manager



Tom Raguz
Director of Finance



CITY OF CLEVELAND HEIGHTS, OHIO

PRINCIPAL OFFICIALS DECEMBER 31, 2013

ELECTED OFFICIALS

Mayor.....	Edward J. Kelley
Vice Mayor.....	Dennis Wilcox
Council Member.....	Bonita W. Caplan
Council Member.....	Cheryl L. Stephens
Council Member.....	Janine R. Boyd
Council Member.....	Jason S. Stein
Council Member.....	Mary Dunbar
Municipal Judge.....	A. Deane Buchanon

APPOINTED OFFICIALS

City Manager.....	Tanisha R. Briley**
Vice City Manager/Director of Community Services.....	Susanna Niermann O'Neil*
Assistant to the City Manager.....	Eddie L. Carter
Director of Finance.....	Tom Raguz
Assistant Director of Finance.....	Sharron McCrory
Director of Law.....	John H. Gibbon
First Assistant Director of Law.....	Elizabeth Rothenberg
Assistant Director of Law.....	William R. Hanna
Assistant Director of Law.....	L. James Juliano, Jr.
Assistant Director of Law.....	Tiffany Hill
Director of Planning.....	Richard E. Wong
Director of Public Safety.....	Tanisha R. Briley
Director of Public Works.....	Alex Mannarino
Chief of Fire.....	Dave Freeman
Chief of Police.....	Jeffery E. Robertson

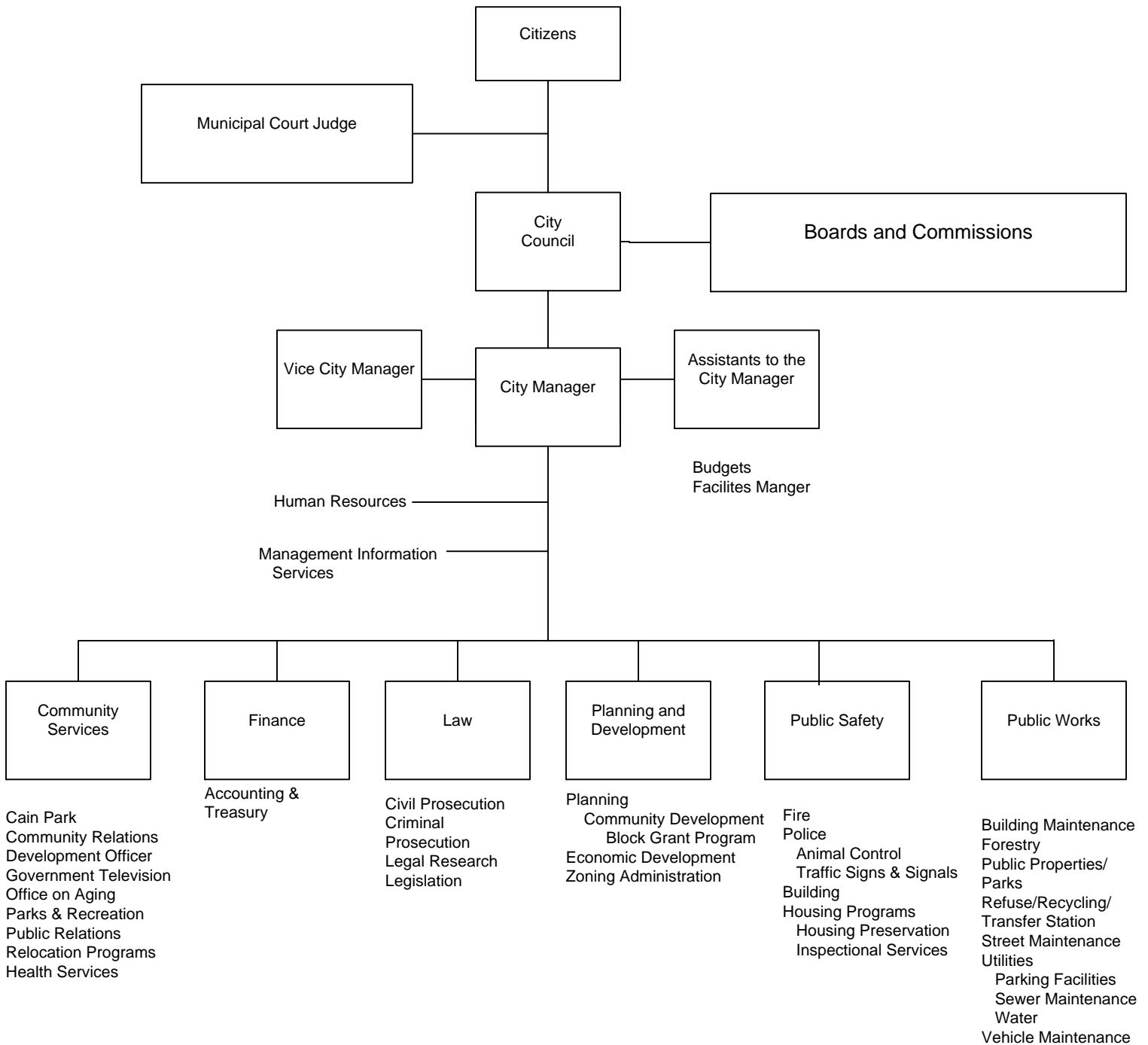
* Susanna Niermann O'Neil was Acting City Manager until July 31, 2013

** Tanisha Briley is the City Manager effective August 1, 2013



CLEVELAND HEIGHTS

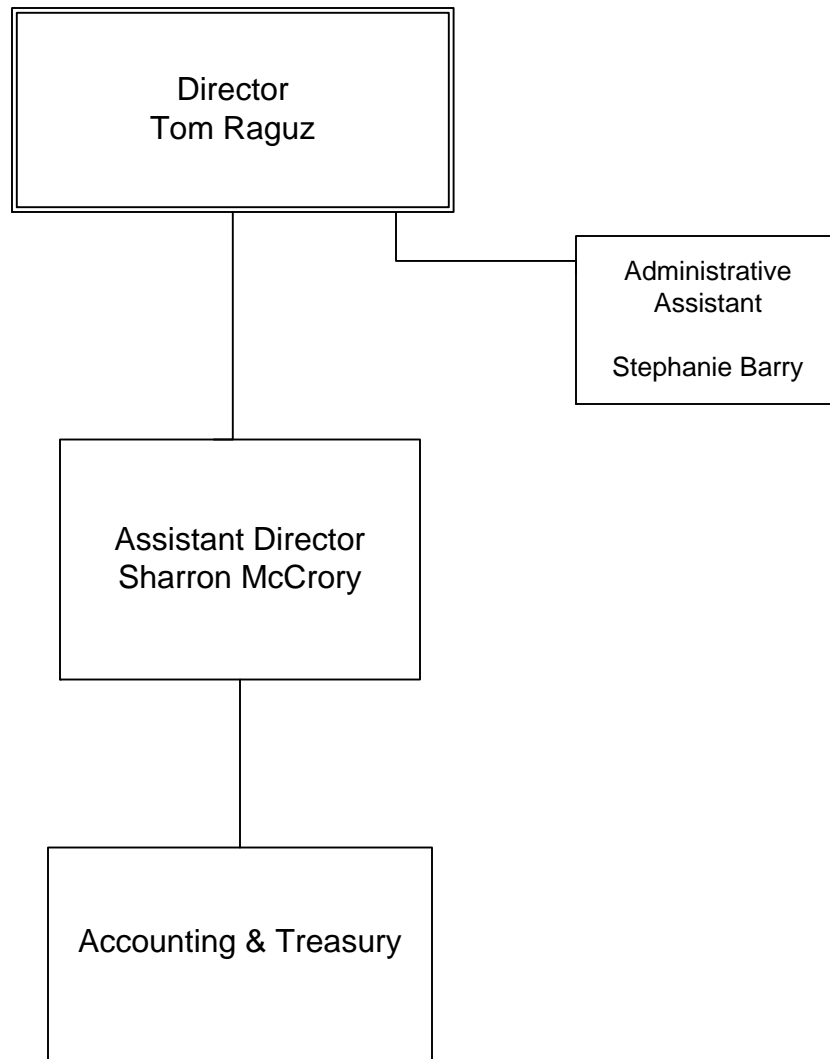
CITY ORGANIZATION AS OF DECEMBER 31, 2013





CLEVELAND HEIGHTS

DEPARTMENT OF FINANCE ORGANIZATION AS OF DECEMBER 31, 2013





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Cleveland Heights
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO



FINANCIAL SECTION

Residential properties are not the only structures designated with Landmark status in Cleveland Heights. The Heights Rockefeller Building, The Cedar Lee Theatre, Cain Park, Superior Schoolhouse, and the Forest Hill Homeowners, Inc. are also Landmarks.

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council
City of Cleveland Heights, Ohio

The Honorable David Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Ohio, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Cleveland Heights, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2014, on our consideration of the City of Cleveland Heights, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Cleveland Heights, Ohio's internal control over financial reporting and compliance.



James G. Zupka, CPA, Inc.
Certified Public Accountants

June 19, 2014

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City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

The discussion and analysis of the City of Cleveland Heights's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key Financial highlights for 2013 are as follows:

- Overall, governmental activities expenses of \$58.2 million exceeded the revenues which came in at \$55.2 million consequently decreasing the net position by \$3.0 million for the year 2013. The total net position was \$93.8 million compared to \$96.8 million for the previous year.
- Total governmental liabilities decreased by \$1,545,412 which is attributed mainly to paying down on long-term debt obligations.
- The City is committed to providing the Citizens of Cleveland Heights with the highest quality of services while maintaining efficiency and cost effectiveness. The City actively pursues grants to offset costs of providing services and to offer new programs.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Cleveland Heights's basic financial statements. The City of Cleveland Heights's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Cleveland Heights's finances, in a manner similar to private-sector businesses. The statement of net position and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major 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 looks at the City's most significant funds with all other funds presented in total in one column.

The *statement of net position* presents information on all of the City of Cleveland Heights's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between all elements reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Cleveland Heights is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Both of the government-wide financial statements distinguish functions of the City of Cleveland Heights that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Cleveland Heights include general government, public safety, public health services, transportation, community development, sanitation, culture and recreation, and interest and fiscal charges. The business-type activities include water and sewer.

The government-wide financial statements can be found starting on page 15 of this report.

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

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 funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

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 City of Cleveland Heights maintains 37 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances, for the general fund and general bond retirement fund, which are considered to be major funds. Data from the other 35 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

The City of Cleveland Heights adopts an annual appropriated budget for each of its funds. A budgetary comparison statement and schedules (non-GAAP basis) have been provided for each governmental and enterprise fund to demonstrate budgetary compliance.

Proprietary Funds The City of Cleveland Heights maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations. An internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains such a fund for its hospitalization of health related employee benefits. Because this fund predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations which are both considered major funds.

The basic proprietary fund financial statements can be found on pages 23 through 26 of this report.

Notes to the Basic Financial Statements The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 28 through 60 of this report.

Other information In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all nonmajor funds. This information can be found on pages 61 through 128 of this report.

Government-Wide Financial Analysis

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this 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 City's net position and the changes in net position. The change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

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

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning and End of Year

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

The City of Cleveland Heights as a Whole

Recall that the Statement of Net Position looks at the City as a whole. The following table 1 provides a summary of the City's net position for 2013 compared to 2012.

NET POSITION

TABLE 1

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and Other Assets	\$48,777,597	\$50,567,506	\$4,532,014	\$4,421,133	\$53,309,611	\$54,988,639
Capital Assets, Net	81,440,985	84,258,062	22,528,471	22,935,942	103,969,456	107,194,004
<i>Total Assets</i>	<u>130,218,582</u>	<u>134,825,568</u>	<u>27,060,485</u>	<u>27,357,075</u>	<u>157,279,067</u>	<u>162,182,643</u>
Deferred Outflows of Resources	425,077	512,920	0	0	425,077	512,920
Current and Other Liabilities	5,613,427	5,871,460	2,291,366	1,949,302	7,904,793	7,820,762
Long-Term Liabilities:						
Due within One Year	6,096,903	4,800,859	334,659	371,801	6,431,562	5,172,660
Due in More than One Year	16,179,457	18,762,880	1,478,250	1,631,983	17,657,707	20,394,863
<i>Total Liabilities</i>	<u>27,889,787</u>	<u>29,435,199</u>	<u>4,104,275</u>	<u>3,953,086</u>	<u>31,994,062</u>	<u>33,388,285</u>
Deferred Inflows of Resources	8,982,222	9,141,581	0	0	8,982,222	9,141,581
Net Investment in Capital Assets	64,402,234	66,164,102	20,927,544	21,386,384	85,329,778	87,550,486
Restricted for:						
Capital Projects	1,247,157	1,583,170	0	0	1,247,157	1,583,170
Debt Service	5,115,646	5,461,154	0	0	5,115,646	5,461,154
Other Purposes	9,898,539	8,970,257	0	0	9,898,539	8,970,257
Unrestricted	13,108,074	14,583,025	2,028,666	2,017,605	15,136,740	16,600,630
<i>Total Net Position</i>	<u>\$93,771,650</u>	<u>\$96,761,708</u>	<u>\$22,956,210</u>	<u>\$23,403,989</u>	<u>\$116,727,860</u>	<u>\$120,165,697</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of the City's net position reflects investments in capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total assets in governmental activities decreased by \$4,606,986 from 2012 to 2013 as a result of the decrease in capital assets and income tax receivables. The City's total liabilities in governmental activities decreased by \$1,545,412 as long-term debt was repaid.

Our total net position of the City's governmental activities decreased \$2,990,058 (3.09 percent) during the current year due to expenses exceeding revenues. In order to further understand what makes up the changes in net position for the current year, the following table 2 gives readers further details regarding the results of activities for the current year.

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

CHANGES IN NET POSITION
 TABLE 2

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues:						
Charges for Services	\$13,700,506	\$12,358,047	\$14,087,659	\$13,194,811	\$27,788,165	\$25,552,858
Operating Grants and Contributions	4,337,755	5,657,962	0	0	4,337,755	5,657,962
Capital Grants and Contributions	74,496	3,877,741	0	0	74,496	3,877,741
Total Program Revenues	18,112,757	21,893,750	14,087,659	13,194,811	32,200,416	35,088,561
General Revenues:						
Property Taxes	9,751,801	9,964,319	0	0	9,751,801	9,964,319
Municipal Income Taxes	21,620,891	24,772,161	0	0	21,620,891	24,772,161
Admissions Taxes	101,414	107,516	0	0	101,414	107,516
Grants and Entitlements	3,793,292	4,418,417	0	0	3,793,292	4,418,417
Franchise Taxes	551,694	588,325	0	0	551,694	588,325
Payment in Lieu of Taxes	0	1,150,000	0	0	0	1,150,000
Investment Income	43,610	45,811	0	0	43,610	45,811
Gain on Sale of Capital Assets	0	103,497	0	0	0	103,497
Miscellaneous	1,244,120	1,318,978	21,872	2,354	1,265,992	1,321,332
Total General Revenues	37,106,822	42,469,024	21,872	2,354	37,128,694	42,471,378
Total Revenues	55,219,579	64,362,774	14,109,531	13,197,165	69,329,110	77,559,939
Program Expenses						
General Government	14,369,538	16,048,638	0	0	14,369,538	16,048,638
Public Safety	20,891,754	21,239,342	0	0	20,891,754	21,239,342
Public Health Services	360,462	363,703	0	0	360,462	363,703
Transportation	10,621,023	5,718,551	0	0	10,621,023	5,718,551
Community Development	5,164,372	6,347,777	0	0	5,164,372	6,347,777
Sanitation	2,511,148	2,670,357	0	0	2,511,148	2,670,357
Culture and Recreation	3,565,494	3,385,120	0	0	3,565,494	3,385,120
Interest and Fiscal Charges	748,771	798,771	0	0	748,771	798,771
Water	0	0	12,743,834	13,213,185	12,743,834	13,213,185
Sewer	0	0	1,790,551	1,787,713	1,790,551	1,787,713
Total Program Expenses	58,232,562	56,572,259	14,534,385	15,000,898	72,766,947	71,573,157
<i>Increase (Decrease) in Net Position Before Transfers</i>	(3,012,983)	7,790,515	(424,854)	(1,803,733)	(3,437,837)	5,986,782
Transfers	22,925	(863,549)	(22,925)	863,549	0	0
<i>Change in Net Position</i>	(2,990,058)	6,926,966	(447,779)	(940,184)	(3,437,837)	5,986,782
<i>Net Position Beginning of Year</i>	96,761,708	89,834,742	23,403,989	24,344,173	120,165,697	114,178,915
<i>Net Position End of Year</i>	<u>\$93,771,650</u>	<u>\$96,761,708</u>	<u>\$22,956,210</u>	<u>\$23,403,989</u>	<u>\$116,727,860</u>	<u>\$120,165,697</u>

Governmental Activities

Governmental activities decreased the City's net position by \$2,990,058 during 2013, as compared to an increase of \$6,926,966 during 2012. Total revenues decreased by \$9,143,195, primarily due to the City receiving significantly less municipal income tax and capital grants. Program expenses increased by \$1,660,303, primarily due to repaving of two major streets.

Several types of revenues fund our governmental activities, with the City income tax being the biggest contributor. The income tax rate was 2.0 percent for 2013. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 50 percent credit to a maximum of one-half of one percent of income earned outside the City.

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

The income tax revenue for 2013 was \$21,620,891, a decrease of \$3,151,270 or 12.72 percent from 2012. The decrease was due to the local economy and decreased employment levels. Of the \$37,106,822 in total general revenues, income tax accounted for 58.27 percent, as compared to 58.33 percent of the total during 2012. Property taxes for 2013 were \$9,751,801, a \$212,518 decrease from 2012. The decrease was due to the general devaluation of properties within the entire northeast region as well as in Cuyahoga County.

Charges for services increased for 2013 by \$1,342,459 (10.86 percent) due to an increase in parking meter charges.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations. During 2013, the City received \$3.8 million in grants and entitlements primarily for street and housing projects compared to \$4.4 million received in 2012. The decrease was attributable primarily to a decrease in local government funding during 2013.

The largest program function for the City for 2013 is public safety, with program expenses of \$20,891,754 as compared to \$21,239,342 in 2012, a decrease of 1.64 percent. This was due to a decrease in salary expenses. The next largest program is general government which accounts for the basic operations of the City including council, city manager, finance, income tax department, law, service administration, municipal court, among other services. General government expenses of \$14,369,538 decreased by \$1,679,100 as compared to \$16,048,638 for 2012.

The next largest program expense for 2013 is transportation, with program expenses of \$10,621,023 as compared to \$5,718,551 in 2012, an increase of 85.73 percent. Contributing factors to this are the repaving of two major streets – Monticello Boulevard, which was completed at the end of the year, and Mayfield Road, which was started in 2013 and should be completed in 2014.

Community development expenses decreased by \$1,183,405 or 18.64 percent during 2013, this was due to a decrease of funding from operating grants and contributions.

As can be seen on the table 2, all programs have a heavy reliance on general revenues, with 67.20 percent of total 2013 revenues coming from general revenues.

While public safety is a large program expense, only a small portion of the total program expense is offset by program revenues. The primary program revenue is from police fines and forfeitures.

Transportation program expense is only partially funded through operating grants and contributions, which are the State-collected gasoline and motor vehicle license taxes. The remaining program expense must be funded through City general revenues. With the City's aggressive infrastructure program in place, transportation program expense will continue to make up a large portion of the City's overall expenses as the roadways are capitalized and depreciated over time.

Business-Type Activities and Enterprise Funds

The Business-Type activities of the City, which include the City's water and sewer operations, decreased the City's net position by \$447,779 during 2013, as compared to a decrease of net position of \$940,184 during 2012. The decrease in net position in business-type activities is due to the cost of water operations outpacing charges for services.

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Program expenses exceeded program revenues in the amount of \$424,854 (before transfers) for the water and sewer operations in 2013. This is due to increased contributions required for the improved maintenance program for water and sewers through the water and sewer administrations.

Financial Analysis of the Government's Funds

As noted earlier, the City of Cleveland Heights uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Funds are created and segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Resources that are not restricted, committed, or assigned are accounted for in the general fund.

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 18. These funds are accounted for by using the modified accrual basis of accounting.

As of the end of the current year, the City of Cleveland Heights's governmental funds reported combined ending fund balances of \$13,363,448. Nonspendable fund balance of \$469,461 includes inventory. Fund balance in the amount of \$7,540,793 is restricted for road improvements, police and fire department operations. Fund balance in the amount of \$949,701 is committed to ambulance services, Police Facility improvement and Ring road construction. Assigned fund balance includes \$8,187,467 for future earned benefits, economic development and capital improvements. Unassigned fund balances of (\$3,783,974) represents all balances not previously classified.

All governmental funds had total revenues of \$53,778,414 and expenditures of \$57,192,612. Both revenues and expenditures decreased from the previous year. The decrease in revenues was attributable to a decrease in municipal income tax revenues. The decrease in expenditures was due to a decrease in community development and capital outlay expenditures.

General Fund

The general fund is the chief operating fund of the City. At the end of the current year, total fund balance for the general fund was \$3,958,712, of which \$403,831 was nonspendable because of inventory, \$6,535,767 was assigned to future severance payments and purchases on order, and (\$2,980,886) was unassigned for financial reporting purposes. Total fund balance of the City's general fund decreased by \$2,540,107, mainly due to a decrease in revenues, specifically income taxes. The City's management monitors the budget on a monthly basis to keep it in line with current expenditures.

General Bond Retirement Fund

The bond retirement debt service fund accounts for resources used for the retirement of long-term debt. At the end of the current year, total fund balance was \$1,306,909, which was a decrease from the prior year mainly due to a transfer to the capital improvement fund for debt payments.

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

General Fund Budgeting Highlights

The City'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 2013 the City amended its general fund budget on various occasions. The City does allow small interdepartmental budget changes that modify line items within the accounting system which are within their appropriation category (salaries and other expenses). The general fund supports many of our major activities such as our police and fire departments as well as most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the general fund, original budgeted revenues were \$39,518,803 and final budgeted revenues were \$41,268,803 while actual revenues (including other financing sources) were at \$41,771,245. Original general fund budgeted expenditures were \$42,405,295, and the final amended budget (including other financing uses) was \$44,165,817. Actual general fund expenditures (including other financing uses) were \$43,775,895 or \$389,922 less than budgeted expenditures (including other financing uses). The City will monitor spending more closely to ensure the expenditures are in line with the budget.

Capital Assets and Debt Administration

Capital Assets

Table 3 shows 2013 balances of capital assets as compared to 2012.

CAPITAL ASSETS				
(NET OF DEPRECIATION)				
TABLE 3				
	Governmental Activities		Business-Type Activities	
	2013	2012	2013	2012
Land	\$5,294,746	\$5,294,746	\$0	\$0
Construction in Progress	697,935	2,410,176	221,396	91,161
Land Improvements	1,231,415	1,356,585	0	0
Buildings and Improvements	35,439,155	36,800,684	103,574	109,958
Machinery & Equipment	6,214,639	6,581,325	338,153	514,317
Intangible Assets	32,707	32,707	0	0
Infrastructure:				
Streets and Sidewalks	31,372,511	30,576,680	0	0
Off-street Parking Lots	1,157,877	1,205,159	0	0
Water Lines	0	0	14,333,317	14,494,441
Sanitary Sewers Lines	0	0	5,472,550	5,594,973
Storm Sewer Lines	0	0	2,059,481	2,131,092
Total	\$81,440,985	\$84,258,062	\$22,528,471	\$22,935,942

The most significant increases in governmental capital assets came in streets and sidewalks, which increased \$795,831 during 2013 largely due to the completion of street construction projects administered by the Ohio Department of Transportation. Total capital assets for business-type activities decreased compared to 2012, due to current year depreciation outpacing current year additions.

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. The City has a five-year capital plan in place that provides for street improvements and adding additional facilities to complement our current structures. For additional information see Note 10 to the basic financial statements.

Debt

The City's outstanding debt is comprised of general obligation bonds, special assessment bonds, notes payable, and OPWC and OWDA loans.

OUTSTANDING DEBT
TABLE 4

	Governmental Activities		Business - Type Activities	
	2013	2012	2013	2012
General Obligation Bonds	\$10,830,316	\$12,462,539	\$0	\$0
Special Assessment Bonds	2,522,575	2,613,206	0	0
Short-Term Notes	2,193,000	2,126,000	185,000	0
OPWC Loans	1,679,271	1,286,753	898,518	995,417
OWDA Loans	0	0	517,409	554,141
Total	\$17,225,162	\$18,488,498	\$1,600,927	\$1,549,558

The general obligation bonds are composed of (1) 1999 Pension Fund Refunding Bonds; (2) 2008 Recreational Facilities Refunding Bonds; (3) 2008 Cedar Lee Parking Deck Bonds; and (4) 2013 Various Purpose Refunding Bonds.

The special assessment bonds consist of the 2004 Ring Road improvements. The principal and interest for these bonds are paid from the collection of special assessments by the County Fiscal Officer from the specific property owners who primarily benefited from the project.

The notes payable are notes issued in the anticipation of the issuance of bonds to pay costs related to the improvement of streets and motorized equipment.

The Ohio Public Works Commission loans are being paid semi-annually from the several projects: 2001 Taylor Road rehabilitation, 2005 Coventry Road rehabilitation, 2006 Lee Road rehabilitation, 2006 Meadowbrook Boulevard rehabilitation, 2010 Monticello Boulevard rehabilitation, 2012 Monticello Boulevard rehabilitation, 2000 Cedar Road water and sewer and 2006 Meadowbrook Boulevard water and sewer. These programs are funded by property taxes and user fees for various infrastructure projects being financed through the Ohio Public Works program.

The Ohio Water Development loans represent loans for 2007 sewer rehabilitation and 2010 waterline replacement projects. These loans are paid from the customers charges in the water and sewer proprietary funds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$81,041,197 at December 31, 2013.

Additional information concerning the City's debt can be found in Notes 18 and 19 to the basic financial statements.

City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Current Financial Related Activities

The City of Cleveland Heights maintained a Moody's Aa2 rating for 2013.

The Administration and City Council developed a master plan for the acquisition of equipment and the building or upgrading of City facilities. As a result, we have seen a remarkable increase in our capital assets over that period of time and the expansion of all City services. The 2013 year is no different as the City completed the street and other infrastructure improvements.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need additional information contact Finance Director Tom Raguz, City of Cleveland Heights, 40 Severance Circle, Cleveland Heights, Ohio 44118, telephone 216-291-3900, or email traguz@clvhts.com.

City of Cleveland Heights, Ohio

Statement of Net Position

December 31, 2013

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$12,377,984	\$547,105	\$12,925,089
Materials and Supplies Inventory	469,461	14,326	483,787
Accrued Interest Receivable	21,115	0	21,115
Accounts Receivable	1,687,412	4,345,671	6,033,083
Internal Balances	375,088	(375,088)	0
Intergovernmental Receivable	2,506,511	0	2,506,511
Municipal Income Taxes Receivable	12,567,911	0	12,567,911
Property Taxes Receivable	11,087,162	0	11,087,162
Special Assessments Receivable	5,287,249	0	5,287,249
Notes Receivable	1,913,689	0	1,913,689
Assets Held For Resale	484,015	0	484,015
Nondepreciable Capital Assets	5,992,681	221,396	6,214,077
Depreciable Capital Assets, Net	75,448,304	22,307,075	97,755,379
<i>Total Assets</i>	<u>130,218,582</u>	<u>27,060,485</u>	<u>157,279,067</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	425,077	0	425,077
Liabilities			
Accounts Payable	1,318,819	57,097	1,375,916
Contracts Payable	78,384	205,860	284,244
Accrued Wages	670,170	78,348	748,518
Matured Compensated Absences	53,172	0	53,172
Retainage Payable	0	7,941	7,941
Accrued Interest Payable	53,868	775	54,643
Intergovernmental Payable	1,215,713	1,756,345	2,972,058
Claims Payable	30,301	0	30,301
Notes Payable	2,193,000	185,000	2,378,000
Long-Term Liabilities:			
Due Within One Year	6,096,903	334,659	6,431,562
Due In More Than One Year	16,179,457	1,478,250	17,657,707
<i>Total Liabilities</i>	<u>27,889,787</u>	<u>4,104,275</u>	<u>31,994,062</u>
Deferred Inflows of Resources			
Property Taxes	8,982,222	0	8,982,222
Net Position			
Net Investment in Capital Assets	64,402,234	20,927,544	85,329,778
Restricted for:			
Capital Projects	1,247,157	0	1,247,157
Debt Service	5,115,646	0	5,115,646
Road Improvements	1,087,671	0	1,087,671
Community Development	1,788,875	0	1,788,875
Municipal Court Special Projects	1,637,158	0	1,637,158
Street Lighting	2,044,114	0	2,044,114
Public Safety	360,163	0	360,163
Other Purposes	2,980,558	0	2,980,558
Unrestricted	13,108,074	2,028,666	15,136,740
<i>Total Net Position</i>	<u>\$93,771,650</u>	<u>\$22,956,210</u>	<u>\$116,727,860</u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Statement of Activities
For the Year Ended December 31, 2013

	Expenses	Program Revenues		
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$14,369,538	\$4,287,936	\$7,580	\$0
Public Safety	20,891,754	5,903,861	708,276	0
Public Health Services	360,462	70,591	4,756	0
Transportation	10,621,023	695,236	1,874,840	0
Community Development	5,164,372	1,667,890	1,697,587	0
Sanitation	2,511,148	460,342	0	0
Culture and Recreation	3,565,494	614,650	44,716	74,496
Interest and Fiscal Charges	748,771	0	0	0
<i>Total Governmental Activities</i>	<u>58,232,562</u>	<u>13,700,506</u>	<u>4,337,755</u>	<u>74,496</u>
Business-Type Activities				
Water	12,743,834	12,424,417	0	0
Sewer	1,790,551	1,663,242	0	0
<i>Total Business-Type Activities</i>	<u>14,534,385</u>	<u>14,087,659</u>	<u>0</u>	<u>0</u>
<i>Total</i>	<u>\$72,766,947</u>	<u>\$27,788,165</u>	<u>\$4,337,755</u>	<u>\$74,496</u>

General Revenues

Property Taxes Levied for:

General Purposes

Police Pension

Fire Pension

Debt Service

Capital Outlay

Municipal Income Taxes Levied for:

General Purposes

Admissions Taxes

Grants and Entitlements not Restricted
to Specific Programs

Franchise Taxes

Investment Earnings

Miscellaneous

Total General Revenues Before Transfers

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$10,074,022)	\$0	(\$10,074,022)
(14,279,617)	0	(14,279,617)
(285,115)	0	(285,115)
(8,050,947)	0	(8,050,947)
(1,798,895)	0	(1,798,895)
(2,050,806)	0	(2,050,806)
(2,831,632)	0	(2,831,632)
(748,771)	0	(748,771)
(40,119,805)	0	(40,119,805)
0	(319,417)	(319,417)
0	(127,309)	(127,309)
0	(446,726)	(446,726)
(40,119,805)	(446,726)	(40,566,531)
6,516,716	0	6,516,716
224,713	0	224,713
224,713	0	224,713
2,261,326	0	2,261,326
524,333	0	524,333
21,620,891	0	21,620,891
101,414	0	101,414
3,793,292	0	3,793,292
551,694	0	551,694
43,610	0	43,610
1,244,120	21,872	1,265,992
37,106,822	21,872	37,128,694
22,925	(22,925)	0
37,129,747	(1,053)	37,128,694
(2,990,058)	(447,779)	(3,437,837)
96,761,708	23,403,989	120,165,697
<u>\$93,771,650</u>	<u>\$22,956,210</u>	<u>\$116,727,860</u>

City of Cleveland Heights, Ohio

Balance Sheet

Governmental Funds

December 31, 2013

	General	General Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$2,207,583	\$2,801,146	\$7,369,255	\$12,377,984
Materials and Supplies Inventory	403,831	0	65,630	469,461
Accrued Interest Receivable	21,115	0	0	21,115
Accounts Receivable	515,510	0	1,171,902	1,687,412
Interfund Receivable	528,261	0	0	528,261
Intergovernmental Receivable	1,507,869	163,212	835,430	2,506,511
Municipal Income Taxes Receivable	12,567,911	0	0	12,567,911
Property Taxes Receivable	7,710,205	2,261,320	1,115,637	11,087,162
Special Assessments Receivable	0	1,750,000	3,537,249	5,287,249
Notes Receivable	0	0	1,913,689	1,913,689
Assets Held For Resale	110,811	0	373,204	484,015
<i>Total Assets</i>	<u>\$25,573,096</u>	<u>\$6,975,678</u>	<u>\$16,381,996</u>	<u>\$48,930,770</u>
Liabilities				
Accounts Payable	\$891,604	\$0	\$427,215	\$1,318,819
Contracts Payable	3,000	0	75,384	78,384
Accrued Wages	623,279	0	46,891	670,170
Interfund Payable	39,498	0	143,976	183,474
Intergovernmental Payable	607,761	0	607,952	1,215,713
Matured Compensated Absences Payable	53,172	0	0	53,172
Accrued Interest Payable	0	6,237	2,955	9,192
Notes Payable	0	1,488,000	705,000	2,193,000
<i>Total Liabilities</i>	<u>2,218,314</u>	<u>1,494,237</u>	<u>2,009,373</u>	<u>5,721,924</u>
Deferred Inflows of Resources				
Property Taxes	6,301,513	1,775,565	905,144	8,982,222
Unavailable Revenue	13,094,557	2,398,967	5,369,652	20,863,176
<i>Total Deferred Inflows of Resources</i>	<u>19,396,070</u>	<u>4,174,532</u>	<u>6,274,796</u>	<u>29,845,398</u>
Fund Balances				
Nonspendable	403,831	0	65,630	469,461
Restricted	0	1,306,909	6,233,884	7,540,793
Committed	0	0	949,701	949,701
Assigned	6,535,767	0	1,651,700	8,187,467
Unassigned (Deficit)	(2,980,886)	0	(803,088)	(3,783,974)
<i>Total Fund Balances</i>	<u>3,958,712</u>	<u>1,306,909</u>	<u>8,097,827</u>	<u>13,363,448</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$25,573,096</u>	<u>\$6,975,678</u>	<u>\$16,381,996</u>	<u>\$48,930,770</u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2013*

Total Governmental Fund Balances		\$13,363,448
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		81,440,985
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Charges for Services	1,418,998	
Delinquent Property Taxes	2,104,940	
Municipal Income Tax	10,160,521	
Intergovernmental	1,891,468	
Special Assessments	5,287,249	
Total		20,863,176
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(44,676)
Deferred Outflows of Resources represent deferred charges on refunding which are not reported in the funds.		425,077
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(10,830,316)	
Special Assessment Bonds	(2,522,575)	
OPWC Loans	(1,679,271)	
Capital Lease Obligation Payable	(193,836)	
Retrospective Workers' Compensation	(767,872)	
Compensated Absences Payable	(6,282,490)	
Total		(22,276,360)
 <i>Net Position of Governmental Activities</i>		 \$93,771,650

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

	General	General Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$6,342,031	\$2,186,907	\$947,658	\$9,476,596
Municipal Income Taxes	21,676,288	0	0	21,676,288
Admissions Taxes	101,414	0	0	101,414
Charges for Services	3,306,108	0	2,235,022	5,541,130
Licenses, Permits and Fees	2,004,267	0	38,119	2,042,386
Fines and Forfeitures	2,421,972	0	793,597	3,215,569
Intergovernmental	3,215,818	326,423	4,358,343	7,900,584
Special Assessments	0	139,466	1,805,289	1,944,755
Interest	43,570	0	40	43,610
Rentals	2,200	0	25,732	27,932
Contributions and Donations	0	0	12,336	12,336
Franchise Taxes	551,694	0	0	551,694
Miscellaneous	841,614	4,493	398,013	1,244,120
<i>Total Revenues</i>	<u>40,506,976</u>	<u>2,657,289</u>	<u>10,614,149</u>	<u>53,778,414</u>
Expenditures				
Current:				
General Government	14,177,204	1,381	1,216,126	15,394,711
Public Safety	16,047,302	0	5,168,748	21,216,050
Public Health Services	352,817	0	9,361	362,178
Transportation	3,495,221	0	2,382,292	5,877,513
Community Development	2,175,136	0	2,890,736	5,065,872
Sanitation	2,350,856	0	0	2,350,856
Culture and Recreation	1,703,602	0	785,443	2,489,045
Capital Outlay	0	0	1,778,253	1,778,253
Debt Service:				
Principal Retirement	89,779	1,785,000	90,083	1,964,862
Interest and Fiscal Charges	5,611	684,505	3,156	693,272
<i>Total Expenditures</i>	<u>40,397,528</u>	<u>2,470,886</u>	<u>14,324,198</u>	<u>57,192,612</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>109,448</u>	<u>186,403</u>	<u>(3,710,049)</u>	<u>(3,414,198)</u>
Other Financing Sources (Uses)				
OPWC Loan Issued	0	0	482,601	482,601
General Obligation Bonds Issued	0	1,590,000	0	1,590,000
Premium on Bonds	0	9,185	0	9,185
Payment to Refunded Bond Escrow Agent	0	(1,513,662)	0	(1,513,662)
Transfers In	230,105	0	3,768,389	3,998,494
Transfers Out	(2,879,660)	(782,750)	(312,659)	(3,975,069)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,649,555)</u>	<u>(697,227)</u>	<u>3,938,331</u>	<u>591,549</u>
<i>Net Change in Fund Balances</i>	<u>(2,540,107)</u>	<u>(510,824)</u>	<u>228,282</u>	<u>(2,822,649)</u>
<i>Fund Balances Beginning of Year</i>	<u>6,498,819</u>	<u>1,817,733</u>	<u>7,869,545</u>	<u>16,186,097</u>
<i>Fund Balances End of Year</i>	<u>\$3,958,712</u>	<u>\$1,306,909</u>	<u>\$8,097,827</u>	<u>\$13,363,448</u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2013*

Net Change in Fund Balances - Total Governmental Funds (\$2,822,649)

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 assets additions in the current period.

Capital Outlay	3,588,413	
Current Year Depreciation	(4,681,545)	
Total		(1,093,132)

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (1,723,945)

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

Delinquent Property Taxes	275,205	
Municipal Income Taxes	(55,397)	
Intergovernmental	292,623	
Special Assessments	466,568	
Charges for Services	462,166	
Total		1,441,165

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Bonds	1,695,000	
Special Assessment Bonds	90,000	
OPWC Loans Payable	90,083	
Capital Leases	89,779	
Total		1,964,862

Other financing sources and uses in the governmental funds increased long-term liabilities in the statement of net position

General Obligation Bonds Issued	(1,590,000)	
Payment to Refunded Escrow Agent	1,513,662	
Bond Premium	(9,185)	
OPWC Loan Proceeds	(482,601)	
Total		(568,124)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued Interest	8,967	
Amortization of Bond Premium	32,039	
Amortization of Loss on Refunding	(96,505)	
Total		(55,499)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated Absences	(113,446)	
Retrospective Workers' Compensation	(19,290)	
Total		(132,736)

Change in Net Position of Governmental Activities (\$2,990,058)

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$6,898,767	\$6,898,767	\$6,342,031	(\$556,736)
Municipal Income Taxes	22,782,061	24,070,468	22,714,993	(1,355,475)
Admissions Taxes	89,815	94,895	89,551	(5,344)
Charges for Services	3,315,870	3,503,394	3,306,108	(197,286)
Licenses, Permits and Fees	2,011,286	2,125,032	2,005,365	(119,667)
Fines and Forfeitures	2,409,675	2,545,951	2,402,581	(143,370)
Intergovernmental	1,125,951	1,125,951	3,069,546	1,943,595
Interest	77,884	82,289	77,655	(4,634)
Rentals	2,206	2,331	2,200	(131)
Franchise Taxes	550,000	550,000	561,099	11,099
Miscellaneous	255,288	269,725	864,302	594,577
<i>Total Revenues</i>	39,518,803	41,268,803	41,435,431	166,628
Expenditures				
Current:				
General Government	13,014,570	14,266,910	14,121,365	145,545
Public Safety	15,997,345	15,574,595	15,565,932	8,663
Public Health Services	349,555	350,870	349,857	1,013
Transportation	3,298,985	3,344,182	3,335,317	8,865
Community Development	2,253,795	2,372,045	2,362,424	9,621
Sanitation	2,335,370	2,278,114	2,265,389	12,725
Culture and Recreation	2,011,875	1,792,311	1,772,294	20,017
<i>Total Expenditures</i>	39,261,495	39,979,027	39,772,578	206,449
<i>Excess of Revenues Over Expenditures</i>	257,308	1,289,776	1,662,853	373,077
Other Financing Sources (Uses)				
Advances In	0	0	70,934	70,934
Advances Out	0	0	(528,261)	(528,261)
Transfers In	0	0	204,880	204,880
Transfers Out	(3,143,800)	(4,186,790)	(3,475,056)	711,734
<i>Total Other Financing Sources (Uses)</i>	(3,143,800)	(4,186,790)	(3,727,503)	459,287
<i>Net Change in Fund Balance</i>	(2,886,492)	(2,897,014)	(2,064,650)	832,364
<i>Fund Balance Beginning of Year</i>	3,978,217	3,978,217	3,978,217	0
Unexpended Prior Year Encumbrances	29,380	29,380	29,380	0
<i>Fund Balance End of Year</i>	\$1,121,105	\$1,110,583	\$1,942,947	\$832,364

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio

Statement of Fund Net Position

Proprietary Funds

December 31, 2013

	Business Type Activities - Enterprise Funds			Governmental
	Water	Sewer	Total	Activities - Internal Service Fund
Assets				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$9,862	\$537,243	\$547,105	\$0
Materials and Supplies Inventory	11,934	2,392	14,326	0
Accounts Receivable	3,911,104	434,567	4,345,671	0
Interfund Receivable	9,269	0	9,269	30,301
<i>Total Current Assets</i>	<u>3,942,169</u>	<u>974,202</u>	<u>4,916,371</u>	<u>30,301</u>
<i>Noncurrent Assets</i>				
Nondepreciable Capital Assets	221,396	0	221,396	0
Depreciable Capital Assets, Net	14,691,013	7,616,062	22,307,075	0
<i>Total Noncurrent Assets</i>	<u>14,912,409</u>	<u>7,616,062</u>	<u>22,528,471</u>	<u>0</u>
<i>Total Assets</i>	<u>18,854,578</u>	<u>8,590,264</u>	<u>27,444,842</u>	<u>30,301</u>
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	36,789	20,308	57,097	0
Contracts Payable	191,575	14,285	205,860	0
Claims Payable	0	0	0	30,301
Accrued Wages	52,838	25,510	78,348	0
Retainage Payable	7,941	0	7,941	0
Notes Payable	185,000	0	185,000	0
Interfund Payable	384,357	0	384,357	0
Accrued Interest Payable	775	0	775	0
Intergovernmental Payable	1,715,006	41,339	1,756,345	0
Compensated Absences Payable	105,577	93,952	199,529	0
OPWC Loans	65,415	31,484	96,899	0
OWDA Loans	10,891	27,340	38,231	0
<i>Total Current Liabilities</i>	<u>2,756,164</u>	<u>254,218</u>	<u>3,010,382</u>	<u>30,301</u>
<i>Long-Term Liabilities (Net of Current Portion)</i>				
Compensated Absences Payable	131,610	65,843	197,453	0
OPWC Loan Payable	479,192	322,427	801,619	0
OWDA Loan Payable	234,390	244,788	479,178	0
<i>Total Long-Term Liabilities</i>	<u>845,192</u>	<u>633,058</u>	<u>1,478,250</u>	<u>0</u>
<i>Total Liabilities</i>	<u>3,601,356</u>	<u>887,276</u>	<u>4,488,632</u>	<u>30,301</u>
Net Position				
Net Investment in Capital Assets	13,937,521	6,990,023	20,927,544	0
Unrestricted	1,315,701	712,965	2,028,666	0
<i>Total Net Position</i>	<u>\$15,253,222</u>	<u>\$7,702,988</u>	<u>\$22,956,210</u>	<u>\$0</u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013*

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Sewer	Total	
Operating Revenues				
Charges for Services	\$12,393,400	\$1,663,242	\$14,056,642	\$4,972,552
Tap-In-Fees	31,017	0	31,017	0
Miscellaneous	13,219	8,653	21,872	0
<i>Total Operating Revenues</i>	<u>12,437,636</u>	<u>1,671,895</u>	<u>14,109,531</u>	<u>4,972,552</u>
Operating Expenses				
Personal Services	1,252,718	1,020,681	2,273,399	0
Other Than Personal Services	11,023,675	547,778	11,571,453	0
Non-Governmental	30,710	0	30,710	0
Depreciation	427,377	210,066	637,443	0
Claims	0	0	0	4,972,552
<i>Total Operating Expenses</i>	<u>12,734,480</u>	<u>1,778,525</u>	<u>14,513,005</u>	<u>4,972,552</u>
<i>Operating Loss</i>	(296,844)	(106,630)	(403,474)	0
Non-Operating Expenses				
Interest and Fiscal Charges	(9,354)	(12,026)	(21,380)	0
<i>Loss Before Transfers and Capital Contribution</i>	(306,198)	(118,656)	(424,854)	0
Capital Contribution	500	0	500	0
Transfers Out	(15,025)	(8,400)	(23,425)	0
<i>Change in Net Position</i>	(320,723)	(127,056)	(447,779)	0
<i>Net Position Beginning of Year</i>	<u>15,573,945</u>	<u>7,830,044</u>	<u>23,403,989</u>	<u>0</u>
<i>Net Position End of Year</i>	<u>\$15,253,222</u>	<u>\$7,702,988</u>	<u>\$22,956,210</u>	<u>\$0</u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	<u>Business Type Activities - Enterprise Funds</u>			Governmental
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>	Activities - Internal Service Fund
<i>Increase (Decrease) In Cash and Cash Equivalents</i>				
Cash Flows from Operating Activities				
Cash Received from Customers	\$11,737,849	\$1,590,538	\$13,328,387	5,228,524
Cash Received from Other Operating Sources	13,219	8,653	21,872	0
Cash Received from Tap-In Fees	31,017	0	31,017	0
Cash Payments to Suppliers for Goods and Services	(10,883,112)	(601,012)	(11,484,124)	0
Cash Payments for Claims	0	0	0	(5,228,524)
Cash Payments for Employee Services and Benefits	(1,281,033)	(1,000,995)	(2,282,028)	0
<i>Net Cash Used for Operating Activities</i>	<u>(382,060)</u>	<u>(2,816)</u>	<u>(384,876)</u>	<u>0</u>
Cash Flows from Noncapital Financing Activities				
Advance In	384,357	0	384,357	0
Transfer Out	(15,025)	(8,400)	(23,425)	0
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>369,332</u>	<u>(8,400)</u>	<u>360,932</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities				
Notes Issued	185,000	0	185,000	0
Principal Paid on OPWC Loans	(65,415)	(31,484)	(96,899)	0
Principal Paid on OWDA Loans	(10,485)	(26,247)	(36,732)	0
Interest Paid on OWDA Loans	(8,579)	(12,026)	(20,605)	0
Acquisition of Capital Assets	(229,472)	0	(229,472)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(128,951)</u>	<u>(69,757)</u>	<u>(198,708)</u>	<u>0</u>
<i>Net Decrease In Cash and Cash Equivalents</i>	(141,679)	(80,973)	(222,652)	0
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>151,541</u>	<u>618,216</u>	<u>769,757</u>	<u>0</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$9,862</u>	<u>\$537,243</u>	<u>\$547,105</u>	<u>\$0</u>

(continued)

City of Cleveland Heights, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2013

	<u>Business Type Activities - Enterprise Funds</u>			Governmental
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>	Activities - Internal Service Fund
Reconciliation of Operating Loss to Net Cash Used for Operating Activities				
<i>Operating Loss</i>	(\$296,844)	(\$106,630)	(\$403,474)	
Adjustments:				
Depreciation	427,377	210,066	637,443	0
(Increase)/Decrease in Assets:				
Accounts Receivable	(654,336)	(72,704)	(727,040)	0
Materials and Supplies Inventory	10,267	98	10,365	0
Interfund Receivable	(1,215)	0	(1,215)	255,972
Increase/(Decrease) in Liabilities:				
Accounts Payable	1,024	15,444	16,468	0
Contracts Payable	144,745	(89,329)	55,416	0
Accrued Wages	23,708	6,090	29,798	0
Compensated Absences	(70,440)	13,196	(57,244)	0
Retainage Payable	1,279	0	1,279	0
Intergovernmental Payable	32,375	20,953	53,328	0
Claims Payable	0	0	0	(255,972)
<i>Net Cash Used for Operating Activities</i>	<u>(\$382,060)</u>	<u>(\$2,816)</u>	<u>(\$384,876)</u>	<u>\$0</u>

Non-Cash Capital Transaction

During 2013, governmental activities transferred capital assets to the water enterprise fund, in the amount \$500.

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2013

Assets	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$552,797</u></u>
Liabilities	
Deposits Held and Due to Others	<u><u>\$552,797</u></u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 1 – Reporting Entity

The City of Cleveland Heights (the City) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter since August 9, 1921. The current Charter provides for a Council/Manager form of government.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The City of Cleveland Heights's primary government consists of all funds and departments which are not legally separate from the City. They include a police force, a firefighting force, and a street maintenance and sanitation force, refuse collection, recreation programs, municipal court, public health, community development, public improvements, water and sewer services, and general administrative services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific burden on, the primary government. The reporting entity of the City does not include any component units.

The Cleveland Heights Municipal Court has been included in the City's financial statements as an agency fund. The Clerk of Courts is an appointed City official who has a fiduciary responsibility for the collection and distribution of the court fees and fines.

The City is associated with one jointly governed organization, the First Suburbs Consortium of Northeast Ohio Council of Governments. This organization is presented in Note 22 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the City of Cleveland Heights have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position 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 position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. 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 or interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise 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. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

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 deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Cleveland Heights and/or the general laws of Ohio.

General Bond Retirement Fund The general bond retirement fund accounts for property taxes and special assessments restricted for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed or assigned to a particular purpose.

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds.

Water Fund The water fund accounts for the provision of water service to the residents and commercial users located within the City.

Sewer Fund The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Internal Service Fund The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only internal service fund reports on the hospitalization benefits for employee hospital/medical, prescription and dental plans.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own program. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City only utilizes the agency fund type. The City's primary agency funds account for the municipal court, NEORSD/First Suburbs sales tax and construction deposits.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

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 deferred outflows of resources and current liabilities and deferred inflows of resources 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 the governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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; proprietary and fiduciary funds also use 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 inflows of resources 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 City, available means expected to be received within sixty days of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlement and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 9). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On 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: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest, grants and entitlements and rentals.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, municipal income tax, charges for services, special assessments, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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 costs, such as depreciation and amortization, are not recognized in governmental funds.

Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated. Budgetary information for the internal service fund is not reported because the City does not maintain budgetary records for internal service funds. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations 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 City Council may appropriate. The appropriations resolution is City Council's authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by Council at the department level for personal services, capital outlay, other than personal services, and non-governmental expenditures for all funds. The City Manager or Assistant to the City Manager is authorized to transfer budgeted amounts within each fund (between departments), as long as the total amount appropriated by City Council is at the legal level of control.

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

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as 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 City Council during that year.

Pooled Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

During 2013, investments were limited to STAR Ohio, municipal bonds, university bonds, school district bonds, federal home loan bank bonds, federal farm credit bank notes, federal national mortgage association notes, federal home loan mortgage corporation notes and Ohio state economic development notes. Investments are reported at fair value, which is based on quoted market price or current share.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold at December 31, 2013.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Interest earnings are allocated to City funds according to State statutes, City Charter, grant requirements, or debt related restrictions. Interest revenue credited to the general fund during 2013 was \$43,570, which includes \$36,402 assigned from other City funds.

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

Materials and Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption, using the consumption method.

Assets Held for Resale

Assets held for resale represent homes purchased and repaired to be sold under the Neighborhood Stabilization Program for development purposes.

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 position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). The City maintains a capitalization threshold of five thousand dollars. 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. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using a straight-line method over the following useful lives:

Description	Estimated Lives
Land Improvements	30-50 years
Building and Improvements	30-50 years
Machinery and Equipment	3-20 years
Intangible Assets	10 years
Infrastructure	15 -100 years

City's infrastructure consists of streets and sidewalks, off-street parking lots and water, sanitary sewer and storm sewer lines and includes infrastructure acquired prior to December 31, 1980.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Contributions of Capital

Contributions of capital in proprietary fund statements arise from contributions of capital from the capital improvements governmental fund.

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as interfund receivables/payables. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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 employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future (those employees who will be eligible to receive termination payments in the next twenty years). The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments came due each period upon the occurrence of employee retirements. These amounts are recorded in the account "matured compensated absences payable" in the general fund.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and 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. Bonds, long-term loans and capital leases are recognized as a liability on the governmental fund financial statements when due.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes property acquired for resale, unless the use of the proceeds from the sale of those properties is restricted, committed, or assigned.

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State Statute authorizes the Finance Director to assign fund balance for purchases on order, provided such amounts have been lawfully appropriated.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include street maintenance and repair, municipal court clerk computerization, and public safety.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water and sewer services and the hospitalization program. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal 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.

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 a repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Bond Premiums

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the governmental fund statements, bond premiums are received in the year the bonds are issued.

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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.

Note 3 – Changes in Accounting Principles

For year 2013, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 61, “The Financial Reporting Entity: Omnibus - an amendment of GASB Statements 14 and 34.”

This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, and financial reporting entity display and disclosure requirements. These changes were incorporated in the City’s fiscal year 2013 financial statements; however, there was no effect on beginning net position/fund balance.

Note 4 – Accountability and Compliance

Accountability

At December 31, 2013, the following funds had deficit fund balances.

<u>Fund Description</u>	<u>Amounts</u>
<i>Special Revenue Funds:</i>	
Communications System	\$59,775
Home Program	45,365
Cain Park Operating	6,178
Lead Safe Cuyahoga	17,722
Tree	68,299
Police Pension	115,605
Fire Pension	146,044
Off-Street Parking	31,434
<i>Capital Projects Funds:</i>	
Capital Improvements	247,036

The deficit fund balances in the special revenue funds are the result of expenditures on the modified accrual basis of accounting which are substantially greater than expenditures recognized on the cash basis. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur.

The capital improvements capital projects fund’s deficit is the result of the issuance of short-term bond anticipation notes which are used to finance the project until the bonds are issued. Once the notes are retired or the bonds issued, the deficit will be eliminated.

Compliance

The following accounts had expenditures plus encumbrances in excess of appropriations, contrary to Ohio Revised Code Section 5705.41.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Fund	Appropriations Plus Prior Year Encumbrances	Expenditures Plus Encumbrances	Excess
General Fund			
General Government			
Public Properties and Park Maintenance			
Personal Services	\$1,487,600	\$1,489,996	(\$2,396)
Community Services Administration			
Personal Services	289,475	290,935	(1,460)
Administrative Support			
Other than Personal Services	1,051,550	1,063,660	(12,110)
Public Safety			
Fire Department			
Personal Services	5,598,330	5,658,510	(60,180)
Transportation			
Street Maintenance			
Personal Services	1,159,750	1,164,480	(4,730)
Community Development			
Local Programming			
Other than Personal Services	80,150	81,802	(1,652)
Culture and Recreation			
Recreation Administration			
Personal Services	197,245	197,366	(121)
General Recreation Programs			
Other than Personal Services	24,935	27,675	(2,740)
Sports Programs			
Personal Services	97,195	97,760	(565)
SMCR			
Transportation			
Street Construction, Maintenance and Repair			
Capital Outlay	2,270,607	2,270,769	(162)
FEMA			
Public Safety			
FEMA			
Capital Outlay	0	32,400	(32,400)
Ambulance			
Public Safety			
Ambulance Services			
Personal Services	290,000	312,803	(22,803)

Although these budgetary violations were not corrected by year end, management has indicated that appropriations will be closely monitored to prevent future violations.

The drug law enforcement special revenue fund had final appropriations in excess of final estimated resources plus carryover balances as reported on the official certificate of estimated resources at December 31, 2013 in the amount of \$889.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Although the budgetary violations for the home program special revenue fund were not corrected by year end, management has indicated that appropriations will be closely monitored to prevent future violations.

Fund	Estimated Resources Plus Carryover Balances	Appropriations	Variance
Drug Law Enforcement	\$519,710	\$520,599	(\$889)

Note 5 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	General Bond Retirement	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$403,831	\$0	\$65,630	\$469,461
<u>Restricted for:</u>				
Road improvements	0	0	576,619	576,619
Drug and Law Enforcement	0	0	593,359	593,359
Community Development	0	0	1,788,875	1,788,875
Environmental Protection	0	0	31,380	31,380
Municipal Court Computerization and Special Projects	0	0	2,012,882	2,012,882
Public Right of Way	0	0	22,789	22,789
Neighborhood Stabilization Program	0	0	534,449	534,449
Street Maintenance	0	0	240,117	240,117
Aging and Youth Recreation	0	0	51,246	51,246
Police Memorial	0	0	608	608
Emergency Management	0	0	99	99
Recreational Facility Improvements	0	0	381,461	381,461
Debt service payments	0	1,306,909	0	1,306,909
<i>Total Restricted</i>	0	1,306,909	6,233,884	7,540,793
<u>Committed to:</u>				
Public Building Maintenance	0	0	423	423
Ambulance Services	0	0	631,380	631,380
Police Facility Improvement	0	0	32,749	32,749
Ring Road Construction	0	0	285,149	285,149
<i>Total Committed</i>	\$0	\$0	\$949,701	\$949,701

(continued)

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Fund Balances	General	General Bond Retirement	Other Governmental Funds	Total
<u>Assigned to:</u>				
Economic Development	\$0	\$0	\$1,610,192	\$1,610,192
City Hall Maintenance	0	0	41,508	41,508
Other Purposes	6,535,767	0	0	6,535,767
<i>Total Assigned</i>	<u>6,535,767</u>	<u>0</u>	<u>1,651,700</u>	<u>8,187,467</u>
Unassigned (Deficit)	<u>(2,980,886)</u>	<u>0</u>	<u>(803,088)</u>	<u>(3,783,974)</u>
Total Fund Balances	<u>\$3,958,712</u>	<u>\$1,306,909</u>	<u>\$8,097,827</u>	<u>\$13,363,448</u>

Note 6 – Budgetary Basis of Accounting

While the City is reporting financial position, results of operations, and changes in fund balances 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 Statements 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 are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP).
- (d) Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP).
- (e) Investments are reported at fair value (GAAP) rather than cost (budget basis).
- (f) Unrecorded cash which consists of cash on hand that is not reported by the City on the operating statements (budget basis), but is reported on the GAAP basis operating statement.
- (g) Budgetary revenues and expenditures of the earned benefits fund are classified to the general fund for GAAP reporting.

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

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

	General
GAAP Basis	(\$2,540,107)
Net Adjustment for Revenue Accruals	1,469,825
Beginning Fair Value Adjustment for Investments	4,879
Ending Fair Value Adjustment for Investments	18,523
Beginning Unrecorded Cash	22,688
Ending Unrecorded Cash	7,936
Net Adjustment for Expenditure Accruals	(392,592)
Excess of revenues and other financing sources over expenditures and other uses:	
Earned Benefits	(61,522)
Advances In	70,934
Advances Out	(528,261)
Encumbrances	(136,953)
Budget Basis	(\$2,064,650)

Note 7 – Deposits and Investments

The City is a charter City and has adopted an investment policy through City Ordinance. The City has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories.

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

Inactive deposits are public deposits that the Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to payment of 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, 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;

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

3. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time if training requirements have been met, and
8. Written repurchase agreements in 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.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the finance director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

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

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that, in the event of the failure of the counterparty, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$1,157,639 of the City's bank balance of \$2,172,962 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 City to a successful claim by the FDIC.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

The City has no deposit policy for custodial credit 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 City 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 uninsured deposits being secured.

Investments

As of December 31, 2013, the City had the following investments:

	Fair Value	Maturity	Percentage of Total Investments
STAR Ohio	\$3,730,841	Average 53.4 Days	33.86 %
Municipal Bonds	4,289,654	Less than One Year	38.94
University Bonds	305,482	Less than One Year	2.78
School District Municipal Bonds	585,000	Less than One Year	5.31
Federal Home Loan Bank Bonds	500,000	Less than Five Years	4.54
Federal Farm Credit Bank Notes	499,924	Less than Five Years	4.54
Federal National Mortgage Association Notes	500,000	Less than Five Years	4.54
Federal Home Loan Mortgage Corp. Notes	300,008	Less than Five Years	2.72
Ohio State Economic Development Notes	306,021	Less than Five Years	2.77
Total Portfolio	\$11,016,930		

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk Federal home loan bank bonds, federal farm credit bank notes, federal national mortgage association notes, and federal home loan mortgage corporation notes are registered and carry a rating of AA+ by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that addresses credit risk.

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 8 – Interfund Balances and Transfers

Interfund Balances

As of December 31, 2013, interfund balances were as follows:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>			
	General	Water Fund	Internal Service	Totals
Major Funds				
General Fund	\$0	\$9,197	\$30,301	\$39,498
Other Governmental Funds				
CDBG	18,629	0	0	18,629
Home Program	107,553	0	0	107,553
Lead Safe Cuyahoga	17,722	0	0	17,722
Neighborhood Stabilization Program	0	72	0	72
<i>Total Other Governmental Funds</i>	<u>143,904</u>	<u>72</u>	<u>0</u>	<u>143,976</u>
<i>Total Governmental Activities</i>	143,904	9,269	30,301	183,474
Business-Type:				
Water	384,357	0	0	384,357
	<u>\$528,261</u>	<u>\$9,269</u>	<u>\$30,301</u>	<u>\$567,831</u>

Interfund balances at December 31, 2013, consisted of a general fund advance of \$143,904 to nonmajor special revenue funds due to the timing of the receipt of grant monies and an advance of \$384,357 to the water enterprise fund to cover a negative fund balance. All advances are expected to be repaid within one year. The general fund and the neighborhood stabilization program fund also paid the water enterprise fund for the City water usage. The general fund paid the internal service fund for health insurance premiums.

Interfund Transfers

At December 31, 2013 interfund transfers were as follows:

<u>Transfers To</u>	<u>Transfers From</u>					Total
	General	General Bond Retirement	Other Governmental Funds	Business-Type		
				Water	Sewer	
Major Funds:						
General Fund	\$0	\$0	\$206,680	\$15,025	\$8,400	\$230,105
Other Governmental Funds:						
Communications System	412,617	0	0	0	0	412,617
Cain Park Operating	212,914	0	0	0	0	212,914
Street Lighting	19,187	0	0	0	0	19,187
Tree	17,110	0	38,269	0	0	55,379
Police Pension	929,211	0	16,000	0	0	945,211
Fire Pension	1,288,621	0	51,710	0	0	1,340,331
Capital Improvements	0	782,750	0	0	0	782,750
<i>Total Other Governmental Funds</i>	<u>2,879,660</u>	<u>782,750</u>	<u>105,979</u>	<u>0</u>	<u>0</u>	<u>3,768,389</u>
Total	<u>\$2,879,660</u>	<u>\$782,750</u>	<u>\$312,659</u>	<u>\$15,025</u>	<u>\$8,400</u>	<u>\$3,998,494</u>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

The general fund transfers to the other governmental funds were made to provide additional resources for capital improvements and current operations. Transfers from other governmental funds to the general fund were for funds contribution for pension liabilities from fire personnel wages and for the “sick leave buy back” as required by City ordinance or labor union contracts that were charged to general fund. The general bond retirement fund transfer to the capital improvements fund was made for debt payments. Transfers from enterprise funds to general fund were for contributions for earned benefits paid from the general fund.

Note 9 – Receivables

Receivables at December 31, 2013, consisted primarily of municipal income taxes, property and other local taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, notes receivable, accrued interest on investments, and accounts (billings for water and utility services).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables, except for delinquent property taxes, special assessments and notes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$2,039,182 in the tree and street lighting special revenue funds and the general bond retirement fund. At December 31, 2013, the amount of delinquent special assessments was \$1,498,067.

Notes expected to be collected in more than one year amount to \$1,744,512 and \$60,295 in the community development block grant and home program special revenue funds, respectively. At December 31, 2013 there were no delinquent loans.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2013 for real and public utility property taxes represents collections of 2012 taxes.

2013 real property taxes are levied after October 1, 2013 on the assessed value as of January 1, 2013, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2013 real property taxes are collected in and intended to finance 2014.

Real property taxes are payable annually or semi-annually. If paid annually, 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 personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2013 public utility property taxes which became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2013 was \$12.90 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2013 property tax receipts were based are as follows:

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Real Estate:	
Residential/Agricultural	\$711,935,130
Other Real Estate	135,720,620
Public Utility Property	13,432,710
Total Assessed Valuation	\$861,088,460

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Cleveland Heights. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2013 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2013 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Income Taxes

The City levies an income tax of 2 percent on all income earned within the City as well as income of residents earned outside the City. The City allows a credit of 50 percent of the tax paid to another municipality, to a maximum of one-half of one percent of income earned outside the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of 3 percent. Taxes collected by RITA in one month are remitted to the City between the first and tenth business days of the following month. Income tax revenue is credited to the general fund.

Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Local Government	\$906,519
Homestead and Rollback	707,253
Gas Excise Tax	558,548
Auto Registration	204,685
Estate tax	116,173
Admission Tax	11,863
CDBG Grant	1,470
<i>Total Intergovernmental Receivables</i>	<i>\$2,506,511</i>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 10 – Capital Assets

A summary of changes in capital assets during 2013 follows:

	Balance 12/31/2012	Additions	Deletions	Transfers	Balance 12/31/2013
Governmental Activities					
<i>Nondepreciable Capital Assets</i>					
Land	\$5,294,746	\$0	\$0	\$0	\$5,294,746
Construction in Progress	2,410,176	2,262,437	(3,974,678)	0	697,935
<i>Total Nondepreciable Capital Assets</i>	<u>7,704,922</u>	<u>2,262,437</u>	<u>(3,974,678)</u>	<u>0</u>	<u>5,992,681</u>
<i>Depreciable Capital Assets</i>					
Land Improvements	2,170,388	0	0	0	2,170,388
Building and Improvements	63,151,376	1,606,917	(6,523,131)	0	58,235,162
Machinery and Equipment	22,006,604	919,156	(1,061,471)	(45,836)	21,818,453
Intangible Assets	32,707	0	0		32,707
Infrastructure					
Streets and Sidewalks	46,490,230	2,774,581	0	0	49,264,811
Off-Street Parking	2,846,892	0	0	0	2,846,892
<i>Total Depreciable Capital Assets</i>	<u>136,698,197</u>	<u>5,300,654</u>	<u>(7,584,602)</u>	<u>(45,836)</u>	<u>134,368,413</u>
<i>Less Accumulated Depreciation</i>					
Land Improvements	(813,803)	(125,170)	0	0	(938,973)
Building and Improvements	(26,350,692)	(1,351,107)	4,905,792	0	(22,796,007)
Machinery and Equipment	(15,425,279)	(1,179,236)	955,365	45,336	(15,603,814)
Infrastructure					
Streets and Sidewalks	(15,913,550)	(1,978,750)	0	0	(17,892,300)
Off-Street Parking	(1,641,733)	(47,282)	0	0	(1,689,015)
<i>Total Accumulated Depreciation</i>	<u>(60,145,057)</u>	<u>(4,681,545)</u>	<u>5,861,157</u>	<u>45,336</u>	<u>(58,920,109)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>76,553,140</u>	<u>619,109</u>	<u>(1,723,445)</u>	<u>(500)</u>	<u>75,448,304</u>
<i>Total Governmental Capital Assets, Net</i>	<u>\$84,258,062</u>	<u>\$2,881,546</u>	<u>(\$5,698,123)</u>	<u>(\$500)</u>	<u>\$81,440,985</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$863,398
Public Safety	593,281
Transportation	2,201,956
Community Development	113,153
Sanitation	266,977
Culture and Recreation	642,780
Total	<u>\$4,681,545</u>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

	Balance 12/31/2012	Additions	Deletions	Transfers	Balance 12/31/2013
Business-Type Activities					
<i>Nondepreciable Capital Assets</i>					
Construction in Progress	\$91,161	\$223,307	(\$93,072)	\$0	\$221,396
<i>Depreciable Capital Assets</i>					
Buildings and Improvements	148,238	0	0	0	148,238
Machinery and Equipment	4,454,901	0	(13,154)	45,836	4,487,583
Infrastructure					
Water Lines	18,241,051	99,237	0	0	18,340,288
Sanitary Sewer Lines	7,283,724	0	0	0	7,283,724
Storm Sewer Lines	2,941,631	0	0	0	2,941,631
<i>Total Depreciable Capital Assets</i>	<u>33,069,545</u>	<u>99,237</u>	<u>(13,154)</u>	<u>45,836</u>	<u>33,201,464</u>
<i>Less Accumulated Depreciation</i>					
Buildings and Improvements	(38,280)	(6,384)	0	0	(44,664)
Machinery and Equipment	(3,940,584)	(176,664)	13,154	(45,336)	(4,149,430)
Infrastructure					
Water Lines	(3,746,610)	(260,361)	0	0	(4,006,971)
Sanitary Sewer Lines	(1,688,751)	(122,423)	0	0	(1,811,174)
Storm Sewer Lines	(810,539)	(71,611)	0	0	(882,150)
<i>Total Accumulated Depreciation</i>	<u>(10,224,764)</u>	<u>(637,443)</u>	<u>13,154</u>	<u>(45,336)</u>	<u>(10,894,389)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>22,844,781</u>	<u>(538,206)</u>	<u>0</u>	<u>500</u>	<u>22,307,075</u>
<i>Total Business-Type Activities Capital Assets, Net</i>	<u>\$22,935,942</u>	<u>(\$314,899)</u>	<u>(\$93,072)</u>	<u>\$500</u>	<u>\$22,528,471</u>

Note 11 – Significant Commitments

Contractual Commitments

At December 31, 2013, the City had \$697,935 in significant contractual commitments which consisted of several construction projects including street resurfacing and Kent Road waterline replacement.

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Governmental Funds:		Proprietary Funds:	
General fund	\$136,953	Sewer	<u>\$16,110</u>
Other Governmental Funds	<u>643,176</u>		
Total Governmental Funds	<u>\$780,129</u>		

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 12 – Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year the City contracted with Gallagher Bassett Company for all their commercial insurance.

The types of coverage and deductibles are as follows:

Type of Coverage	Coverage	Deductible
Blanket Property and Contents, Replacement	\$89,025,000	\$50,000
General Liability	11,000,000	100,000
Automobile Liability	11,000,000	100,000
Public Officials Liability	11,000,000	100,000
Police Professional Liability	11,000,000	100,000

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

The City has elected to provide employee hospital/medical, prescription and dental benefits through a partially self insured program. The City established a hospitalization internal service fund to account for and finance the cost of this program. The City has stop loss coverage at \$125,000 per family, per year, and a calculated aggregate maximum for the 2013 plan year of \$5,914,062.

The claims liability of \$30,301 as estimated by the third party administrator and reported in the hospitalization internal service fund at December 31, 2013, is based on the requirements of GASB Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund claims liability amount in 2012 and 2013 were as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2012	\$214,100	\$4,560,195	\$4,488,022	\$286,273
2013	286,273	4,972,552	5,228,524	30,301

The City participates in the State Workers' Compensation retrospective rating and payment system. Once the City receives notice of the 2013 claims paid by the Bureau of Workers' Compensation, the City will reimburse the State for claims paid on the City's behalf. The payable is reclassified from claims payable to intergovernmental payable. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claim costs for employees injured in 2013. The minimum premium portion of intergovernmental payable is \$429,233. The maintenance of these benefits is accounted for in the general fund. Claims of \$767,872 have been accrued as a liability at December 31, 2013 based on an estimate provided by Comp Management, Inc., the City's third party administrator. Changes in the claims liability amount for workers' compensation in 2012 and 2013 were:

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2012	\$750,106	\$492,462	\$493,986	\$748,582
2013	748,582	446,962	427,672	767,872

Note 13 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

Plan Description - The City 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 employer contributions to provide a formula retirement benefit similar in nature to, but less than, 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 visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 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 and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in state and local divisions. For the year ended December 31, 2013, members in state and local classifications contributed 10.0 percent of covered payroll. Members in the state and local divisions may participate in all three plans. For 2013, member and employer contribution rates were consistent across all three plans.

The City’s 2013 contribution rate was 14.0 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. For 2013, the portion of employer contribution allocated to health care was 1.00 percent for members in the Traditional Plan and the Combined Plan. Effective January 1, 2014, the portion of employer contributions allocated to health care increased to 2 percent. Employer contribution rates are actuarially determined.

The City’s required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were \$1,573,964, \$1,526,356, and \$1,497,894, respectively. For 2013, 96.66 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011. Contributions to the Member-Directed Plan for 2013 were \$11,769 made by the City and \$8,406 made by plan members.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – Employer and employee contribution rates are set by the Ohio Revised Code. From January 1, 2013, thru July 1, 2013, plan members were required to contribute 10 percent of their annual covered salary. From July 2, 2013, thru December 31, 2013, plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, employers were required to contribute 19.5 percent and 24 percent respectively for police officers and firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. For January 1 2013, thru May 31, 2013, the portion of employer contributions used to fund pension benefits was 14.81 percent of covered payroll for the police officers and 19.31 percent of covered payroll for firefighters. For June 1, 2013, thru December 31, 2013, the portion of employer contributions used to fund pension benefits was 16.65 percent of covered payroll for police officers and 21.15 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters pension were \$848,428 and \$1,173,935 for the year ended December 31, 2013, \$677,557 and \$964,586 for the year ended December 31, 2012, and \$647,753 and \$990,204 for the year ended December 31, 2011, respectively. For 2013, 96.38 percent for police and 97.18 percent for firefighters has been contributed with the balance for both police and firefighters being report as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

Note 14 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 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 mandate, 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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, 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 administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, state and local employers contributed at a rate of 14.0 percent of covered payroll. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. For 2013, the portion of employer contributions allocated to health care for members in the Traditional Plan and the Combined Plan was 1.0 percent. Effective January 1, 2014, the portion of employer contributions allocated to health care was raised to 2 percent for both plans, as recommended by OPERS actuary.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The City’s contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were \$629,585, \$610,542, and \$601,976, respectively. For 2013, 96.66 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available of OP&F's website at www.op-f.org.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For January 1, 2013, thru May 31, 2013, the employer contribution allocated to the health care plan was 4.69 percent of covered payroll. For June 1, 2013, thru December 31, 2013, the employer contribution allocated to the health care plan was 2.85 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$192,964 and \$209,338 for the year ended December 31, 2013, \$358,707 and \$377,447 for the year ended December 31, 2012, and \$342,928 and \$387,471 for the year ended December 31, 2011. For 2013, 96.38 percent has been contributed for police and 97.18 percent has been contributed for firefighters with the balance for both police and firefighters being report as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

Note 15 – 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 employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than six months of service.

All full-time employees earn sick leave at the rate of 4.6 hours for each 80 hours worked. An employee with five or more consecutive years of service is entitled to payment to a maximum of 750 hours for accumulated sick leave.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 16– Solid Waste

In accordance with a notice letter received from the Ohio Environmental Protection Agency, the City of Cleveland Heights executed the final closure financial assurance instrument for the solid waste transfer station by the required September 30, 2003, deadline. The financial test assured that the City could support any amount up to \$200,000 in post-closure costs and that the City met all of the requirements set forth by Ohio Administrative Code Rule 3745-27-17. This location is used for the transfer of solid waste from the City’s refuse trucks to a larger loader which is used to transport the waste to a commercial landfill located outside the City. This transfer station has operated at this location for over fifty years and the City has no plans to close or move this transfer station. For this reason, the City does not currently accrue a liability.

Note 17 – Contingent Liabilities

Litigation

The City of Cleveland Heights is a party to legal proceedings seeking damages. The City management is of opinion that ultimate disposition of these claims and legal proceeding will not have a material effect, if any, on the financial condition of the City.

Federal and State Grants

The City receives financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2013.

Note 18 – Long-term Obligations

The original issue date, maturity date, interest rate and original issuance amount for each of the City’s bonds and notes follows:

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
<i>Governmental Activities:</i>				
General Obligation Bonds				
Pension Fund Refunding	1999	2013	3.05 - 4.50 %	\$2,000,000
Recreational Facilities	2001	2017	3.3 - 4.9	4,000,000
Various Purpose Refunding	2013	2017	1.25	1,590,000
Recreational Facilities Refunding	2008	2017	3.0 - 5.0	8,695,000
Cedar Lee Parking Deck	2008	2028	3.0 - 4.75	6,355,000
Special Assessment Bonds				
Ring Road Improvement	2004	2029	2.5 - 5.0	3,200,000

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
Governmental Activities:				
OPWC Loans				
Taylor Road Rehabilitation	2001	2021	0	\$132,780
Coventry Road Rehabilitation	2005	2025	0	369,741
Lee Road Rehabilitation	2006	2029	0	39,852
Meadowbrook Boulevard	2006	2026	0	1,837,103
Monticello Boulevard	2010	2031	0	248,880
Monticello Boulevard	2012	2034	0	640,800
Business-Type Activities				
OPWC Loans				
Cedar Road - Water	2000	2020	0	940,876
Cedar Road - Sewer	2000	2020	0	170,407
Meadowbrook Boulevard Rehabilitation - Water	2006	2022	0	367,421
Meadowbrook Boulevard Rehabilitation - Sewer	2006	2022	0	459,276
OWDA Loans				
OWDA Loan - Sewer	2007	2022	4.12	425,071
OWDA Loan - Water Line	2010	2030	3.84	280,298

Changes in long-term obligations during the year ended December 31, 2013, consisted of the following:

	Balance 12/31/2012	Increase	Decrease	Refunded	Balance 12/31/2013	Amounts Due in One Year
Governmental Activities						
General Obligation Bonds						
1999 Pension Fund Refunding Bonds	\$175,000	\$0	\$175,000	\$0	\$0	\$0
2001 Recreational Facilities Bonds	1,505,000	0	0	1,505,000	0	0
2013 Various Purpose Refunding Bonds	0	1,590,000	320,000	0	1,270,000	310,000
Unamortized Premium	0	9,185	1,849	0	7,336	
2008 Recreational Facilities Refunding Bonds	5,115,000	0	945,000	0	4,170,000	985,000
Unamortized Premium	155,782	0	28,781	0	127,001	
2008 Cedar Lee Parking Deck Bonds	5,495,000	0	255,000	0	5,240,000	260,000
Unamortized Premium	16,757	0	778	0	15,979	
<i>Total General Obligation Bonds</i>	<u>12,462,539</u>	<u>1,599,185</u>	<u>1,726,408</u>	<u>1,505,000</u>	<u>10,830,316</u>	<u>1,555,000</u>
Special Assessment Bonds (with governmental commitment)						
2004 Ring Road Improvement	2,595,000	0	90,000	0	2,505,000	95,000
Unamortized Premium	18,206	0	631	0	17,575	
<i>Total Special Assessment Bonds</i>	<u>2,613,206</u>	<u>0</u>	<u>90,631</u>	<u>0</u>	<u>2,522,575</u>	<u>95,000</u>
OPWC Loans						
2001 Taylor Road Rehabilitation	59,751	0	6,639	0	53,112	6,639
2005 Coventry Road Rehabilitation	231,088	0	18,487	0	212,601	18,487
2006 Lee Road Rehabilitation	33,874	0	1,993	0	31,881	1,993
2006 Meadowbrook Boulevard	707,286	0	50,520	0	656,766	50,520
2010 Monticello Boulevard	230,214	0	12,444	0	217,770	12,444
2012 Monticello Boulevard	24,540	482,601	0	0	507,141	12,679
<i>Total OPWC Loans</i>	<u>\$1,286,753</u>	<u>\$482,601</u>	<u>\$90,083</u>	<u>\$0</u>	<u>\$1,679,271</u>	<u>\$102,762</u>

(continued)

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

	Balance 12/31/2012	Increase	Decrease	Refunded	Balance 12/31/2013	Amounts Due in One Year
Other Long-Term Obligations						
Compensated Absences Payable	\$6,169,044	\$2,566,768	\$2,453,322	\$0	\$6,282,490	\$3,857,883
Workers' Compensation Liability	748,582	446,962	427,672	0	767,872	394,381
Capital Leases	283,615	0	89,779	0	193,836	91,877
<i>Total Other Long-Term Obligations</i>	<u>7,201,241</u>	<u>3,013,730</u>	<u>2,970,773</u>	<u>0</u>	<u>7,244,198</u>	<u>4,344,141</u>
Total Governmental Long-Term Liabilities	<u>\$23,563,739</u>	<u>\$5,095,516</u>	<u>\$4,877,895</u>	<u>\$1,505,000</u>	<u>\$22,276,360</u>	<u>\$6,096,903</u>
	Balance 12/31/2012	Increase	Decrease		Balance 12/31/2013	Amounts Due in One Year
Business-Type Activities						
OPWC Loans						
Cedar Road - Water	\$352,828		\$0	\$47,043	\$305,785	\$47,043
Cedar Road - Sewer	63,903		0	8,520	55,383	8,520
Meadowbrook Boulevard Rehabilitaiton - Water	257,194		0	18,372	238,822	18,372
Meadowbrook Boulevard Rehabilitaiton - Sewer	321,492		0	22,964	298,528	22,964
<i>Total OPWC Loans</i>	<u>995,417</u>		<u>0</u>	<u>96,899</u>	<u>898,518</u>	<u>96,899</u>
OWDA Loans						
OWDA Loan - Demington Sewer	298,375		0	26,247	272,128	27,340
OWDA Loan - Runnymede Water Line	255,766		0	10,485	245,281	10,891
<i>Total OWDA Loans</i>	<u>554,141</u>		<u>0</u>	<u>36,732</u>	<u>517,409</u>	<u>38,231</u>
Other Long-Term Obligations						
Compensated Absences	454,226	180,925	238,169		396,982	199,529
Total Business-Type Activities Long-term Liabilities	<u>\$2,003,784</u>	<u>\$180,925</u>	<u>\$371,800</u>		<u>\$1,812,909</u>	<u>\$334,659</u>

General obligation bonds General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and unvoted general property taxes levied on all taxable property located within the City as well as municipal income taxes. Tax monies will be received in and the debt will be retired from the general bond retirement debt service fund.

In 1999, the City issued general obligation refunding bonds in the amount of \$2,000,000. The general obligation bonds were issued for the purpose of refunding the 1973 unfunded pension liability in order to take advantage of lower interest rates. The bonds were issued for a 13-year period with final maturity at December 1, 2013. The bonds will be retired from the general bond retirement fund.

In 2001, the City issued general obligation refunding bonds in the amount of \$4,000,000. The general obligation bonds were issued for the purpose of refunding the 1992 Recreational Facilities Improvement bonds in order to take advantage of lower interest rates. The bonds were issued for a twelve-year period with final maturity at December 1, 2017. The bonds will be retired from the general bond retirement fund.

In 2008, the City issued general obligation refunding bonds in the amount of \$8,695,000. The general obligation bonds were issued for the purpose of refunding the 1997 Recreational Facilities Improvement bonds in order to take advantage of lower interest rates. The bonds were issued for a twenty-year period with final maturity at December 1, 2017. The bonds will be retired from the general bond retirement fund.

In 2008, the City defeased the 1997 Recreational Facilities Improvement bonds in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2013, \$4,170,000 of the defeased bonds are still outstanding.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

In 2008, the City issued general obligation in the amount of \$6,355,000 for the purpose of improvements to the Cedar-Lee parking deck. The bonds were issued for a 20 year period with final maturity at December 1, 2008. The bonds will be retired from the general bonds retirement fund.

In 2013, the City issued general obligation bonds, in the amount of \$1,590,000, to refund bonds previously issued in 2001 for recreational facilities in the amount of \$1,505,000. The bonds were issued with a fixed interest rate of 1.25 percent. The bonds were issued for a 5 year period with final maturity during fiscal year 2017. The bonds will be retired through the general bond retirement fund.

	2001 Recreational Facilities
Outstanding at December 31, 2012	\$1,505,000
Amount Refunded	(1,505,000)
Principal Payment on Non-Refunded Portion	0
Outstanding at December 31, 2013	\$0

The bonds were sold at a premium of \$9,185. Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 2005 Various Purpose bonds.

Although the refunding will result in the recognition of an accounting loss of \$8,662, the City in effect decreased its aggregated debt service payments by \$87,237 over the next 5 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$85,041.

Special assessment bonds Special assessment bonds are payable from the proceeds of assessments against the specific property owners who primarily benefited from the project. Special assessment monies will be received in and the debt will be retired from the general bond retirement debt service fund. In the event that property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

Other long-term obligations Capital leases will be paid from the general fund and tree special revenue fund. Compensated absences will be paid from the general, water and sewer funds. The workers' compensation liability will be paid from the general fund. The OPWC loans in the governmental activities will be paid semiannually from street construction and maintenance special revenue fund. The loans are interest free.

The OPWC and OWDA loans in business-type activities will be paid semiannually from water and sewer funds. In the event that the water and sewer funds would fail to pay the OPWC and OWDA loans, payment would be made by any general tax revenues collected in the general, bond retirement or capital projects funds.

A line of credit has been established with Ohio Public Works Commission in the amount of \$640,800 for street repairs, however, since this loan is not finalized, the repayment schedule is not included in the schedule of debt service payments. The City has received \$507,141 in proceeds.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

The City has pledged future revenues, net of operating expenses less depreciation plus interest and fiscal charges, to repay OPWC and OWDA loans in the water enterprise fund. The debt is payable solely from net revenues and are payable through 2030. Annual principal and interest payments on the debt issues are expected to require 14.60 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$789,888. Principal and interest paid for the current year and total net revenues were \$19,064 and \$130,533 respectively.

The City has pledged future revenues, net of operating expenses less depreciation plus interest and fiscal charges, to repay OPWC and OWDA loans in the sewer enterprise fund. The debt is payable solely from net revenues and are payable through 2026. Annual principal and interest payments on the debt issues are expected to require 2.44 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$626,039. Principal paid for the current year and total net revenues were \$38,273 and \$103,436 respectively.

The City's overall legal debt margin was \$81,041,197 and the unvoted legal debt margin was \$37,986,774 at December 31, 2013. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2013, are as follows:

Governmental Activities					
Year	General Obligation Bonds		Special Assessment Bonds		OPWC Loans
	Principal	Interest	Principal	Interest	
2014	\$1,555,000	\$421,505	\$95,000	\$114,598	\$102,762
2015	1,600,000	374,055	100,000	110,797	115,444
2016	1,660,000	316,857	100,000	106,797	115,444
2017	1,725,000	254,656	105,000	102,797	115,444
2018	305,000	183,494	110,000	98,598	115,444
2019-2023	1,705,000	721,420	625,000	419,938	563,927
2024-2028	2,130,000	307,957	780,000	265,478	378,262
2029-2033	0	0	590,000	29,500	159,866
2034	0	0	0	0	12,678
Total	\$10,680,000	\$2,579,944	\$2,505,000	\$1,248,503	\$1,679,271

Business-Type Activities			
Year	OPWC	OWDA Loans	
	Loans	Principal	Interest
2014	\$96,899	\$38,231	\$20,248
2015	96,899	39,792	18,688
2016	96,899	41,415	17,064
2017	96,899	43,105	15,373
2018	96,899	44,865	13,613
2019-2023	290,021	194,738	40,253
2024-2028	124,002	86,080	14,952
2029-2033	0	29,183	1,128
Total	\$898,518	\$517,409	\$141,319

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 19 - Notes Payable

Changes in the City's note activity for the year ended December 31, 2013, were as follows:

	Outstanding 12/31/2012	Additions	(Reductions)	Outstanding 12/31/2013
Governmental Activities:				
<i>General Obligation</i>				
<i>Bond Retirement Fund:</i>				
Street Improvements	\$228,000	\$152,000	(\$228,000)	\$152,000
Monticello Boulevard and Taylor Road	444,000	236,000	(444,000)	236,000
Motorized Equipment	679,000	1,008,000	(679,000)	1,008,000
Computer Equipment	110,000	92,000	(110,000)	92,000
<i>Total General Obligation</i>				
<i>Bond Retirement Fund</i>	<u>\$1,461,000</u>	<u>\$1,488,000</u>	<u>(\$1,461,000)</u>	<u>\$1,488,000</u>
<i>Capital Improvements Fund:</i>				
Motorized Equipment	665,000	690,000	(665,000)	690,000
Computer Equipment	0	15,000	0	15,000
<i>Total Capital Improvements Fund</i>	<u>665,000</u>	<u>705,000</u>	<u>(665,000)</u>	<u>705,000</u>
<i>Total Governmental Activities</i>	<u>\$2,126,000</u>	<u>\$2,193,000</u>	<u>(\$2,126,000)</u>	<u>\$2,193,000</u>
<i>Enterprise Funds:</i>				
<i>Water</i>				
Water System Improvements	0	185,000	0	185,000
<i>Total Enterprise Funds</i>	<u>\$0</u>	<u>\$185,000</u>	<u>\$0</u>	<u>\$185,000</u>

In 2013, the City paid the \$1,461,000 various purpose note and reissued \$1,488,000. The 2012 \$665,000 police and motor vehicles note was paid off in 2013. Also in 2013, the City issued \$705,000 in notes for the purchase of motorized and computer equipment. The notes have an interest rate of 1.0 percent and mature on July 31, 2014. All note proceeds have been fully expended.

All notes are backed by the full faith and credit of the City of Cleveland Heights and mature within one year. The note liabilities are reflected in the funds which received the proceeds.

Note 20 - Capital Leases

During previous years, the City entered into several lease agreements for machinery and equipment. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital asset acquired by lease currently being paid have been capitalized and depreciated as follows as of December 31, 2013:

	Amounts
Equipment	\$450,000
Less Accumulated Depreciation	(270,000)
Current Book Value	<u>\$180,000</u>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2013.

Year Ending December 30,	Governmental Activities
2014	\$95,390
2015	103,324
Total	198,714
Less: Amount Representing Interest	(4,878)
Present Value of Net Minimum Lease Payments	\$193,836

Note 21 – Assets Held For Resale

Assets held for resale represent homes purchased and repaired to be resold under the Community Development Block Grant Program (CDBG) and Neighborhood Stabilization Program. During 2013, the City sold two homes. As of December 31, 2013, the City has one home remaining, one NSP home, which was being held for resale.

Note 22 – Jointly Governed Organization

The City is a member of the First Suburbs Consortium of Northeast Ohio Council of Governments (Council). The Council is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. The Council is currently comprised of 12 communities. The Council was formed to foster cooperation between municipalities in matters of mutual concern, including but not limited to initiation and support of policies and practices which protect, maintain, and redevelop mature communities and other matters which affect health, safety, welfare, education economic conditions and regional development.

The Council is governed by an Assembly made up of one representative from each member community. The representatives then elect the Governing Board made up of a Chair, Vice Chair and other members elected in annual elections. The Board oversees and manages the Council. The degree of control exercised by any participating government is limited to its representation in the Assembly and on the Board. During 2013, the City contributed \$3,000 for membership to the Council. Financial information can be obtained by contacting First Suburbs Consortium of Northeast Ohio Council of Governments, 40 Severance Circle, Cleveland Heights, OH 44118.

Note 23 – Subsequent Events

On April 10, 2014, The City issued \$3,125,000 in general obligation bonds for various purposes. The bonds have an interest rate of 3.19 percent, and a maturity date of December 1, 2028.

On February 13, 2014, The City entered into a capital lease agreement valued at \$236,503 for an ambulance. The lease agreement has an interest rate of 2.13 percent, and a maturity date of January 15, 2021.

Combining and Individual Fund Statements and Schedules

Combining and Individual Fund Statements and Schedules

Fund Descriptions - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Street Construction, Maintenance and Repair Fund - To account for and report that portion of the State gasoline tax and motor vehicle registration fees restricted for street construction, maintenance and repair.

Foundation Grants Fund - To account for and report grants received from various non-profit organizations restricted for community development and public health purposes.

Communications System Fund - To account for and report charges for services committed to the operations of the fire department dispatch office serving Cleveland Heights and neighboring community.

Public Building Maintenance Fund - To account for and report committed rental income for placement of communication towers.

Law Enforcement Trust Fund - To account for and report fines from seizures from criminals by law enforcement officials in the course of their work restricted for expenditures that would enhance the police department.

Drug Law Enforcement Fund - To account for and report fines obtained from confiscated property from criminal offenses restricted for drug law enforcement purposes.

Community Development Block Grant Fund - To account for and report restricted Federal grant monies for expenditures as prescribed under the Community Development Block Grant Program.

EPA Brownfield Grant Fund - To account for and report the federal EPA Brownfield grant restricted for expenditures allowable under the grant agreement. This fund did not have any budgetary activity in 2013, therefore, budgetary information is not provided.

Home Program Fund - To account for and report restricted grants available through the Cuyahoga Housing Consortium restricted for the Home Investment Partnership Program.

FEMA Grant Fund - To account for and report Federal and State monies restricted for the restoration of areas hit by natural disaster.

Cain Park Operating Fund - To account for and report charges for services committed to the operation and maintenance of the Cain Park Summer Theater.

Public Right of Way Fund - To account for and report restricted fees received from public or private service providers restricted for the use of the public right of way.

Indigent Driver's Alcohol Treatment Fund - To account for and report the City's portion of fines collected by the State of Ohio restricted for the cost of an alcohol and other drug addiction treatment program for those unable to pay for such attendance.

(continued)

Fund Descriptions - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Municipal Court Clerk Computerization Fund - To account for and report fees charged in all civil and/or criminal traffic convictions restricted for court computer-related expenditures.

DUI Enforcement and Education Fund - To account for and report the City's portion of court fines collected on all D.U.I. cases and restricted by State statute for expenditures that would promote education about driving while intoxicated.

Municipal Court Special Projects Fund - To account for and report costs charged in all civil and/or criminal traffic convictions restricted for court identified projects.

Lead Safe Cuyahoga Fund - To account for and report grants received from Cuyahoga County restricted for costs related to testing paint for lead content and remediation of the identified areas.

Neighborhood Stabilization Program Fund - To account for and report grants restricted to address the City's foreclosed homes crisis and stabilize neighborhoods.

Street Lighting Fund - To account for and report restricted special assessments for the payment street lighting expenditures within the City.

Tree Fund - To account for and report restricted special assessments for the payment of the cost of maintenance trees on the public right-of-way.

Police Pension Fund - To account for and report restricted property taxes for the payment of current employer contributions for police disability and pension benefits and the accrued liability.

Fire Pension Fund - To account for and report restricted property taxes for the payment of current employer contributions for fire disability and pension benefits and the accrued liability.

Off-Street Parking Fund - To account for and report meter and permit charges for parking in municipal lots restricted for the cost of maintaining such lots.

Ambulance Services Fund - To account for and report ambulance charges committed to pre-hospital life support services.

Office on Aging Donations Fund - To account for and report the Martin bequest and other donations restricted for their related expenditures.

Youth Recreation Donation Fund - To account for and report restricted donations for the youth recreation program.

Police Memorial Trust Fund - To account for and report private donations restricted for the purpose of establishing a police memorial to honor officers that have been killed in the line of duty.

Youth Advisory Commission - To account for and report private donations restricted for the purpose of advising the Council on matters pertaining to youths.

(continued)

Fund Descriptions - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Earned Benefits Fund - To account for and report the accumulation of resources for accumulated sick leave and vacation leave, upon the termination of employment of employees in the City. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust.

Police Facility Improvement Fund - To account for and report administrative fees collected by police department committed to the maintenance, repair, rehabilitation and improvement of the City's police department buildings and facilities outside of City Hall.

Recreation Facility Improvement Fund - To account for and report restricted property taxes for the improvement and maintenance of the City's parks, recreation and cultural facilities.

Capital Improvements Fund - To account for and report note proceeds restricted for the annual purchase of capital equipment and certain capital improvements.

Economic Development Fund - To account for and report miscellaneous monies assigned to transactions to the economic development of the City.

City Hall Maintenance Fund - To account for and report rentals revenues assigned to the costs of major maintenance and repair of City Hall.

Ring Road Construction Fund - To account for and report transfers and other revenues committed to the reconstruction of Severance Ring Road.

City of Cleveland Heights, Ohio

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,538,115	\$2,831,140	\$7,369,255
Materials and Supplies Inventory	65,630	0	65,630
Accounts Receivable	1,171,902	0	1,171,902
Intergovernmental Receivable	797,347	38,083	835,430
Property Taxes Receivable	514,884	600,753	1,115,637
Special Assessments Receivable	3,537,249	0	3,537,249
Notes Receivable	1,913,689	0	1,913,689
Assets Held for Resale	242,629	130,575	373,204
<i>Total Assets</i>	<u>\$12,781,445</u>	<u>\$3,600,551</u>	<u>\$16,381,996</u>
Liabilities			
Accounts Payable	\$289,088	\$138,127	\$427,215
Contracts Payable	66,114	9,270	75,384
Accrued Wages	46,891	0	46,891
Interfund Payable	143,976	0	143,976
Intergovernmental Payable	605,612	2,340	607,952
Accrued Interest Payable	0	2,955	2,955
Notes Payable	0	705,000	705,000
<i>Total Liabilities</i>	<u>1,151,681</u>	<u>857,692</u>	<u>2,009,373</u>
Deferred Inflows of Resources			
Property Taxes	417,734	487,410	905,144
Unavailable Revenue	5,218,226	151,426	5,369,652
<i>Deferred Inflows of Resources</i>	<u>5,635,960</u>	<u>638,836</u>	<u>6,274,796</u>
Fund Balances			
Nonspendable	65,630	0	65,630
Restricted	5,852,423	381,461	6,233,884
Committed	631,803	317,898	949,701
Assigned	0	1,651,700	1,651,700
Unassigned (Deficit)	(556,052)	(247,036)	(803,088)
<i>Total Fund Balances</i>	<u>5,993,804</u>	<u>2,104,023</u>	<u>8,097,827</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$12,781,445</u>	<u>\$3,600,551</u>	<u>\$16,381,996</u>

City of Cleveland Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$437,380	\$510,278	\$947,658
Charges for Services	2,235,022	0	2,235,022
Licenses, Permits and Fees	10,799	27,320	38,119
Fines and Forfeitures	793,597	0	793,597
Intergovernmental	4,282,177	76,166	4,358,343
Special Assessments	1,805,289	0	1,805,289
Interest	40	0	40
Rentals	0	25,732	25,732
Contributions and Donations	12,336	0	12,336
Miscellaneous	313,508	84,505	398,013
<i>Total Revenues</i>	<u>9,890,148</u>	<u>724,001</u>	<u>10,614,149</u>
Expenditures			
Current:			
General Government	1,216,126	0	1,216,126
Public Safety	5,168,748	0	5,168,748
Public Health Services	9,361	0	9,361
Transportation	2,382,292	0	2,382,292
Community Development	2,890,736	0	2,890,736
Culture and Recreation	785,443	0	785,443
Capital Outlay	0	1,778,253	1,778,253
Debt Service:			
Principal Retirement	90,083	0	90,083
Interest and Fiscal Charges	0	3,156	3,156
<i>Total Expenditures</i>	<u>12,542,789</u>	<u>1,781,409</u>	<u>14,324,198</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,652,641)</u>	<u>(1,057,408)</u>	<u>(3,710,049)</u>
Other Financing Sources (Uses)			
OPWC Loan Issued	482,601	0	482,601
Transfers In	2,985,639	782,750	3,768,389
Transfers Out	(312,659)	0	(312,659)
<i>Total Other Financing Sources (Uses)</i>	<u>3,155,581</u>	<u>782,750</u>	<u>3,938,331</u>
<i>Net Change in Fund Balances</i>	502,940	(274,658)	228,282
<i>Fund Balances Beginning of Year</i>	<u>5,490,864</u>	<u>2,378,681</u>	<u>7,869,545</u>
<i>Fund Balances End of Year</i>	<u>\$5,993,804</u>	<u>\$2,104,023</u>	<u>\$8,097,827</u>

City of Cleveland Heights, Ohio

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2013

	Street Construction, Maintenance and Repair	Foundation Grants	Communications System	Public Building Maintenance	Law Enforcement Trust	Drug Law Enforcement
Assets						
Equity in Pooled Cash and						
Cash Equivalents	\$438,997	\$31,380	\$6,752	\$423	\$78,298	\$301,165
Materials and Supplies Inventory	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	763,233	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0
Notes Receivable	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$1,202,230</u>	<u>\$31,380</u>	<u>\$6,752</u>	<u>\$423</u>	<u>\$78,298</u>	<u>\$301,165</u>
Liabilities						
Accounts Payable	\$0	\$0	\$41,289	\$0	\$0	\$16,614
Contracts Payable	66,114	0	0	0	0	0
Accrued Wages	2,014	0	12,223	0	0	1,554
Interfund Payable	0	0	0	0	0	0
Intergovernmental Payable	46,431	0	13,015	0	0	1,132
<i>Total Liabilities</i>	<u>114,559</u>	<u>0</u>	<u>66,527</u>	<u>0</u>	<u>0</u>	<u>19,300</u>
Deferred Inflows of Resources						
Property Taxes	0	0	0	0	0	0
Unavailable Revenue	511,052	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>511,052</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances						
Nonspendable	0	0	0	0	0	0
Restricted	576,619	31,380	0	0	78,298	281,865
Committed	0	0	0	423	0	0
Unassigned (Deficit)	0	0	(59,775)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>576,619</u>	<u>31,380</u>	<u>(59,775)</u>	<u>423</u>	<u>78,298</u>	<u>281,865</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$1,202,230</u>	<u>\$31,380</u>	<u>\$6,752</u>	<u>\$423</u>	<u>\$78,298</u>	<u>\$301,165</u>

(continued)

City of Cleveland Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2013

	Community Development Block Grant	Home Program	Cain Park Operating	Public Right of Way	Indigent Driver's Alcohol Treatment	Municipal Court Clerk Computerization
Assets						
Equity in Pooled Cash and						
Cash Equivalents	\$3,153	\$0	\$902	\$22,945	\$155,188	\$382,126
Materials and Supplies Inventory	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	1,470	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0
Notes Receivable	1,851,501	62,188	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$1,856,124</u>	<u>\$62,188</u>	<u>\$902</u>	<u>\$22,945</u>	<u>\$155,188</u>	<u>\$382,126</u>
Liabilities						
Accounts Payable	\$28,317	\$0	\$6,891	\$156	\$0	\$154
Contracts Payable	0	0	0	0	0	0
Accrued Wages	10,150	0	0	0	0	960
Interfund Payable	18,629	107,553	0	0	0	0
Intergovernmental Payable	10,153	0	189	0	0	5,288
<i>Total Liabilities</i>	<u>67,249</u>	<u>107,553</u>	<u>7,080</u>	<u>156</u>	<u>0</u>	<u>6,402</u>
Deferred Inflows of Resources						
Property Taxes	0	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances						
Nonspendable	0	0	0	0	0	0
Restricted	1,788,875	0	0	22,789	155,188	375,724
Committed	0	0	0	0	0	0
Unassigned (Deficit)	0	(45,365)	(6,178)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>1,788,875</u>	<u>(45,365)</u>	<u>(6,178)</u>	<u>22,789</u>	<u>155,188</u>	<u>375,724</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$1,856,124</u>	<u>\$62,188</u>	<u>\$902</u>	<u>\$22,945</u>	<u>\$155,188</u>	<u>\$382,126</u>

DUI Enforcement and Education	Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Street Lighting	Tree	Police Pension	Fire Pension
\$78,008	\$1,637,722	\$0	\$308,254	\$312,278	\$39,153	\$0	\$0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	16,322	16,322
0	0	0	0	0	0	257,442	257,442
0	0	0	0	1,803,997	1,733,252	0	0
0	0	0	0	0	0	0	0
0	0	0	242,629	0	0	0	0
<u>\$78,008</u>	<u>\$1,637,722</u>	<u>\$0</u>	<u>\$550,883</u>	<u>\$2,116,275</u>	<u>\$1,772,405</u>	<u>\$273,764</u>	<u>\$273,764</u>
\$0	\$0	\$0	\$16,362	\$72,161	\$82,529	\$0	\$0
0	0	0	0	0	0	0	0
0	315	0	0	0	11,370	0	0
0	0	17,722	72	0	0	0	0
0	249	0	0	0	13,553	115,605	146,044
0	564	17,722	16,434	72,161	107,452	115,605	146,044
0	0	0	0	0	0	208,867	208,867
0	0	0	0	1,803,997	1,733,252	64,897	64,897
0	0	0	0	1,803,997	1,733,252	273,764	273,764
0	0	0	0	0	0	0	0
78,008	1,637,158	0	534,449	240,117	0	0	0
0	0	0	0	0	0	0	0
0	0	(17,722)	0	0	(68,299)	(115,605)	(146,044)
78,008	1,637,158	(17,722)	534,449	240,117	(68,299)	(115,605)	(146,044)
<u>\$78,008</u>	<u>\$1,637,722</u>	<u>\$0</u>	<u>\$550,883</u>	<u>\$2,116,275</u>	<u>\$1,772,405</u>	<u>\$273,764</u>	<u>\$273,764</u>

(continued)

City of Cleveland Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2013

	Off-Street Parking	Ambulance Services	Office on Aging Donations	Youth Recreation Donation	Police Memorial Trust	Youth Advisory Commission	Total Nonmajor Special Revenue Funds
Assets							
Equity in Pooled Cash and							
Cash Equivalents	\$168,072	\$521,346	\$41,988	\$9,258	\$608	\$99	\$4,538,115
Materials and Supplies Inventory	65,630	0	0	0	0	0	65,630
Accounts Receivable	0	1,171,902	0	0	0	0	1,171,902
Intergovernmental Receivable	0	0	0	0	0	0	797,347
Property Taxes Receivable	0	0	0	0	0	0	514,884
Special Assessments Receivable	0	0	0	0	0	0	3,537,249
Notes Receivable	0	0	0	0	0	0	1,913,689
Assets Held for Resale	0	0	0	0	0	0	242,629
<i>Total Assets</i>	<u>\$233,702</u>	<u>\$1,693,248</u>	<u>\$41,988</u>	<u>\$9,258</u>	<u>\$608</u>	<u>\$99</u>	<u>\$12,781,445</u>
Liabilities							
Accounts Payable	\$12,981	\$11,634	\$0	\$0	\$0	\$0	\$289,088
Contracts Payable	0	0	0	0	0	0	66,114
Accrued Wages	3,328	4,977	0	0	0	0	46,891
Interfund Payable	0	0	0	0	0	0	143,976
Intergovernmental Payable	248,827	5,126	0	0	0	0	605,612
<i>Total Liabilities</i>	<u>265,136</u>	<u>21,737</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,151,681</u>
Deferred Inflows of Resources							
Property Taxes	0	0	0	0	0	0	417,734
Unavailable Revenue	0	1,040,131	0	0	0	0	5,218,226
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>1,040,131</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,635,960</u>
Fund Balances							
Nonspendable	65,630	0	0	0	0	0	65,630
Restricted	0	0	41,988	9,258	608	99	5,852,423
Committed	0	631,380	0	0	0	0	631,803
Unassigned (Deficit)	(97,064)	0	0	0	0	0	(556,052)
<i>Total Fund Balances (Deficit)</i>	<u>(31,434)</u>	<u>631,380</u>	<u>41,988</u>	<u>9,258</u>	<u>608</u>	<u>99</u>	<u>5,993,804</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$233,702</u>	<u>\$1,693,248</u>	<u>\$41,988</u>	<u>\$9,258</u>	<u>\$608</u>	<u>\$99</u>	<u>\$12,781,445</u>

City of Cleveland Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013

	Street Construction, Maintenance and Repair	Foundation Grants	Communications System	Public Building Maintenance	Law Enforcement Trust	Drug Law Enforcement
Revenues						
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	78,646	392,452
Intergovernmental	1,830,168	38,462	369,774	0	0	0
Special Assessments	0	0	0	0	0	0
Interest	40	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	0	29,146	5,124	0	0	48,192
<i>Total Revenues</i>	<u>1,830,208</u>	<u>67,608</u>	<u>374,898</u>	<u>0</u>	<u>78,646</u>	<u>440,644</u>
Expenditures						
Current:						
General Government	0	0	0	7,081	0	0
Public Safety	0	0	797,415	0	43,316	215,222
Public Health Services	0	0	0	0	0	0
Transportation	2,382,292	0	0	0	0	0
Community Development	0	65,860	0	0	0	0
Culture and Recreation	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	90,083	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,472,375</u>	<u>65,860</u>	<u>797,415</u>	<u>7,081</u>	<u>43,316</u>	<u>215,222</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(642,167)</u>	<u>1,748</u>	<u>(422,517)</u>	<u>(7,081)</u>	<u>35,330</u>	<u>225,422</u>
Other Financing Sources (Uses)						
OPWC Loan Issued	482,601	0	0	0	0	0
Transfers In	0	0	412,617	0	0	0
Transfers Out	0	0	0	0	0	(16,000)
<i>Total Other Financing Sources (Uses)</i>	<u>482,601</u>	<u>0</u>	<u>412,617</u>	<u>0</u>	<u>0</u>	<u>(16,000)</u>
<i>Net Change in Fund Balances</i>	<u>(159,566)</u>	<u>1,748</u>	<u>(9,900)</u>	<u>(7,081)</u>	<u>35,330</u>	<u>209,422</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>736,185</u>	<u>29,632</u>	<u>(49,875)</u>	<u>7,504</u>	<u>42,968</u>	<u>72,443</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$576,619</u>	<u>\$31,380</u>	<u>(\$59,775)</u>	<u>\$423</u>	<u>\$78,298</u>	<u>\$281,865</u>

(continued)

City of Cleveland Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2013

	Community Development Block Grant	EPA Brownfield Grant	Home Program	FEMA Grant	Cain Park Operating	Public Right of Way
Revenues						
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	505,888	0
Licenses, Permits and Fees	0	0	0	0	0	10,589
Fines and Forfeitures	0	0	0	0	0	0
Intergovernmental	1,213,787	0	234,721	272,551	44,716	0
Special Assessments	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	134,683	0	0	0	14,791	0
<i>Total Revenues</i>	<u>1,348,470</u>	<u>0</u>	<u>234,721</u>	<u>272,551</u>	<u>565,395</u>	<u>10,589</u>
Expenditures						
Current:						
General Government	0	0	0	0	0	2,257
Public Safety	0	0	0	32,400	0	0
Public Health Services	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
Community Development	1,380,611	0	267,208	0	0	0
Culture and Recreation	0	0	0	0	785,443	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,380,611</u>	<u>0</u>	<u>267,208</u>	<u>32,400</u>	<u>785,443</u>	<u>2,257</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(32,141)</u>	<u>0</u>	<u>(32,487)</u>	<u>240,151</u>	<u>(220,048)</u>	<u>8,332</u>
Other Financing Sources						
OPWC Loan Issued	0	0	0	0	0	0
Transfers In	0	0	0	0	212,914	0
Transfers Out	0	(2,998)	0	(240,151)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(2,998)</u>	<u>0</u>	<u>(240,151)</u>	<u>212,914</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(32,141)</u>	<u>(2,998)</u>	<u>(32,487)</u>	<u>0</u>	<u>(7,134)</u>	<u>8,332</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,821,016</u>	<u>2,998</u>	<u>(12,878)</u>	<u>0</u>	<u>956</u>	<u>14,457</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,788,875</u>	<u>\$0</u>	<u>(\$45,365)</u>	<u>\$0</u>	<u>(\$6,178)</u>	<u>\$22,789</u>

Indigent Driver's Alcohol Treatment	Municipal Court Clerk Computerization	DUI Enforcement and Education	Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Street Lighting
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
21,814	117,813	6,278	176,594	0	0	0
0	0	0	0	91,687	118,930	0
0	0	0	0	0	0	1,023,599
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	1,025	0	0	0	20,619	0
<u>21,814</u>	<u>118,838</u>	<u>6,278</u>	<u>176,594</u>	<u>91,687</u>	<u>139,549</u>	<u>1,023,599</u>
0	173,175	0	48,202	0	0	0
0	0	0	0	0	0	963,160
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	111,591	121,639	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>173,175</u>	<u>0</u>	<u>48,202</u>	<u>111,591</u>	<u>121,639</u>	<u>963,160</u>
<u>21,814</u>	<u>(54,337)</u>	<u>6,278</u>	<u>128,392</u>	<u>(19,904)</u>	<u>17,910</u>	<u>60,439</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	19,187
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,187</u>
21,814	(54,337)	6,278	128,392	(19,904)	17,910	79,626
<u>133,374</u>	<u>430,061</u>	<u>71,730</u>	<u>1,508,766</u>	<u>2,182</u>	<u>516,539</u>	<u>160,491</u>
<u>\$155,188</u>	<u>\$375,724</u>	<u>\$78,008</u>	<u>\$1,637,158</u>	<u>(\$17,722)</u>	<u>\$534,449</u>	<u>\$240,117</u>

(continued)

City of Cleveland Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2013

	Tree	Police Pension	Fire Pension	Off-Street Parking	Ambulance Services
Revenues					
Property Taxes	\$0	\$218,690	\$218,690	\$0	\$0
Charges for Services	0	0	0	948,735	780,399
Licenses, Permits and Fees	210	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	0	32,643	32,643	0	2,095
Special Assessments	781,690	0	0	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	12,618	0	0	47,310	0
<i>Total Revenues</i>	<u>794,518</u>	<u>251,333</u>	<u>251,333</u>	<u>996,045</u>	<u>782,494</u>
Expenditures					
Current:					
General Government	0	0	0	982,394	0
Public Safety	0	1,024,950	1,359,779	0	732,506
Public Health Services	0	0	0	0	0
Transportation	0	0	0	0	0
Community Development	943,827	0	0	0	0
Culture and Recreation	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
<i>Total Expenditures</i>	<u>943,827</u>	<u>1,024,950</u>	<u>1,359,779</u>	<u>982,394</u>	<u>732,506</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(149,309)</u>	<u>(773,617)</u>	<u>(1,108,446)</u>	<u>13,651</u>	<u>49,988</u>
Other Financing Sources					
OPWC Loan Issued	0	0	0	0	0
Transfers In	55,379	945,211	1,340,331	0	0
Transfers Out	(1,800)	0	0	0	(51,710)
<i>Total Other Financing Sources (Uses)</i>	<u>53,579</u>	<u>945,211</u>	<u>1,340,331</u>	<u>0</u>	<u>(51,710)</u>
<i>Net Change in Fund Balances</i>	(95,730)	171,594	231,885	13,651	(1,722)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>27,431</u>	<u>(287,199)</u>	<u>(377,929)</u>	<u>(45,085)</u>	<u>633,102</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$68,299)</u></u>	<u><u>(\$115,605)</u></u>	<u><u>(\$146,044)</u></u>	<u><u>(\$31,434)</u></u>	<u><u>\$631,380</u></u>

Office on Aging Donations	Youth Recreation Donation	Police Memorial Trust	Youth Advisory Commission	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$437,380
0	0	0	0	2,235,022
0	0	0	0	10,799
0	0	0	0	793,597
0	0	0	0	4,282,177
0	0	0	0	1,805,289
0	0	0	0	40
4,756	7,481	0	99	12,336
0	0	0	0	313,508
<u>4,756</u>	<u>7,481</u>	<u>0</u>	<u>99</u>	<u>9,890,148</u>
0	3,017	0	0	1,216,126
0	0	0	0	5,168,748
9,361	0	0	0	9,361
0	0	0	0	2,382,292
0	0	0	0	2,890,736
0	0	0	0	785,443
0	0	0	0	0
0	0	0	0	90,083
<u>9,361</u>	<u>3,017</u>	<u>0</u>	<u>0</u>	<u>12,542,789</u>
<u>(4,605)</u>	<u>4,464</u>	<u>0</u>	<u>99</u>	<u>(2,652,641)</u>
0	0	0	0	482,601
0	0	0	0	2,985,639
0	0	0	0	(312,659)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,155,581</u>
(4,605)	4,464	0	99	502,940
<u>46,593</u>	<u>4,794</u>	<u>608</u>	<u>0</u>	<u>5,490,864</u>
<u>\$41,988</u>	<u>\$9,258</u>	<u>\$608</u>	<u>\$99</u>	<u>\$5,993,804</u>

City of Cleveland Heights, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2013

	<u>Police Facility Improvement</u>	<u>Recreation Facility Improvement</u>	<u>Capital Improvements</u>	<u>Economic Development</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$35,089	\$493,584	\$483,201	\$1,492,609
Intergovernmental Receivable	0	38,083	0	0
Property Taxes Receivable	0	600,753	0	0
Assets Held for Resale	0	0	0	130,575
<i>Total Assets</i>	<u>\$35,089</u>	<u>\$1,132,420</u>	<u>\$483,201</u>	<u>\$1,623,184</u>
Liabilities				
Accounts Payable	\$0	\$102,853	\$22,282	\$12,992
Contracts Payable	0	9,270	0	0
Intergovernmental Payable	2,340	0	0	0
Accrued Interest Payable	0	0	2,955	0
Notes Payable	0	0	705,000	0
<i>Total Liabilities</i>	<u>2,340</u>	<u>112,123</u>	<u>730,237</u>	<u>12,992</u>
Deferred Inflows of Resources				
Property Taxes	0	487,410	0	0
Unavailable Revenue	0	151,426	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>638,836</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted	0	381,461	0	0
Committed	32,749	0	0	0
Assigned	0	0	0	1,610,192
Unassigned (Deficit)	0	0	(247,036)	0
<i>Total Fund Balances</i>	<u>32,749</u>	<u>381,461</u>	<u>(247,036)</u>	<u>1,610,192</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$35,089</u>	<u>\$1,132,420</u>	<u>\$483,201</u>	<u>\$1,623,184</u>

City Hall Maintenance	Ring Road Construction	Total Nonmajor Capital Projects Funds
\$41,508	\$285,149	\$2,831,140
0	0	38,083
0	0	600,753
0	0	130,575
<u>\$41,508</u>	<u>\$285,149</u>	<u>\$3,600,551</u>
\$0	\$0	\$138,127
0	0	9,270
0	0	2,340
0	0	2,955
0	0	705,000
<u>0</u>	<u>0</u>	<u>857,692</u>
0	0	487,410
<u>0</u>	<u>0</u>	<u>151,426</u>
<u>0</u>	<u>0</u>	<u>638,836</u>
0	0	381,461
0	285,149	317,898
41,508	0	1,651,700
<u>0</u>	<u>0</u>	<u>(247,036)</u>
<u>41,508</u>	<u>285,149</u>	<u>2,104,023</u>
<u>\$41,508</u>	<u>\$285,149</u>	<u>\$3,600,551</u>

City of Cleveland Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013

	Police Facility Improvement	Recreation Facility Improvement	Capital Improvements	Economic Development
Revenues				
Property Taxes	\$0	\$510,278	\$0	\$0
Licenses, Permits and Fees	27,320	0	0	0
Intergovernmental	0	76,166	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	84,505
<i>Total Revenues</i>	<u>27,320</u>	<u>586,444</u>	<u>0</u>	<u>84,505</u>
Expenditures				
Capital Outlay	22,866	874,112	526,989	101,782
Debt Service:				
Interest and Fiscal Charges	0	0	3,156	0
<i>Total Expenditures</i>	<u>22,866</u>	<u>874,112</u>	<u>530,145</u>	<u>101,782</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	4,454	(287,668)	(530,145)	(17,277)
Other Financing Sources				
Transfers In	0	0	782,750	0
<i>Net Change in Fund Balances</i>	4,454	(287,668)	252,605	(17,277)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>28,295</u>	<u>669,129</u>	<u>(499,641)</u>	<u>1,627,469</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$32,749</u></u>	<u><u>\$381,461</u></u>	<u><u>(\$247,036)</u></u>	<u><u>\$1,610,192</u></u>

City Hall Maintenance	Ring Road Construction	Total Nonmajor Capital Projects Funds
\$0	\$0	\$510,278
0	0	27,320
0	0	76,166
25,732	0	25,732
0	0	84,505
<u>25,732</u>	<u>0</u>	<u>724,001</u>
20,732	231,772	1,778,253
0	0	3,156
<u>20,732</u>	<u>231,772</u>	<u>1,781,409</u>
5,000	(231,772)	(1,057,408)
0	0	782,750
5,000	(231,772)	(274,658)
<u>36,508</u>	<u>516,921</u>	<u>2,378,681</u>
<u>\$41,508</u>	<u>\$285,149</u>	<u>\$2,104,023</u>

Fund Descriptions - Fiduciary Funds

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Agency Funds

First Suburbs Consortium Fund - to account for staffing and other expenses of the Consortium office which is located in Cleveland Heights City Hall. The costs are shared by the twelve communities which make up and support the Consortium and its economic development initiative.

Municipal Court Fund - to account for assets received and disbursed by the Cleveland Heights Municipal Court pursuant to the laws of State of Ohio.

Construction Deposits Fund - to account for the receipts of refundable construction deposits required for the issuance of certain building permits.

Sales Tax Fund - to account for any sales tax collected by the City and due to the State Department of Taxation.

Miscellaneous Fund - to account for miscellaneous receipts received in an agency capacity by the City.

Northeast Ohio Regional Sewer District (NEORS) Fund - to account for the financial transactions associated with the City acting as a billing agent for the Northeast Ohio Regional Sewer District.

City of Cleveland Heights, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2013

	Balance 12/31/12	Additions	Reductions	Balance 12/31/13
<i>First Suburbs Consortium</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$39,845	\$74,911	\$64,310	\$50,446
Liabilities				
Deposits Held and Due to Others	\$39,845	\$74,911	\$64,310	\$50,446
<i>Municipal Court</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$277,849	\$47,108	\$277,849	\$47,108
Liabilities				
Deposits Held and Due to Others	\$277,849	\$47,108	\$277,849	\$47,108
<i>Construction Deposits</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$131,159	\$0	\$131,159	\$0
Liabilities				
Deposits Held and Due to Others	\$131,159	\$0	\$131,159	\$0
<i>Sales Tax</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$487	\$2,963	\$2,927	\$523
Liabilities				
Deposits Held and Due to Others	\$487	\$2,963	\$2,927	\$523
<i>Miscellaneous</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$303,510	\$214,573	\$192,676	\$325,407
Liabilities				
Deposits Held and Due to Others	\$303,510	\$214,573	\$192,676	\$325,407
<i>NEORS</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$108,430	\$8,025,479	\$8,004,596	\$129,313
Liabilities				
Deposits Held and Due to Others	\$108,430	\$8,025,479	\$8,004,596	\$129,313
<i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$861,280	\$8,365,034	\$8,673,517	\$552,797
Liabilities				
Deposits Held and Due to Others	\$861,280	\$8,365,034	\$8,673,517	\$552,797

**Individual Fund Schedules of Revenues,
Expenditures/Expenses and Changes in
Fund Balances/Fund Equity**

Budget (Non-GAAP Basis) and Actual

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$6,898,767	\$6,898,767	\$6,342,031	(\$556,736)
Municipal Income Taxes	22,782,061	24,070,468	22,714,993	(1,355,475)
Admissions Taxes	89,815	94,895	89,551	(5,344)
Charges for Services	3,315,870	3,503,394	3,306,108	(197,286)
Licenses, Permits and Fees	2,011,286	2,125,032	2,005,365	(119,667)
Fines and Forfeitures	2,409,675	2,545,951	2,402,581	(143,370)
Intergovernmental	1,125,951	1,125,951	3,069,546	1,943,595
Interest	77,884	82,289	77,655	(4,634)
Rentals	2,206	2,331	2,200	(131)
Franchise Taxes	550,000	550,000	561,099	11,099
Miscellaneous	255,288	269,725	864,302	594,577
Total Revenues	39,518,803	41,268,803	41,435,431	166,628
Expenditures				
Current:				
General Government				
City Council				
Personal Services	77,945	77,945	77,883	62
Other than Personal Services	10,300	8,300	7,987	313
Total City Council	88,245	86,245	85,870	375
City Manager				
Personal Services	563,680	518,680	515,959	2,721
Other than Personal Services	18,550	25,970	25,715	255
Total City Manager	582,230	544,650	541,674	2,976
Management Information System				
Personal Services	256,780	269,780	269,640	140
Other than Personal Services	47,800	43,595	43,099	496
Capital Outlay	10,000	9,000	7,476	1,524
Total Management Information System	314,580	322,375	320,215	2,160
Central Services				
Personal Services	71,715	71,715	71,461	254
Other than Personal Services	10,455	25,455	19,727	5,728
Capital Outlay	19,800	0	0	0
Total Central Services	101,970	97,170	91,188	5,982
Civil Service Commission				
Personal Services	2,500	1,500	1,454	46
Other than Personal Services	14,050	10,550	10,331	219
Total Civil Service Commission	\$16,550	\$12,050	\$11,785	\$265

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Finance Department				
Personal Services	\$426,400	\$376,400	\$373,412	\$2,988
Other than Personal Services	117,625	105,625	102,224	3,401
Capital Outlay	1,000	0	0	0
Non-Governmental	0	175,430	175,426	4
Total Finance Department	545,025	657,455	651,062	6,393
Income Tax Department				
Other than Personal Services	755,000	819,789	819,784	5
Non-Governmental	0	22,116	22,115	1
Total Income Tax Department	755,000	841,905	841,899	6
Law Department				
Personal Services	487,120	531,620	530,379	1,241
Other than Personal Services	196,100	229,041	226,209	2,832
Total Law Department	683,220	760,661	756,588	4,073
Service Administration				
Personal Services	338,075	372,575	371,875	700
Other than Personal Services	5,275	3,700	3,524	176
Capital Outlay	450	1,494	1,494	0
Total Service Administration	343,800	377,769	376,893	876
Capital Projects				
Other than Personal Services	0	200	178	22
Capital Outlay	0	15,607	15,605	2
Total Capital Projects	0	15,807	15,783	24
Public Properties and Park Maintenance				
Personal Services	1,344,600	1,487,600	1,489,996	(2,396)
Other than Personal Services	1,046,335	979,500	977,657	1,843
Capital Outlay	95,500	132,583	132,473	110
Non-Governmental	0	25,000	25,000	0
Total Public Properties and Park Maintenance	2,486,435	2,624,683	2,625,126	(443)
Community Service Administration				
Personal Services	275,975	289,475	290,935	(1,460)
Other than Personal Services	1,700	1,700	1,050	650
Total Community Service Administration	\$277,675	\$291,175	\$291,985	(\$810)

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
County Auditor				
Other than Personal Services:				
Auditor and Treasurer Fees	\$180,000	\$185,400	\$185,349	\$51
Delinquent Land Advertising	2,000	900	898	2
Collector's Salary	500	0	0	0
Total County Auditor	182,500	186,300	186,247	53
Municipal Court				
Personal Services	1,029,970	984,970	975,300	9,670
Other than Personal Services	194,350	149,350	148,544	806
Non-Governmental	120	325	325	0
Total Municipal Court	1,224,440	1,134,645	1,124,169	10,476
Administrative Support				
Personal Services	705,000	690,610	690,607	3
Other than Personal Services	676,550	1,051,550	1,063,660	(12,110)
Capital Outlay	3,350	1,955	1,953	2
Non-Governmental	0	41,905	41,905	0
Total Administrative Support	1,384,900	1,786,020	1,798,125	(12,105)
Hospitalization Insurance				
Personal Services	4,028,000	4,528,000	4,402,756	125,244
Total General Government	13,014,570	14,266,910	14,121,365	145,545
Public Safety				
Police Department				
Personal Services	8,579,625	8,239,625	8,239,432	193
Other than Personal Services	528,900	487,900	487,246	654
Capital Outlay	242,500	212,500	212,486	14
Non-Governmental	1,000	1,350	1,094	256
Total Police Department	9,352,025	8,941,375	8,940,258	1,117
Police Academy				
Personal Services	6,290	3,250	1,935	1,315
Other than Personal Services	85,850	83,500	82,951	549
Capital Outlay	5,500	2,600	2,555	45
Non-Governmental	0	5,740	5,740	0
Total Police Academy	\$97,640	\$95,090	\$93,181	\$1,909

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Police Motor Vehicle Maintenance				
Personal Services	\$223,485	\$221,485	\$220,002	\$1,483
Other than Personal Services	104,050	106,050	53,363	52,687
Capital Outlay	3,500	0	0	0
Total Police Motor Vehicle Maintenance	331,035	327,535	273,365	54,170
Traffic Signs and Signals				
Personal Services	55,910	56,160	56,085	75
Other than Personal Services	108,700	103,700	101,379	2,321
Capital Outlay	17,000	29,900	29,894	6
Total Traffic Signs and Signals	181,610	189,760	187,358	2,402
Animal Protection Unit				
Personal Services	65,885	67,885	67,713	172
Other than Personal Services	27,600	28,500	28,196	304
Total Animal Protection Unit	93,485	96,385	95,909	476
Fire Department				
Personal Services	5,618,330	5,598,330	5,658,510	(60,180)
Other than Personal Services	237,350	226,791	218,764	8,027
Capital Outlay	1,500	2,059	2,059	0
Total Fire Department	5,857,180	5,827,180	5,879,333	(52,153)
Fire Prevention Bureau				
Personal Services	77,750	94,750	94,174	576
Other than Personal Services	6,620	2,520	2,354	166
Total Fire Prevention Bureau	84,370	97,270	96,528	742
Total Public Safety	15,997,345	15,574,595	15,565,932	8,663
Public Health Services				
Office on Aging				
Personal Services	136,305	141,305	141,192	113
Other than Personal Services	22,700	21,500	21,392	108
Non-Governmental	300	60	60	0
Total Office on Aging	159,305	162,865	162,644	221
Health and Vital Statistics				
Other than Personal Services	190,000	188,000	187,213	787
Commission on Aging				
Other than Personal Services	250	5	0	5
Total Public Health Services	\$349,555	\$350,870	\$349,857	\$1,013

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Transportation				
Parking Meters				
Personal Services	\$34,605	\$34,605	\$34,227	\$378
Other than Personal Services	1,950	950	514	436
Total Parking Meters	36,555	35,555	34,741	814
Vehicle Maintenance				
Personal Services	529,330	509,330	507,280	2,050
Other than Personal Services	1,330,650	1,455,650	1,446,220	9,430
Capital Outlay	9,100	1,510	1,457	53
Total Vehicle Maintenance	1,869,080	1,966,490	1,954,957	11,533
Street Maintenance				
Personal Services	1,124,750	1,159,750	1,164,480	(4,730)
Other than Personal Services	268,600	166,000	164,753	1,247
Capital Outlay	0	16,387	16,386	1
Total Street Maintenance	1,393,350	1,342,137	1,345,619	(3,482)
<i>Total Transportation</i>	3,298,985	3,344,182	3,335,317	8,865
Community Development				
Community Relations				
Personal Services	129,870	129,370	128,660	710
Other than Personal Services	22,680	11,580	11,434	146
Total Community Relations	152,550	140,950	140,094	856
Public Relations				
Personal Services	167,095	169,595	169,458	137
Other than Personal Services	110,300	84,000	83,868	132
Total Public Relations	277,395	253,595	253,326	269
Planning Department				
Personal Services	279,710	306,210	305,998	212
Other than Personal Services	21,025	12,500	11,183	1,317
Capital Outlay	1,250	2,950	2,950	0
Total Planning Department	301,985	321,660	320,131	1,529
Planning Commission				
Personal Services	6,300	6,800	6,754	46
Other than Personal Services	2,800	3,070	2,992	78
Non-Governmental	50	80	80	0
Total Planning Commission	\$9,150	\$9,950	\$9,826	\$124

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Board of Zoning Appeals				
Personal Services	\$5,775	\$5,775	\$5,575	\$200
Other than Personal Services	2,900	2,870	2,821	49
Non-Governmental	50	80	80	0
Total Board of Zoning Appeals	8,725	8,725	8,476	249
Special Improvement Districts				
Other than Personal Services	298,000	344,300	343,707	593
Building Department				
Personal Services	377,965	372,965	369,749	3,216
Other than Personal Services	38,100	36,375	36,369	6
Non-Governmental	100	0	0	0
Total Building Department	416,165	409,340	406,118	3,222
Housing Inspections				
Personal Services	508,225	559,825	559,638	187
Other than Personal Services	44,300	44,300	42,682	1,618
Non-Governmental	2,000	1,500	1,500	0
Total Housing Inspections	554,525	605,625	603,820	1,805
Landmark Commission				
Other than Personal Services	1,000	300	179	121
Local Programming				
Personal Services	98,800	108,900	106,396	2,504
Other than Personal Services	45,500	80,150	81,802	(1,652)
Capital Outlay	90,000	88,550	88,549	1
Total Local Programming	234,300	277,600	276,747	853
Total Community Development	2,253,795	2,372,045	2,362,424	9,621
Sanitation				
Refuse Collection and Transfer Station				
Personal Services	1,700,970	1,675,970	1,663,507	12,463
Other than Personal Services	634,400	590,000	589,739	261
Capital Outlay	0	11,974	11,973	1
Non-Governmental	0	170	170	0
Total Sanitation	2,335,370	2,278,114	2,265,389	12,725
Culture and Recreation				
Recreation Administration				
Personal Services	188,445	197,245	197,366	(121)
Other than Personal Services	36,900	29,900	29,705	195
Total Recreation Administration	\$225,345	\$227,145	\$227,071	\$74

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Swimming Pools				
Personal Services	\$253,990	\$259,090	\$258,164	\$926
Other than Personal Services	33,525	38,925	31,322	7,603
Non-Governmental	700	336	336	0
Total Swimming Pools	288,215	298,351	289,822	8,529
Ice Programs				
Personal Services	221,720	198,720	197,707	1,013
Other than Personal Services	32,550	19,050	18,630	420
Non-Governmental	1,000	500	309	191
Total Ice Programs	255,270	218,270	216,646	1,624
General Recreation Programs				
Personal Services	174,810	150,810	149,010	1,800
Other than Personal Services	22,435	24,935	27,675	(2,740)
Non-Governmental	2,500	2,500	2,198	302
Total General Recreation Programs	199,745	178,245	178,883	(638)
Sports Programs				
Personal Services	94,095	97,195	97,760	(565)
Other than Personal Services	124,695	99,595	98,606	989
Non-Governmental	5,000	1,500	1,441	59
Total Sports Programs	223,790	198,290	197,807	483
Community Center				
Personal Services	284,210	287,210	285,830	1,380
Other than Personal Services	533,800	383,800	375,352	8,448
Non-Governmental	1,500	1,000	883	117
Total Community Center	819,510	672,010	662,065	9,945
<i>Total Culture and Recreation</i>	<i>2,011,875</i>	<i>1,792,311</i>	<i>1,772,294</i>	<i>20,017</i>
Total Expenditures	39,261,495	39,979,027	39,772,578	206,449
<i>Excess of Revenues Over Expenditures</i>	<i>257,308</i>	<i>1,289,776</i>	<i>1,662,853</i>	<i>373,077</i>
Other Financing Sources (Uses)				
Advances In	0	0	70,934	70,934
Advances Out	0	0	(528,261)	(528,261)
Transfers In	0	0	204,880	204,880
Transfers Out	(3,143,800)	(4,186,790)	(3,475,056)	711,734
Total Other Financing Sources (Uses)	(3,143,800)	(4,186,790)	(3,727,503)	459,287
Net Change in Fund Balance	(2,886,492)	(2,897,014)	(2,064,650)	832,364
Fund Balance Beginning of Year	3,978,217	3,978,217	3,978,217	0
Unexpended Prior Year Encumbrances	29,380	29,380	29,380	0
Fund Balance End of Year	\$1,121,105	\$1,110,583	\$1,942,947	\$832,364

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Bond Retirement Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$905,636	\$1,139,765	\$2,186,907	\$1,047,142
Intergovernmental	135,177	170,124	326,423	156,299
Special Assessments	57,755	72,686	139,466	66,780
Miscellaneous	1,861	2,342	4,493	2,151
<i>Total Revenues</i>	<u>1,100,429</u>	<u>1,384,917</u>	<u>2,657,289</u>	<u>1,272,372</u>
Expenditures				
Current:				
General Government:				
Other than Personal Services	0	1,381	1,381	0
Debt Service:				
Principal Retirement	2,900,000	3,911,000	3,911,000	0
Interest and Fiscal Charges	0	691,957	691,607	350
<i>Total Expenditures</i>	<u>2,900,000</u>	<u>4,604,338</u>	<u>4,603,988</u>	<u>350</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,799,571)</u>	<u>(3,219,421)</u>	<u>(1,946,699)</u>	<u>1,272,722</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	658,446	828,670	1,590,000	761,330
Notes Issued	616,206	775,511	1,488,000	712,489
Premium on Bonds	3,804	4,787	9,185	4,398
Payment to Refunded Bond Escrow Agent	0	(1,513,662)	(1,513,662)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,278,456</u>	<u>95,306</u>	<u>1,573,523</u>	<u>1,478,217</u>
<i>Net Change in Fund Balance</i>	(521,115)	(3,124,115)	(373,176)	2,750,939
<i>Fund Balance Beginning of Year</i>	<u>3,174,322</u>	<u>3,174,322</u>	<u>3,174,322</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,653,207</u></u>	<u><u>\$50,207</u></u>	<u><u>\$2,801,146</u></u>	<u><u>\$2,750,939</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$11,117,740	\$11,797,157	\$11,737,849	(\$59,308)
Tap-In Fees	29,378	31,174	31,017	(157)
Miscellaneous	12,521	13,285	13,219	(66)
<i>Total Revenues</i>	<u>11,159,639</u>	<u>11,841,616</u>	<u>11,782,085</u>	<u>(59,531)</u>
Expenses				
Personal Services				
Water Administration	385,875	370,000	360,010	9,990
Water Distribution	850,200	927,700	921,023	6,677
Total Personal Services	<u>1,236,075</u>	<u>1,297,700</u>	<u>1,281,033</u>	<u>16,667</u>
Other than Personal Services				
Water Administration	260,000	288,000	285,039	2,961
Water Distribution	160,450	295,550	289,296	6,254
Water Supply	9,915,000	10,421,000	10,418,742	2,258
Total Other than Personal Services	<u>10,335,450</u>	<u>11,004,550</u>	<u>10,993,077</u>	<u>11,473</u>
Capital Outlay				
Water Administration	1,000	1,818	1,817	1
Water Distribution	10,000	6,895	6,895	0
Water Supply	5,000	0	0	0
Total Capital Outlay	<u>16,000</u>	<u>8,713</u>	<u>8,712</u>	<u>1</u>
Non-Governmental				
Water Administration	20,000	15,500	15,444	56
Water Distribution	15,000	15,700	15,266	434
Total Non-Governmental	<u>35,000</u>	<u>31,200</u>	<u>30,710</u>	<u>490</u>
Debt Service				
Principal Retirement	75,521	43,192	43,192	0
Interest	0	9,723	9,723	0
Total Debt Service	<u>75,521</u>	<u>52,915</u>	<u>52,915</u>	<u>0</u>
<i>Total Expenses</i>	<u>11,698,046</u>	<u>12,395,078</u>	<u>12,366,447</u>	<u>28,631</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(\$538,407)	(\$553,462)	(\$584,362)	(\$30,900)

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund (continued)
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other Financing Sources (Uses)				
Notes Issued	\$175,226	\$185,935	\$185,000	(\$935)
Premium on Notes	1,084	1,150	1,144	(6)
Advances In	364,051	386,299	384,357	(1,942)
Transfers Out	0	(15,025)	(15,025)	0
<i>Total Other Financing Sources (Uses)</i>	<u>540,361</u>	<u>558,359</u>	<u>555,476</u>	<u>(2,883)</u>
<i>Net Change in Fund Equity</i>	1,954	4,897	(28,886)	(33,783)
<i>Fund Equity Beginning of Year</i>	9,124	9,124	9,124	0
Unexpended Prior Year Encumbrances	<u>29,624</u>	<u>29,624</u>	<u>29,624</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$40,702</u>	<u>\$43,645</u>	<u>\$9,862</u>	<u>(\$33,783)</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,690,802	\$1,690,802	\$1,590,538	(\$100,264)
Miscellaneous	9,198	9,198	8,653	(545)
<i>Total Revenues</i>	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,599,191</u>	<u>(100,809)</u>
Expenses				
Personal Services				
Sewer Maintenance	905,000	1,003,000	1,000,995	2,005
Other than Personal Services				
Sewer Maintenance	420,000	547,035	544,936	2,099
Water Administration	57,500	69,500	56,561	12,939
Total Other than Personal Services	<u>477,500</u>	<u>616,535</u>	<u>601,497</u>	<u>15,038</u>
Debt Service				
Principal Retirement	69,165	41,989	41,989	0
Interest and Fiscal Charges	0	12,027	12,026	1
<i>Total Expenses</i>	<u>1,451,665</u>	<u>1,673,551</u>	<u>1,656,507</u>	<u>17,044</u>
<i>Excess of Revenues Over (Under)</i>				
<i>Expenses before Transfers</i>	248,335	26,449	(57,316)	(83,765)
Transfers Out	0	(8,400)	(8,400)	0
<i>Net Change in Fund Equity</i>	248,335	18,049	(65,716)	(83,765)
<i>Fund Equity Beginning of Year</i>	539,819	539,819	539,819	0
Unexpended Prior Year Encumbrances	47,030	47,030	47,030	0
<i>Fund Equity End of Year</i>	<u>\$835,184</u>	<u>\$604,898</u>	<u>\$521,133</u>	<u>(\$83,765)</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$1,599,972	\$2,109,964	\$1,829,800	(\$280,164)
Interest	28	36	40	4
<i>Total Revenues</i>	1,600,000	2,110,000	1,829,840	(280,160)
Expenditures				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Capital Outlay	1,600,000	2,108,325	2,108,487	(162)
Debt Service:				
Principal Retirement	0	162,282	162,282	0
<i>Total Expenditures</i>	1,600,000	2,270,607	2,270,769	(162)
<i>Excess of Revenues Under Expenditures</i>	0	(160,607)	(440,929)	(280,322)
Other Financing Sources				
OPWC Loan Issued	0	0	482,601	482,601
<i>Net Change in Fund Balance</i>	0	(160,607)	41,672	202,279
<i>Fund Balance Beginning of Year</i>	168,394	168,394	168,394	0
Unexpended Prior Year Encumbrances	90,078	90,078	90,078	0
<i>Fund Balance End of Year</i>	\$258,472	\$97,865	\$300,144	\$202,279

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Foundation Grants Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$21,881	\$21,881	\$38,462	\$16,581
Miscellaneous	16,581	16,581	29,146	12,565
<i>Total Revenues</i>	38,462	38,462	67,608	29,146
Expenditures				
Current:				
Community Development:				
Foundation Grants:				
Capital Outlay	29,950	29,950	29,145	805
<i>Excess of Revenues Over Expenditures</i>	8,512	8,512	38,463	29,951
Other Financing Uses				
Advances Out	(7,085)	(7,085)	(7,084)	1
<i>Net Change in Fund Balance</i>	1,427	1,427	31,379	29,952
<i>Fund Balance Beginning of Year</i>	1	1	1	0
<i>Fund Balance End of Year</i>	<u>\$1,428</u>	<u>\$1,428</u>	<u>\$31,380</u>	<u>\$29,952</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Communications System Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$335,534	\$375,446	\$369,774	(\$5,672)
Miscellaneous	4,650	5,203	5,124	(79)
<i>Total Revenues</i>	<u>340,184</u>	<u>380,649</u>	<u>374,898</u>	<u>(5,751)</u>
Expenditures				
Current:				
Public Safety:				
Communications System:				
Personal Services	575,395	613,045	611,319	1,726
Other than Personal Services	126,700	179,700	174,340	5,360
Capital Outlay	12,500	2,000	2,000	0
<i>Total Expenditures</i>	<u>714,595</u>	<u>794,745</u>	<u>787,659</u>	<u>7,086</u>
<i>Excess of Revenues Under Expenditures</i>	(374,411)	(414,096)	(412,761)	1,335
Other Financing Sources				
Transfers In	374,411	418,946	412,617	(6,329)
<i>Net Change in Fund Balance</i>	0	4,850	(144)	(4,994)
<i>Fund Balance Beginning of Year</i>	4,611	4,611	4,611	0
Unexpended Prior Year Encumbrances	120	120	120	0
<i>Fund Balance End of Year</i>	<u>\$4,731</u>	<u>\$9,581</u>	<u>\$4,587</u>	<u>(\$4,994)</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Building Maintenance Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Rentals	\$24,000	\$24,000	\$0	(\$24,000)
Expenditures				
Current:				
General Government:				
Public Building Maintenance:				
Other than Personal Services	10,085	10,174	10,144	30
<i>Net Change in Fund Balance</i>	13,915	13,826	(10,144)	(23,970)
<i>Fund Balance Beginning of Year</i>	10,482	10,482	10,482	0
Unexpended Prior Year Encumbrances	85	85	85	0
<i>Fund Balance End of Year</i>	<u>\$24,482</u>	<u>\$24,393</u>	<u>\$423</u>	<u>(\$23,970)</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$7,000	\$82,000	\$78,646	(\$3,354)
Expenditures				
Current:				
Public Safety:				
Law Enforcement:				
Other than Personal Services	22,500	79,746	36,188	43,558
Capital Outlay	0	27,031	0	27,031
<i>Total Expenditures</i>	<u>22,500</u>	<u>106,777</u>	<u>36,188</u>	<u>70,589</u>
<i>Net Change in Fund Balance</i>	(15,500)	(24,777)	42,458	67,235
<i>Fund Balance Beginning of Year</i>	<u>31,883</u>	<u>31,883</u>	<u>31,883</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$16,383</u>	<u>\$7,106</u>	<u>\$74,341</u>	<u>\$67,235</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$89,063	\$391,878	\$392,452	\$574
Miscellaneous	10,937	48,122	48,192	70
<i>Total Revenues</i>	<u>100,000</u>	<u>440,000</u>	<u>440,644</u>	<u>644</u>
Expenditures				
Current:				
Public Safety:				
Drug Law Enforcement:				
Personal Services	40,000	115,312	79,804	35,508
Other than Personal Services	85,000	275,336	104,548	170,788
Capital Outlay	15,000	129,951	26,845	103,106
<i>Total Expenditures</i>	<u>140,000</u>	<u>520,599</u>	<u>211,197</u>	<u>309,402</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(40,000)	(80,599)	229,447	310,046
Other Financing Uses				
Transfers Out	0	0	(16,000)	(16,000)
<i>Net Change in Fund Balance</i>	(40,000)	(80,599)	213,447	294,046
<i>Fund Balance Beginning of Year</i>	<u>79,710</u>	<u>79,710</u>	<u>79,710</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$39,710</u>	<u>(\$889)</u>	<u>\$293,157</u>	<u>\$294,046</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$1,790,650	\$1,790,650	\$1,339,402	(\$451,248)
Miscellaneous	184,445	184,445	137,964	(46,481)
<i>Total Revenues</i>	<u>1,975,095</u>	<u>1,975,095</u>	<u>1,477,366</u>	<u>(497,729)</u>
Expenditures				
Current:				
Community Development:				
Financial Administration				
Personal Services	14,500	15,523	10,657	4,866
Administrative Contracts				
Other than Personal Services	115,000	70,000	69,959	41
Commercial Area Improvements				
Other than Personal Services	4,000	0	0	0
Water Improvement Projects				
Capital Outlay	175,000	7,000	6,165	835
CDBG - Office on Aging				
Personal Services	45,000	47,739	42,482	5,257
CDBG - Contingency				
Other than Personal Services	6,448	11,114	0	11,114
LDC - Economic Development				
Personal Services	10,000	49,718	20,147	29,571
Other than Personal Services	70,000	150,000	144,457	5,543
Total LDC - Economic Development	<u>80,000</u>	<u>199,718</u>	<u>164,604</u>	<u>35,114</u>
Section 108 - Loan Guarantee				
Other than Personal Services	75,000	76,222	76,222	0
CDBG Administration				
Personal Services	85,000	122,070	79,024	43,046
Other than Personal Services	85,000	45,000	44,136	864
Capital Outlay	500	12	0	12
Total CDBG Administration	<u>170,500</u>	<u>167,082</u>	<u>123,160</u>	<u>43,922</u>
CDBG - Public Works				
Capital Outlay	250,000	281,750	281,743	7
CDBG - Home Repair Resources Center				
Other than Personal Services	170,000	130,000	125,959	4,041
CDBG - Condo Conversion				
Other than Personal Services	\$0	\$188	\$187	\$1

(continued)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund (continued)
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Housing Preservation				
Personal Services	\$215,000	\$244,731	\$240,613	\$4,118
Other than Personal Services	150,000	235,697	207,886	27,811
Capital Outlay	1,000	1,750	1,750	0
Total Housing Preservation	366,000	482,178	450,249	31,929
CDBG - Code Enforcement				
Personal Services	63,000	52,858	50,636	2,222
CDBG - Neighborhood Relations				
Personal Services	50,000	40,643	39,263	1,380
CDBG - Program Income				
Other than Personal Services	180,000	36,000	35,605	395
Capital Outlay	0	6,396	6,395	1
Total CDBG - Program Income	180,000	42,396	42,000	396
<i>Total Expenditures</i>	1,764,448	1,624,411	1,483,286	141,125
<i>Excess of Revenues Over (Under) Expenditures</i>	210,647	350,684	(5,920)	(356,604)
Other Financing Sources (Uses)				
Advances In	24,905	24,905	18,629	(6,276)
Advances Out	0	0	(12,611)	(12,611)
<i>Total Other Financing Sources (Uses)</i>	24,905	24,905	6,018	(18,887)
<i>Net Change in Fund Balance</i>	235,552	375,589	98	(375,491)
<i>Fund Balance Beginning of Year</i>	3,055	3,055	3,055	0
<i>Fund Balance End of Year</i>	\$238,607	\$378,644	\$3,153	(\$375,491)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Home Program Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$170,000	\$345,000	\$236,614	(\$108,386)
Expenditures				
Current:				
Community Development:				
Home Administration				
Personal Services	0	6,694	6,693	1
Other than Personal Services	126,000	234,903	234,353	550
Total Home Administration	126,000	241,597	241,046	551
Home - Program Income				
Other than Personal Services	44,000	52,041	51,882	159
<i>Total Expenditures</i>	170,000	293,638	292,928	710
<i>Excess of Revenues Under Expenditures</i>	0	51,362	(56,314)	(107,676)
Other Financing Sources (Uses)				
Advances In	0	0	107,553	107,553
Advances Out	0	(51,240)	(51,239)	1
<i>Total Other Financing Sources (Uses)</i>	0	(51,240)	56,314	107,554
<i>Net Change in Fund Balance</i>	0	122	0	(122)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	\$122	\$0	(\$122)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Emergency Management Agency (FEMA) Grant Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$0</u>	<u>\$240,151</u>	<u>\$272,551</u>	<u>\$32,400</u>
Expenditures				
Current:				
Public Safety:				
FEMA:				
Capital Outlay	<u>0</u>	<u>0</u>	<u>32,400</u>	<u>(32,400)</u>
<i>Excess of Revenues Over Expenditures</i>	<u>0</u>	<u>240,151</u>	<u>240,151</u>	<u>0</u>
Other Financing Uses				
Transfers Out	<u>0</u>	<u>(240,151)</u>	<u>(240,151)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cain Park Operating Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$489,382	\$510,851	\$505,888	(\$4,963)
Intergovernmental	43,257	45,155	44,716	(439)
Miscellaneous	13,619	14,216	14,078	(138)
<i>Total Revenues</i>	<u>546,258</u>	<u>570,222</u>	<u>564,682</u>	<u>(5,540)</u>
Expenditures				
Current:				
Culture and Recreation:				
Cain Park Recreation				
Personal Services	150,085	181,085	181,077	8
Other than Personal Services	490,700	486,404	485,551	853
Non-Governmental	<u>0</u>	<u>270</u>	<u>269</u>	<u>1</u>
Total Cain Park Recreation	<u>640,785</u>	<u>667,759</u>	<u>666,897</u>	<u>862</u>
Cain Park Arts Festival				
Personal Services	20,781	20,631	20,270	361
Other than Personal Services	<u>14,000</u>	<u>15,300</u>	<u>15,154</u>	<u>146</u>
Total Cain Park Arts Festival	<u>34,781</u>	<u>35,931</u>	<u>35,424</u>	<u>507</u>
Cain Park Arts Theater				
Personal Services	33,380	32,880	32,776	104
Other than Personal Services	<u>41,720</u>	<u>45,080</u>	<u>44,810</u>	<u>270</u>
Total Cain Park Arts Theater	<u>75,100</u>	<u>77,960</u>	<u>77,586</u>	<u>374</u>
<i>Total Expenditures</i>	<u>750,666</u>	<u>781,650</u>	<u>779,907</u>	<u>1,743</u>
<i>Excess of Revenues Under Expenditures</i>	(204,408)	(211,428)	(215,225)	(3,797)
Other Financing Sources				
Transfers In	<u>205,967</u>	<u>215,003</u>	<u>212,914</u>	<u>(2,089)</u>
<i>Net Change in Fund Balance</i>	1,559	3,575	(2,311)	(5,886)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Unexpended Prior Year Encumbrances	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,059</u>	<u>\$6,075</u>	<u>\$189</u>	<u>(\$5,886)</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Right of Way Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses, Permits and Fees	\$12,500	\$12,500	\$10,589	(\$1,911)
Expenditures				
Current:				
General Government:				
Public Right of Way				
Other than Personal Services	12,000	12,000	2,186	9,814
<i>Net Change in Fund Balance</i>	500	500	8,403	7,903
<i>Fund Balance Beginning of Year</i>	14,542	14,542	14,542	0
<i>Fund Balance End of Year</i>	<u>\$15,042</u>	<u>\$15,042</u>	<u>\$22,945</u>	<u>\$7,903</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Driver's Alcohol Treatment Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$1,000	\$1,000	\$21,814	\$20,814
Expenditures				
Current:				
General Government:				
Indigent DUI Treatment				
Other than Personal Services	14,000	14,000	0	14,000
<i>Net Change in Fund Balance</i>	(13,000)	(13,000)	21,814	34,814
<i>Fund Balance Beginning of Year</i>	133,374	133,374	133,374	0
<i>Fund Balance End of Year</i>	<u>\$120,374</u>	<u>\$120,374</u>	<u>\$155,188</u>	<u>\$34,814</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Clerk Computerization Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$133,836	\$133,836	\$117,813	(\$16,023)
Miscellaneous	1,164	1,164	1,025	(139)
<i>Total Revenues</i>	<u>135,000</u>	<u>135,000</u>	<u>118,838</u>	<u>(16,162)</u>
Expenditures				
Current:				
General Government:				
Court Computer				
Personal Services	110,209	110,209	99,209	11,000
Other than Personal Services	75,990	101,990	50,630	51,360
Capital Outlay	192,000	166,000	48,341	117,659
<i>Total Expenditures</i>	<u>378,199</u>	<u>378,199</u>	<u>198,180</u>	<u>180,019</u>
<i>Net Change in Fund Balance</i>	(243,199)	(243,199)	(79,342)	163,857
<i>Fund Balance Beginning of Year</i>	<u>450,176</u>	<u>450,176</u>	<u>450,176</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$206,977</u>	<u>\$206,977</u>	<u>\$370,834</u>	<u>\$163,857</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
DUI Enforcement and Education Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$3,000	\$3,000	\$6,278	\$3,278
Expenditures				
Current:				
General Government:				
DUI Enforcement Education				
Other than Personal Services	10,000	10,000	0	10,000
<i>Net Change in Fund Balance</i>	(7,000)	(7,000)	6,278	13,278
<i>Fund Balance Beginning of Year</i>	71,730	71,730	71,730	0
<i>Fund Balance End of Year</i>	<u>\$64,730</u>	<u>\$64,730</u>	<u>\$78,008</u>	<u>\$13,278</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Special Projects Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$200,000	\$200,000	\$174,862	(\$25,138)
Expenditures				
Current:				
General Government:				
Court Special Projects				
Personal Services	73,546	73,546	42,667	30,879
Other than Personal Services	71,196	70,500	9,051	61,449
Capital Outlay	130,000	130,000	0	130,000
<i>Total Expenditures</i>	<u>274,742</u>	<u>274,046</u>	<u>51,718</u>	<u>222,328</u>
<i>Net Change in Fund Balance</i>	(74,742)	(74,046)	123,144	197,190
<i>Fund Balance Beginning of Year</i>	1,487,591	1,487,591	1,487,591	0
Unexpended Prior Year Encumbrances	<u>479</u>	<u>479</u>	<u>479</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,413,328</u></u>	<u><u>\$1,414,024</u></u>	<u><u>\$1,611,214</u></u>	<u><u>\$197,190</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Lead Safe Cuyahoga Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$129,893	\$129,893	\$91,687	(\$38,206)
Expenditures				
Current:				
Community Development:				
LEAD Safe Cuyahoga				
Personal Services	5,000	8,250	8,250	0
Other than Personal Services	150,000	111,500	103,423	8,077
<i>Total Expenditures</i>	<u>155,000</u>	<u>119,750</u>	<u>111,673</u>	<u>8,077</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(25,107)	10,143	(19,986)	(30,129)
Other Financing Sources				
Advances In	25,107	25,107	17,722	(7,385)
<i>Net Change in Fund Balance</i>	0	35,250	(2,264)	(37,514)
<i>Fund Balance Beginning of Year</i>	<u>2,264</u>	<u>2,264</u>	<u>2,264</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,264</u></u>	<u><u>\$37,514</u></u>	<u><u>\$0</u></u>	<u><u>(\$37,514)</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Neighborhood Stabilization Program Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$0	\$91,644	\$118,930	\$27,286
Miscellaneous	0	15,888	20,619	4,731
<i>Total Revenues</i>	0	107,532	139,549	32,017
Expenditures				
Current:				
Community Development:				
Neighborhood Stabilization				
Personal Services	55,000	0	0	0
Other than Personal Services	50,000	153,039	113,366	39,673
Capital Outlay	0	154,825	67,169	87,656
<i>Total Neighborhood Stabilization</i>	105,000	307,864	180,535	127,329
NSP Program Income				
Other than Personal Services	0	113,095	18,642	94,453
Capital Outlay	0	26,429	0	26,429
<i>Total NSP Program Income</i>	0	139,524	18,642	120,882
NSP Program 3				
Other than Personal Services	0	25,568	25,568	0
<i>Total Expenditures</i>	105,000	472,956	224,745	248,211
<i>Excess of Revenues Over (Under) Expenditures</i>	(105,000)	(365,424)	(85,196)	280,228
Other Financing Sources				
Sale of Capital Assets	0	92,468	120,000	27,532
<i>Net Change in Fund Balance</i>	(105,000)	(272,956)	34,804	307,760
<i>Fund Balance Beginning of Year</i>	273,450	273,450	273,450	0
<i>Fund Balance End of Year</i>	\$168,450	\$494	\$308,254	\$307,760

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special Assessments	\$1,015,000	\$1,015,000	\$1,023,599	\$8,599
Expenditures				
Current:				
Public Safety:				
Street Lighting				
Other than Personal Services	850,000	961,945	959,338	2,607
Non-Governmental	0	250	0	250
<i>Total Expenditures</i>	850,000	962,195	959,338	2,857
<i>Excess of Revenues Over Expenditures</i>	165,000	52,805	64,261	11,456
Other Financing Sources				
Transfers In	0	0	19,187	19,187
<i>Net Change in Fund Balance</i>	165,000	52,805	83,448	30,643
<i>Fund Balance Beginning of Year</i>	228,830	228,830	228,830	0
<i>Fund Balance End of Year</i>	\$393,830	\$281,635	\$312,278	\$30,643

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tree Fund
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses, Permits and Fees	\$225	\$225	\$210	(\$15)
Special Assessments	836,276	836,276	781,690	(54,586)
Miscellaneous	13,499	13,499	12,618	(881)
<i>Total Revenues</i>	<u>850,000</u>	<u>850,000</u>	<u>794,518</u>	<u>(55,482)</u>
Expenditures				
Current:				
Community Development:				
Tree				
Personal Services	605,000	640,000	626,964	13,036
Other than Personal Services	244,250	227,750	225,351	2,399
Capital Outlay	5,000	8,450	8,450	0
<i>Total Expenditures</i>	<u>854,250</u>	<u>876,200</u>	<u>860,765</u>	<u>15,435</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,250)</u>	<u>(26,200)</u>	<u>(66,247)</u>	<u>(40,047)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	55,379	55,379
Transfers Out	0	(1,800)	(1,800)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(1,800)</u>	<u>53,579</u>	<u>55,379</u>
<i>Net Change in Fund Balance</i>	(4,250)	(28,000)	(12,668)	15,332
<i>Fund Balance Beginning of Year</i>	51,187	51,187	51,187	0
Unexpended Prior Year Encumbrances	113	113	113	0
<i>Fund Balance End of Year</i>	<u>\$47,050</u>	<u>\$23,300</u>	<u>\$38,632</u>	<u>\$15,332</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$182,017	\$234,106	\$218,690	(\$15,416)
Intergovernmental	27,169	34,944	32,643	(2,301)
<i>Total Revenues</i>	209,186	269,050	251,333	(17,717)
Expenditures				
Current:				
Public Safety:				
Police Pension				
Personal Services	993,000	1,276,000	1,196,544	79,456
<i>Excess of Revenues Under Expenditures</i>	(783,814)	(1,006,950)	(945,211)	61,739
Other Financing Sources				
Transfers In	786,703	1,011,839	945,211	(66,628)
<i>Net Change in Fund Balance</i>	2,889	4,889	0	(4,889)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$2,889</u>	<u>\$4,889</u>	<u>\$0</u>	<u>(\$4,889)</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$192,740	\$233,958	\$218,690	(\$15,268)
Intergovernmental	28,769	34,922	32,643	(2,279)
<i>Total Revenues</i>	221,509	268,880	251,333	(17,547)
Expenditures				
Current:				
Public Safety:				
Fire Pension				
Personal Services	1,399,900	1,700,000	1,591,664	108,336
<i>Excess of Revenues Under Expenditures</i>	(1,178,391)	(1,431,120)	(1,340,331)	90,789
Other Financing Sources				
Transfers In	1,181,280	1,433,909	1,340,331	(93,578)
<i>Net Change in Fund Balance</i>	2,889	2,789	0	(2,789)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$2,889	\$2,789	\$0	(\$2,789)

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Off-Street Parking Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$934,049	\$934,049	\$961,676	\$27,627
Miscellaneous	45,951	45,951	47,310	1,359
<i>Total Revenues</i>	980,000	980,000	1,008,986	28,986
Expenditures				
Current:				
General Government:				
Off-Street Parking				
Personal Services	175,000	194,000	192,122	1,878
Other than Personal Services	737,200	752,765	751,459	1,306
Capital Outlay	0	9,500	9,500	0
Non-Governmental	5,000	4,000	3,751	249
<i>Total Expenditures</i>	917,200	960,265	956,832	3,433
<i>Net Change in Fund Balance</i>	62,800	19,735	52,154	32,419
<i>Fund Balance Beginning of Year</i>	104,472	104,472	104,472	0
Unexpended Prior Year Encumbrances	19	19	19	0
<i>Fund Balance End of Year</i>	\$167,291	\$124,226	\$156,645	\$32,419

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ambulance Services Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$728,191	\$728,191	\$843,347	\$115,156
Intergovernmental	1,809	1,809	2,095	286
<i>Total Revenues</i>	<u>730,000</u>	<u>730,000</u>	<u>845,442</u>	<u>115,442</u>
Expenditures				
Current:				
Public Safety:				
Ambulance Services				
Personal Services	161,000	290,000	312,803	(22,803)
Other than Personal Services	238,250	312,850	310,949	1,901
Capital Outlay	195,000	110,055	109,883	172
Non-Governmental	0	146	146	0
<i>Total Expenditures</i>	<u>594,250</u>	<u>713,051</u>	<u>733,781</u>	<u>(20,730)</u>
<i>Excess of Revenues Over Expenditures</i>	135,750	16,949	111,661	94,712
Other Financing Uses				
Transfers Out	(30,000)	(51,710)	(51,710)	0
<i>Net Change in Fund Balance</i>	105,750	(34,761)	59,951	94,712
<i>Fund Balance Beginning of Year</i>	410,412	410,412	410,412	0
Unexpended Prior Year Encumbrances	1,909	1,909	1,909	0
<i>Fund Balance End of Year</i>	<u>\$518,071</u>	<u>\$377,560</u>	<u>\$472,272</u>	<u>\$94,712</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Office on Aging Donations Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Contributions and Donations	\$5,000	\$5,000	\$4,756	(\$244)
Expenditures				
Current:				
Public Health Services:				
Office on Aging Computer Center				
Other than Personal Services	2,700	1,700	0	1,700
Capital Outlay	3,000	800	762	38
Total Office on Aging Computer Center	5,700	2,500	762	1,738
Office on Aging				
Other than Personal Services	8,875	10,875	10,717	158
<i>Total Expenditures</i>	14,575	13,375	11,479	1,896
<i>Net Change in Fund Balance</i>	(9,575)	(8,375)	(6,723)	1,652
<i>Fund Balance Beginning of Year</i>	46,535	46,535	46,535	0
Unexpended Prior Year Encumbrances	1	1	1	0
<i>Fund Balance End of Year</i>	\$36,961	\$38,161	\$39,813	\$1,652

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Youth Recreation Donation Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$2,500	\$2,500	\$7,481	\$4,981
Expenditures				
Current:				
General Government:				
Youth Donations				
Other than Personal Services	4,000	4,000	3,017	983
<i>Net Change in Fund Balance</i>	(1,500)	(1,500)	4,464	5,964
<i>Fund Balance Beginning of Year</i>	4,794	4,794	4,794	0
<i>Fund Balance End of Year</i>	<u>\$3,294</u>	<u>\$3,294</u>	<u>\$9,258</u>	<u>\$5,964</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Memorial Trust Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$500	\$500	\$0	(\$500)
Expenditures				
Current:				
General Government:				
Police Trust				
Other than Personal Services	<u>608</u>	<u>608</u>	<u>0</u>	<u>608</u>
<i>Net Change in Fund Balance</i>	(108)	(108)	0	108
<i>Fund Balance Beginning of Year</i>	<u>608</u>	<u>608</u>	<u>608</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$500</u></u>	<u><u>\$500</u></u>	<u><u>\$608</u></u>	<u><u>\$108</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Youth Advisory Commission
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$0	\$0	\$99	\$99
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	99	99
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$99</u></u>	<u><u>\$99</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Earned Benefits Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Personal Services	22,716	70,494	70,494	0
Public Safety:				
Personal Services	135,432	420,258	420,258	0
Public Health Services:				
Personal Services	478	1,482	1,482	0
Transportation:				
Personal Services	9,104	28,250	28,250	0
Community Development:				
Personal Services	7,225	22,419	22,419	0
Sanitation:				
Personal Services	19,243	59,714	59,714	0
Culture and Recreation:				
Personal Services	5,802	18,004	18,004	0
<i>Total Expenditures</i>	<u>200,000</u>	<u>620,621</u>	<u>620,621</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(200,000)	(620,621)	(620,621)	0
Other Financing Sources				
Transfers In	<u>200,000</u>	<u>625,000</u>	<u>620,621</u>	<u>(4,379)</u>
<i>Net Change in Fund Balance</i>	0	4,379	0	(4,379)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$4,379</u></u>	<u><u>\$0</u></u>	<u><u>(\$4,379)</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Facility Improvement Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, Permits and Fees	\$27,600	\$27,600	\$27,320	(\$280)
Expenditures				
Current:				
Public Safety:				
Police Facility Improvement				
Other than Personal Services	24,000	24,000	22,630	1,370
Capital Outlay	1,500	1,500	0	1,500
<i>Total Expenditures</i>	<u>25,500</u>	<u>25,500</u>	<u>22,630</u>	<u>2,870</u>
<i>Net Change in Fund Balance</i>	2,100	2,100	4,690	2,590
<i>Fund Balance Beginning of Year</i>	<u>30,399</u>	<u>30,399</u>	<u>30,399</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$32,499</u></u>	<u><u>\$32,499</u></u>	<u><u>\$35,089</u></u>	<u><u>\$2,590</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Facility Improvement Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$482,981	\$482,981	\$510,278	\$27,297
Intergovernmental	72,092	72,092	76,166	4,074
<i>Total Revenues</i>	<u>555,073</u>	<u>555,073</u>	<u>586,444</u>	<u>31,371</u>
Expenditures				
Current:				
Culture and Recreation:				
Recreation Facility Improvement				
Other than Personal Services	273,195	427,661	425,919	1,742
Capital Outlay	488,684	484,338	484,337	1
<i>Total Expenditures</i>	<u>761,879</u>	<u>911,999</u>	<u>910,256</u>	<u>1,743</u>
<i>Net Change in Fund Balance</i>	(206,806)	(356,926)	(323,812)	33,114
<i>Fund Balance Beginning of Year</i>	665,674	665,674	665,674	0
Unexpended Prior Year Encumbrances	19,301	19,301	19,301	0
<i>Fund Balance End of Year</i>	<u>\$478,169</u>	<u>\$328,049</u>	<u>\$361,163</u>	<u>\$33,114</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Recreation Facility Improvement				
Other than Personal Services	1,035	1,783	1,783	0
Capital Outlay	558,605	637,080	637,078	2
<i>Total Expenditures</i>	559,640	638,863	638,861	2
<i>Excess of Revenues Under Expenditures</i>	(559,640)	(638,863)	(638,861)	2
Other Financing Sources				
General Obligation Notes Issued	400,000	465,000	705,000	240,000
Premium on Notes	0	0	4,343	4,343
<i>Total Other Financing Sources</i>	400,000	465,000	709,343	244,343
<i>Net Change in Fund Balance</i>	(159,640)	(173,863)	70,482	244,345
<i>Fund Balance Beginning of Year</i>	177,194	177,194	177,194	0
<i>Fund Balance End of Year</i>	\$17,554	\$3,331	\$247,676	\$244,345

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Miscellaneous	\$0	\$0	\$84,505	\$84,505
Expenditures				
Current:				
Community Development:				
Recreation Facility Improvement				
Personal Services	70,500	17,100	17,063	37
Other than Personal Services	10,000	80,276	76,944	3,332
Total Community Development	80,500	97,376	94,007	3,369
Capital Outlay	130,000	137,025	137,025	0
<i>Total Expenditures</i>	210,500	234,401	231,032	3,369
<i>Net Change in Fund Balance</i>	(210,500)	(234,401)	(146,527)	87,874
<i>Fund Balance Beginning of Year</i>	1,635,636	1,635,636	1,635,636	0
<i>Fund Balance End of Year</i>	<u>\$1,425,136</u>	<u>\$1,401,235</u>	<u>\$1,489,109</u>	<u>\$87,874</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Hall Maintenance Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Rentals	\$12,500	\$12,500	\$25,732	\$13,232
Expenditures				
Current:				
General Government:				
Recreation Facility Improvement				
Other than Personal Services	19,850	16,115	15,882	233
<i>Net Change in Fund Balance</i>	(7,350)	(3,615)	9,850	13,465
<i>Fund Balance Beginning of Year</i>	31,658	31,658	31,658	0
<i>Fund Balance End of Year</i>	\$24,308	\$28,043	\$41,508	\$13,465

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ring Road Construction Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Ring Road Construction				
Capital Outlay	<u>105,000</u>	<u>314,882</u>	<u>314,882</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(105,000)	(314,882)	(314,882)	0
<i>Fund Balance Beginning of Year</i>	<u>516,921</u>	<u>516,921</u>	<u>516,921</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$411,921</u></u>	<u><u>\$202,039</u></u>	<u><u>\$202,039</u></u>	<u><u>\$0</u></u>



STATISTICAL SECTION

Cleveland Heights is home to numerous sacred spaces and religious denominations. These Landmarks include Church of the Saviour, Park Synagoge, Christ Our Redeemer Church and Saint Ann Church.

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Statistical Section

This Part of the City of Cleveland Heights, 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 City’s overall financial health.

Contents	Pages(s)
<i>Financial Trends</i>	S2 – S11
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	S12 – S18
These schedules contain information to help the reader assess the City’s most significant local revenues, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	S19 - S26
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	S27 – S31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<i>Operating Information</i>	S32 - S37
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

City of Cleveland Heights, Ohio

Net Position by Component

Last Ten Years

(accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010 (1)</u>
Governmental Activities				
Net Investment in Capital Assets	\$64,402,234	\$66,164,102	\$61,261,817	\$60,655,783
Restricted	16,261,342	16,014,581	14,783,716	10,212,831
Unrestricted	<u>13,108,074</u>	<u>14,583,025</u>	<u>13,789,209</u>	<u>11,467,878</u>
<i>Total Governmental Activities Net Position</i>	<u>93,771,650</u>	<u>96,761,708</u>	<u>89,834,742</u>	<u>82,336,492</u>
Business-Type Activities				
Net Investment in Capital Assets	20,927,544	21,386,384	21,461,778	21,995,967
Unrestricted	<u>2,028,666</u>	<u>2,017,605</u>	<u>2,882,395</u>	<u>3,647,070</u>
<i>Total Business-Type Activities Net Position</i>	<u>22,956,210</u>	<u>23,403,989</u>	<u>24,344,173</u>	<u>25,643,037</u>
Primary government				
Net Investment in Capital Assets	85,329,778	87,550,486	82,723,595	82,651,750
Restricted	16,261,342	16,014,581	14,783,716	10,212,831
Unrestricted	<u>15,136,740</u>	<u>16,600,630</u>	<u>16,671,604</u>	<u>15,114,948</u>
<i>Total Primary Government Net Position</i>	<u>\$116,727,860</u>	<u>\$120,165,697</u>	<u>\$114,178,915</u>	<u>\$107,979,529</u>

(1) The City implemented GASB Statement 54 in 2011, causing the classification of net position to change.

2009	2008	2007	2006	2005	2004
\$52,671,861	\$49,880,927	\$47,989,231	\$46,423,601	\$45,120,294	\$44,538,645
10,039,038	9,455,828	9,333,918	8,445,051	7,816,228	7,226,734
8,480,557	8,228,404	6,636,083	4,855,068	4,434,530	5,602,167
71,191,456	67,565,159	63,959,232	59,723,720	57,371,052	57,367,546
29,105,885	29,365,271	29,324,738	29,185,731	29,521,445	28,494,702
3,246,059	3,309,986	4,224,348	3,345,378	2,254,038	5,019,373
32,351,944	32,675,257	33,549,086	32,531,109	31,775,483	33,514,075
81,777,746	79,246,198	77,313,969	75,609,332	74,641,739	73,033,347
10,039,038	9,455,828	9,333,918	8,445,051	7,816,228	7,226,734
11,726,616	11,538,390	10,860,431	8,200,446	6,688,568	10,621,540
\$103,543,400	\$100,240,416	\$97,508,318	\$92,254,829	\$89,146,535	\$90,881,621

City of Cleveland Heights, Ohio

Changes in Net Position

Last Ten Years (1)

(accrual basis of accounting)

	2013	2012	2011	2010
Program Revenues				
Governmental Activities:				
Charges for Services and Operating Assessments:				
General Government	\$4,287,936	\$3,896,511	\$5,173,902	\$5,899,281
Public Safety	5,903,861	5,078,988	4,063,337	2,787,809
Public Health Services	70,591	61,303	60,043	1,320
Transportation	695,236	589,434	575,647	4,324
Community Development	1,667,890	1,320,804	1,264,852	1,682,112
Sanitation	460,342	429,204	394,745	1,522,649
Culture and Recreation	614,650	981,803	727,363	1,721,728
Operating Grants and Contributions	4,337,755	5,657,962	4,953,832	2,913,883
Capital Grants and Contributions	74,496	3,877,741	0	2,493,496
<i>Total Governmental Activities Program Revenues</i>	<u>18,112,757</u>	<u>21,893,750</u>	<u>17,213,721</u>	<u>19,026,602</u>
Business-Type Activities:				
Charges for Services:				
Water	12,424,417	11,466,957	10,125,904	0
Sewer	1,663,242	1,727,854	1,584,611	0
Utilities	0	0	0	12,746,117
Operating Grants and Contributions	0	0	0	0
Capital Grants and Contributions	0	0	0	547,852
<i>Total Business-Type Activities Program Revenues</i>	<u>14,087,659</u>	<u>13,194,811</u>	<u>11,710,515</u>	<u>13,293,969</u>
<i>Total Primary Government Program Revenues</i>	<u>32,200,416</u>	<u>35,088,561</u>	<u>28,924,236</u>	<u>32,320,571</u>
Expenses				
Governmental Activities:				
General Government	14,369,538	16,048,638	15,240,828	16,283,136
Public Safety	20,891,754	21,239,342	19,139,951	19,266,592
Public Health Services	360,462	363,703	342,507	360,546
Transportation	10,621,023	5,718,551	5,620,385	6,755,636
Community Development	5,164,372	6,347,777	6,330,335	7,154,037
Sanitation	2,511,148	2,670,357	2,470,427	2,396,825
Culture and Recreation	3,565,494	3,385,120	3,466,238	3,562,465
Interest and Fiscal Charges	748,771	798,771	1,159,987	96,930
<i>Total Governmental Activities Expenses</i>	<u>58,232,562</u>	<u>56,572,259</u>	<u>53,770,658</u>	<u>55,876,167</u>
Business-Type Activities:				
Water	12,743,834	13,213,185	10,800,301	0
Sewer	1,790,551	1,787,713	2,217,378	0
Utilities	0	0	0	12,374,470
<i>Total Business-Type Activities Expenses</i>	<u>14,534,385</u>	<u>15,000,898</u>	<u>13,017,679</u>	<u>12,374,470</u>
<i>Total Primary Government Expenses</i>	<u>\$72,766,947</u>	<u>\$71,573,157</u>	<u>\$66,788,337</u>	<u>\$68,250,637</u>

2009	2008	2007	2006	2005	2004
\$5,426,842	\$5,167,813	\$4,347,482	\$4,426,901	\$4,708,959	\$3,461,016
641,586	1,117,854	2,913,059	989,133	826,386	822,387
1,140	875	1,580	6,671	6,706	5,540
40,283	0	0	33,259	268,275	2,240,332
824,958	1,232,524	2,365,009	588,919	459,862	2,566,510
1,456,358	640,906	978,584	747,719	722,498	477,887
1,700,627	1,801,819	2,050,639	2,265,814	2,150,561	1,893,288
2,321,296	2,471,445	3,474,217	1,969,005	1,643,794	2,722,219
413,457	506,820	273,750	338,000	0	212,217
<u>12,826,547</u>	<u>12,940,056</u>	<u>16,404,320</u>	<u>11,365,421</u>	<u>10,787,041</u>	<u>14,401,396</u>
0	0	0	0	0	0
0	0	0	0	0	0
13,772,780	13,039,119	13,389,917	12,442,554	11,250,891	11,042,968
4,990	0	5,975	149,934	620,142	98,295
111,469	0	0	0	0	0
<u>13,889,239</u>	<u>13,039,119</u>	<u>13,395,892</u>	<u>12,592,488</u>	<u>11,871,033</u>	<u>11,141,263</u>
<u>26,715,786</u>	<u>25,979,175</u>	<u>29,800,212</u>	<u>23,957,909</u>	<u>22,658,074</u>	<u>25,542,659</u>
14,221,696	12,147,129	11,941,290	15,103,153	15,619,750	13,527,660
17,365,410	18,628,409	19,723,818	18,782,355	18,031,294	18,367,866
374,224	418,430	426,606	435,206	447,114	454,038
4,608,968	6,881,110	7,052,660	3,054,535	3,345,499	4,917,119
5,754,860	6,368,068	6,453,726	6,842,251	5,930,750	7,739,951
2,328,083	3,439,963	3,002,530	3,067,667	2,756,181	3,009,859
3,721,292	3,947,966	4,259,479	4,106,053	3,899,948	3,774,060
635,984	815,057	969,947	753,647	1,279,516	1,260,115
<u>49,010,517</u>	<u>52,646,132</u>	<u>53,830,056</u>	<u>52,144,867</u>	<u>51,310,052</u>	<u>53,050,668</u>
0	0	0	0	0	0
0	0	0	0	0	0
14,806,270	14,336,588	13,501,152	13,161,806	13,675,740	11,945,541
<u>14,806,270</u>	<u>14,336,588</u>	<u>13,501,152</u>	<u>13,161,806</u>	<u>13,675,740</u>	<u>11,945,541</u>
<u>\$63,816,787</u>	<u>\$66,982,720</u>	<u>\$67,331,208</u>	<u>\$65,306,673</u>	<u>\$64,985,792</u>	<u>\$64,996,209</u>

(continued)

City of Cleveland Heights, Ohio

Changes in Net Position (continued)

Last Ten Years (1)

(accrual basis of accounting)

	2013	2012	2011	2010
Net (Expense)/Revenue				
Governmental Activities	(\$40,119,805)	(\$34,678,509)	(\$36,556,937)	(\$36,849,565)
Business-Type Activities	(446,726)	(1,806,087)	(1,307,164)	919,499
<i>Total Primary Government Net Expense</i>	<u>(40,566,531)</u>	<u>(36,484,596)</u>	<u>(37,864,101)</u>	<u>(35,930,066)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied For:				
General Purposes	6,516,716	6,720,122	6,955,676	7,865,388
Other Purposes	449,426	463,456	477,254	482,529
Debt Service	2,261,326	2,240,041	2,306,722	2,332,232
Capital Outlay	524,333	540,700	556,794	485,169
Municipal Income Taxes Levied For:				
General Purposes	21,620,891	24,772,161	24,162,250	20,202,521
Admissions Taxes	101,414	107,516	273,716	0
Grants and Entitlements not Restricted to Specific Programs	3,793,292	4,418,417	4,919,000	7,521,076
Franchise Taxes	551,694	588,325	565,476	0
Payment in Lieu of Taxes	0	1,150,000	141,241	0
Investment Earnings	43,610	45,811	127,999	169,445
Gain (Loss) on Sale of Capital Assets	0	103,497	0	0
Miscellaneous	1,244,120	1,318,978	1,694,674	1,295,993
Transfers	22,925	(863,549)	14,385	0
<i>Total Governmental Activities</i>	<u>37,129,747</u>	<u>41,605,475</u>	<u>42,195,187</u>	<u>40,354,353</u>
Business-Type Activities:				
Investment Earnings	0	0	0	4,085
Gain (Loss) on Sale of Capital Assets	0	0	0	0
Miscellaneous	21,872	2,354	22,685	7,757
Transfers	(22,925)	863,549	(14,385)	0
<i>Total Business-Type Activities</i>	<u>(1,053)</u>	<u>865,903</u>	<u>8,300</u>	<u>11,842</u>
<i>Total Primary Government</i>	<u>37,128,694</u>	<u>42,471,378</u>	<u>42,203,487</u>	<u>40,366,195</u>
Change in Net Position				
Governmental Activities	(2,990,058)	6,926,966	5,638,250	3,504,788
Business-Type Activities	(447,779)	(940,184)	(1,298,864)	931,341
<i>Total Primary Government Change in Net Position</i>	<u>(\$3,437,837)</u>	<u>\$5,986,782</u>	<u>\$4,339,386</u>	<u>\$4,436,129</u>

(1) Business-Type Activities funds are presented together under "utilities" from 2003 - 2010.

2009	2008	2007	2006	2005	2004
(\$36,183,970)	(\$39,706,076)	(\$37,425,736)	(\$40,779,446)	(\$40,523,011)	(\$38,649,272)
(917,031)	(1,297,469)	(105,260)	(569,318)	(1,804,707)	(804,278)
(37,101,001)	(41,003,545)	(37,530,996)	(41,348,764)	(42,327,718)	(39,453,550)
7,236,862	7,076,452	8,216,507	6,713,918	6,462,966	10,954,701
514,132	515,736	531,102	489,038	472,622	481,968
3,570,713	3,610,165	3,806,226	3,496,022	3,913,630	389,310
0	0	0	0	0	0
19,994,781	21,877,327	21,869,012	23,073,254	21,015,495	21,883,632
0	0	0	0	0	0
7,829,289	8,310,262	6,607,694	8,431,052	7,468,935	6,473,704
0	0	0	0	0	0
0	0	0	0	0	0
112,881	416,225	668,428	672,273	372,478	196,901
0	0	0	0	0	(67,252)
1,054,747	1,789,096	717,745	727,929	1,113,746	1,100,189
(503,138)	(283,260)	(755,466)	(590,172)	(128,847)	4,888
39,810,267	43,312,003	41,661,248	43,013,314	40,691,025	41,418,041
21,561	86,224	351,419	415,954	74,039	33,633
0	0	0	0	0	(2,167)
69,019	54,156	16,352	37,837	68,462	3,000
503,138	283,260	755,466	590,172	128,847	(4,888)
593,718	423,640	1,123,237	1,043,963	271,348	29,578
40,403,985	43,735,643	42,784,485	44,057,277	40,962,373	41,447,619
3,626,297	3,605,927	4,235,512	2,233,868	168,014	2,768,769
(323,313)	(873,829)	1,017,977	474,645	(1,533,359)	(774,700)
\$3,302,984	\$2,732,098	\$5,253,489	\$2,708,513	(\$1,365,345)	\$1,994,069

City of Cleveland Heights, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2013	2012	2011 (1)	2010
General Fund				
Reserved	\$0	\$0	\$0	\$0
Unreserved	0	0	0	0
Nonspendable	403,831	380,439	282,323	329,078
Assigned	6,535,767	2,960,821	4,978,336	358,103
Unassigned (Deficit)	(2,980,886)	3,157,559	2,764,002	7,740,531
<i>Total General Fund</i>	<u>3,958,712</u>	<u>6,498,819</u>	<u>8,024,661</u>	<u>8,427,712</u>
All Other Governmental Funds				
Reserved	0	0	0	0
Unreserved:				
Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds (Deficit)	0	0	0	0
Nonspendable	65,630	65,780	95,526	1,608,483
Restricted	7,540,793	8,109,130	7,363,926	9,003,123
Committed	949,701	1,186,778	1,263,138	1,225,246
Assigned	1,651,700	1,663,977	356,140	1,409,066
Unassigned (Deficit)	(803,088)	(1,338,387)	(987,173)	(2,301,471)
<i>Total All Other Governmental Funds</i>	<u>9,404,736</u>	<u>9,687,278</u>	<u>8,091,557</u>	<u>10,944,447</u>
<i>Total Governmental Funds</i>	<u>\$13,363,448</u>	<u>\$16,186,097</u>	<u>\$16,116,218</u>	<u>\$19,372,159</u>

Note: During 2011, the City implemented GASB 54.

2009	2008	2007	2006	2005	2004
\$524,144	\$566,116	\$504,536	\$434,892	\$235,383	\$221,631
5,282,107	3,369,353	3,239,649	4,547,592	3,522,250	3,621,791
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
5,806,251	3,935,469	3,744,185	4,982,484	3,757,633	3,843,422
2,135,795	2,315,658	1,830,706	2,063,226	2,249,303	2,965,651
3,078,106	2,846,750	2,828,052	1,721,695	811,709	1,767,319
3,642,458	3,304,603	2,869,545	2,652,333	3,260,162	3,204,502
1,764,568	719,201	586,408	571,406	171,120	(1,405,019)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
10,620,927	9,186,212	8,114,711	7,008,660	6,492,294	6,532,453
\$16,427,178	\$13,121,681	\$11,858,896	\$11,991,144	\$10,249,927	\$10,375,875

City of Cleveland Heights, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2013	2012	2011	2010	2009
Revenues					
Property Taxes	\$9,476,596	\$9,906,172	\$10,040,053	\$10,576,318	\$11,123,154
Municipal Income Taxes	21,676,288	23,022,254	19,359,768	20,623,037	20,282,703
Admissions Taxes	101,414	107,516	273,716	0	0
Charges for Services	5,541,130	5,156,842	4,909,865	3,571,709	3,535,575
Licenses, Permits and Fees	2,042,386	1,957,712	1,664,970	1,865,516	1,845,466
Fines and Forfeitures	3,215,569	2,937,542	2,789,862	2,956,629	3,062,880
Intergovernmental	7,900,584	10,602,604	9,983,844	12,879,753	10,780,543
Special Assessments	1,944,755	1,982,802	1,939,289	1,451,905	1,504,940
Interest	43,610	45,811	127,999	169,445	112,881
Rentals	27,932	50,476	54,571	0	0
Contributions and Donations	12,336	12,348	15,880	0	0
Franchise Taxes	551,694	588,325	565,476	0	0
Payment in Lieu of Taxes	0	1,150,000	141,241	0	0
Miscellaneous	1,244,120	1,318,978	1,694,674	2,530,200	2,533,055
<i>Total Revenues</i>	<u>53,778,414</u>	<u>58,839,382</u>	<u>53,561,208</u>	<u>56,624,512</u>	<u>54,781,197</u>
Expenditures					
Current:					
General Government	15,394,711	15,354,284	14,645,346	15,815,325	13,832,810
Public Safety	21,216,050	20,796,144	19,736,539	18,400,270	17,132,779
Public Health Services	362,178	362,103	385,716	360,312	386,646
Transportation	5,877,513	5,162,780	5,057,282	3,069,299	2,970,122
Community Development	5,065,872	6,163,082	5,944,549	6,302,268	5,255,571
Sanitation	2,350,856	2,417,960	2,248,499	2,134,046	2,119,740
Culture and Recreation	2,489,045	2,628,806	2,477,521	2,767,008	2,933,068
Capital Outlay	1,778,253	2,330,729	1,276,062	6,274,534	3,555,156
Debt service:					
Principal Retirement	1,964,862	2,094,509	4,318,896	1,859,529	2,136,867
Interest and Fiscal Charges	693,272	748,794	832,804	627,819	707,451
Bond Issuance Costs	0	0	0	0	0
<i>Total Expenditures</i>	<u>57,192,612</u>	<u>58,059,191</u>	<u>56,923,214</u>	<u>57,610,410</u>	<u>51,030,210</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,414,198)</u>	<u>780,191</u>	<u>(3,362,006)</u>	<u>(985,898)</u>	<u>3,750,987</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	128,697	34,260	24,273	17,796
General Obligation Notes and Bonds Issued	1,590,000	0	0	0	0
General Obligation Notes and Bonds Premium	9,185	0	0	0	0
Loans Issued	482,601	24,540	57,420	191,460	39,852
Inception of Capital Lease	0	0	0	450,000	0
Payment to Refunded Bond Escrow Agent	(1,513,662)	0	0	0	0
Transfers In	3,998,494	3,982,694	2,808,707	3,351,610	3,966,923
Transfers Out	(3,975,069)	(4,846,243)	(2,794,322)	(3,351,610)	(4,470,061)
<i>Total Other Financing Sources (Uses)</i>	<u>591,549</u>	<u>(710,312)</u>	<u>106,065</u>	<u>665,733</u>	<u>(445,490)</u>
<i>Net Change in Fund Balances</i>	<u>(\$2,822,649)</u>	<u>\$69,879</u>	<u>(\$3,255,941)</u>	<u>(\$320,165)</u>	<u>\$3,305,497</u>
Debt Service as a Percentage of Noncapital Expenditures	5.0%	5.2%	9.7%	4.8%	6.0%

2008	2007	2006	2005	2004
\$11,223,599	\$11,634,160	\$10,742,779	\$10,930,941	\$12,376,008
21,826,496	22,022,446	22,768,921	20,798,981	20,276,910
0	0	0	0	0
2,895,109	3,520,404	3,453,756	3,034,867	2,717,941
1,721,725	1,546,256	1,258,928	1,327,248	1,099,908
2,994,955	2,377,640	3,215,637	3,254,822	2,812,162
11,248,160	11,351,954	9,808,274	8,785,344	10,139,761
1,525,849	1,469,507	1,460,640	1,461,639	1,237,577
416,354	657,279	628,230	342,165	179,557
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
3,551,511	1,978,668	1,738,224	2,364,989	2,152,259
57,403,758	56,558,314	55,075,389	52,300,996	52,992,083
15,579,103	14,907,466	13,289,052	12,385,439	12,966,859
17,469,045	17,607,171	18,343,503	18,057,194	17,002,404
400,213	414,663	423,239	432,265	441,036
3,673,791	3,819,214	4,522,818	7,418,116	6,237,771
5,785,519	5,909,549	6,456,465	5,645,509	7,305,467
2,598,622	2,618,865	3,081,125	3,026,639	2,799,102
3,037,248	3,460,288	4,007,032	3,711,215	3,452,859
4,965,356	4,353,749	13,676	23,215	37,735
1,292,366	1,880,646	1,773,221	1,640,000	2,680,000
913,376	1,045,066	1,144,568	1,279,516	1,265,115
214,813	0	0	0	0
55,929,452	56,016,677	53,054,699	53,619,108	54,188,348
1,474,306	541,637	2,020,690	(1,318,112)	(1,196,265)
16,056	14,531	139,500	191,259	96,844
8,695,000	0	0	0	3,200,000
228,332	0	0	0	0
439,992	67,050	102,359	1,129,752	0
136,000	0	68,840	0	0
(9,460,000)	0	0	0	0
3,923,161	4,584,852	3,959,609	4,701,322	2,544,116
(4,190,062)	(5,340,318)	(4,549,781)	(4,830,169)	(2,539,228)
(211,521)	(673,885)	(279,473)	1,192,164	3,301,732
\$1,262,785	(\$132,248)	\$1,741,217	(\$125,948)	\$2,105,467
4.3%	5.6%	5.9%	6.0%	7.7%

City of Cleveland Heights, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Collection Years

	2013	2012	2011	2010	2009
Inside Millage					
Operating	\$2.57000	\$2.22000	\$2.22000	\$2.22000	\$2.22000
Debt	1.15000	1.50000	1.50000	1.50000	1.50000
Fire Pension	0.30000	0.30000	0.30000	0.30000	0.30000
Police Pension	0.30000	0.30000	0.30000	0.30000	0.30000
<i>Total Unvoted Millage</i>	<u>4.32000</u>	<u>4.32000</u>	<u>4.32000</u>	<u>4.32000</u>	<u>4.32000</u>
Charter Millage					
1976 Charter/Current Expense	6.48000	6.48000	6.48000	6.48000	6.48000
1997 Bond (\$15,000,000)	1.40000	1.50000	1.40000	1.40000	1.40000
2004 Charter/Recreation Improvements	0.70000	0.70000	0.70000	0.70000	0.70000
<i>Total Voted Millage by Type of Property</i>	<u>8.58000</u>	<u>8.68000</u>	<u>8.58000</u>	<u>8.58000</u>	<u>8.58000</u>
<i>Total Millage</i>	<u><u>\$12.90000</u></u>	<u><u>\$13.00000</u></u>	<u><u>\$12.90000</u></u>	<u><u>\$12.90000</u></u>	<u><u>\$12.90000</u></u>
Overlapping Rates by Taxing District					
<i>Cleveland Heights - University Heights</i>					
General Business and Public Utility Personal	\$149.59000	\$143.70000	\$143.70000	\$136.80000	\$136.80000
Residential/Agricultural Real	80.38100	74.30494	71.72203	64.31556	64.19275
Commercial/Industrial and Public Utility Real	92.77880	87.04456	84.67923	76.56094	77.75290
<i>Cleveland Heights Library</i>					
Operating - continuing					
General Business and Public Utility Personal	7.80000	7.80000	7.80000	7.80000	7.80000
Residential/Agricultural Real	5.92320	5.90716	5.71080	5.67402	5.66510
Commercial/Industrial and Public Utility Real	6.31690	6.32896	6.17445	6.07139	6.17273
<i>Cuyahoga County</i>					
General Business and Public Utility Personal	14.05000	13.22000	13.22000	13.32000	13.32000
Residential/Agricultural Real	14.05000	13.22000	13.11822	13.18662	13.17889
Commercial/Industrial and Public Utility Real	13.94950	12.99676	12.78454	12.84125	12.84570
<i>Special Taxing Districts (1)</i>					
General Business and Public Utility Personal	5.98000	5.08000	5.08000	5.08000	4.78000
Residential/Agricultural Real	5.96390	5.06349	5.00415	4.98989	4.50688
Commercial/Industrial and Public Utility Real	5.88430	4.96214	4.86484	4.84497	4.41194

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

Charter millage is consistently applied to all types of property as opposed to the voted levies of the overlapping taxing districts.

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

- (1) Cleveland Metro Parks, Port Authority, Cuyahoga Community College - 2011-2003
Cleveland Metro Parks - 2002

Source: Cuyahoga County, Ohio; County Fiscal Officer

2008	2007	2006	2005	2004
\$0.92000	\$0.92000	\$0.92000	\$0.92000	\$0.92000
2.80000	2.80000	2.80000	2.80000	2.80000
0.30000	0.30000	0.30000	0.30000	0.30000
0.30000	0.30000	0.30000	0.30000	0.30000
4.32000	4.32000	4.32000	4.32000	4.32000
6.48000	6.48000	6.48000	6.48000	6.48000
1.40000	1.40000	1.50000	1.50000	1.60000
0.70000	0.70000	0.70000	0.70000	0.70000
8.58000	8.58000	8.68000	8.68000	8.78000
\$12.90000	\$12.90000	\$13.00000	\$13.00000	\$13.10000
\$136.70000	\$136.70000	\$129.60000	\$129.50000	\$129.60000
60.29789	60.15715	53.01462	59.45227	59.52300
76.29068	75.86764	68.98623	75.17352	71.84601
7.80000	5.90000	5.90000	5.90000	5.90000
5.38950	3.47928	3.47619	3.95099	3.94847
6.08374	4.15755	4.17039	4.58113	4.35722
13.32000	13.42000	13.42000	13.52000	13.52000
12.66073	11.86887	11.86549	11.72274	10.97536
12.81530	12.45356	12.49410	12.58806	11.98463
4.78000	4.78000	4.78000	4.78000	4.78000
4.15975	4.15898	4.15762	4.29655	4.29482
4.39124	4.37987	4.39621	4.55968	4.51740

City of Cleveland Heights, Ohio
Assessed Valuation and Estimated True Values of Taxable Property
Last Ten Years

Collection Year	Real Property Assessed Values			Tangible Personal Property	
	Residential/ Agricultural	Commercial Industrial	Estimated	Assessed Values	Estimated
			Actual Value		Actual Value
2013	\$711,935,130	\$135,720,620	\$2,421,873,571	\$13,432,710	\$15,264,443
2012	716,045,780	136,988,860	2,437,241,829	12,266,160	13,938,818
2011	758,172,910	142,503,180	2,573,360,257	11,149,780	12,670,205
2010	767,304,310	146,782,270	2,611,675,943	10,757,850	12,224,830
2009	768,320,370	145,568,470	2,611,110,971	10,441,200	11,865,000
2008	820,746,690	147,702,300	2,766,997,114	9,840,320	11,182,182
2007	819,665,980	148,540,150	2,766,303,229	9,479,500	10,772,159
2006	816,780,760	153,391,080	2,771,919,543	15,185,570	17,256,330
2005	710,087,650	132,354,280	2,406,976,943	25,325,370	28,778,830
2004	709,043,670	133,121,050	2,406,184,914	27,401,630	31,138,216

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 was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2010 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was in 2010). During 2011, the City did not include an assessed value for general business tangible personal property.

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 percent, 2 1/2 percent and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property was eliminated in 2006.

Source: Cuyahoga County, Ohio; County Fiscal Officer

Tangible Personal Property

General Business		Total			Direct Tax Rate
Assessed Values	Estimated Actual Value	Assessed Values	Estimated Actual Value	Ratio	
\$0	\$0	\$861,088,460	\$2,437,138,015	35.33 %	\$12.90
0	0	865,300,800	2,451,180,647	35.30	13.00
0	0	911,825,870	2,586,030,462	35.26	12.90
0	0	924,844,430	2,623,900,772	35.25	12.90
0	0	924,330,040	2,622,975,971	35.24	12.90
10,222,250	163,556,000	988,511,560	2,941,735,296	33.60	12.90
17,850,430	142,803,440	995,536,060	2,919,878,828	34.10	12.90
13,941,095	74,352,507	999,298,505	2,863,528,379	34.90	13.00
15,873,576	84,659,072	883,640,876	2,520,414,844	35.06	13.00
18,345,751	79,764,135	887,912,101	2,517,087,265	35.28	13.10

City of Cleveland Heights, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy (2)
2013	\$11,286,563	\$10,311,193	91.36 %	\$579,904	\$10,891,097	96.50 %
2012	11,835,005	10,845,056	91.64	631,704	11,476,760	96.97
2011	12,141,783	11,045,724	90.97	1,771,588	12,817,312	105.56
2010	12,034,172	11,145,509	92.62	1,515,195	12,660,704	105.21
2009	12,686,328	11,734,295	92.50	1,304,581	13,038,876	102.78
2008	12,784,933	11,873,263	92.87	1,106,080	12,979,343	101.52
2007	12,956,143	12,012,023	92.71	1,149,571	13,161,594	101.59
2006	11,482,010	10,926,279	95.16	947,381	11,873,660	103.41
2005	11,592,970	10,734,065	92.59	961,632	11,695,697	100.89
2004	12,294,389	11,656,435	94.81	1,133,710	12,790,145	104.03

Source: Cuyahoga County, Ohio; County Fiscal Officer

Note: The County's current operating system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

- (1) State reimbursement of rollback and homestead exemptions are included.
- (2) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

City of Cleveland Heights, Ohio

Principal Taxpayers

2013 and 2004

Taxpayer	2013	
	Assessed Valuation	Percentage of Total Assessed Valuation
Severance SPE Lease Co., LLC (SCIT, Inc.)	\$14,177,910	1.65%
Kaiser Foundation Health Plan of Ohio	11,348,150	1.32
The Cleveland Electric Illuminating Company	10,292,420	1.20
American Retirement Corporation	2,724,580	0.32
Kensington Limited Partnership	2,573,270	0.30
East Ohio Gas	2,391,790	0.28
Waldorf Partners Limited Partnership	2,338,500	0.27
Severance SPE FAEECO LLC	2,275,000	0.26
Concord Company	2,163,530	0.25
Lancashire Towers Associates	1,988,250	0.23
Total	\$52,273,400	6.08%
Total Assessed Valuation	\$861,088,460	
Taxpayer	2004	
	Assessed Valuation	Percentage of Total Assessed Valuation
Severance SPE Lease Co., LLC (SCIT, Inc.)	\$14,963,610	1.69%
New Cingular/A T & T	8,739,610	0.98
Kaiser Foundation Health Plan of Ohio	8,407,390	0.95
Ohio Bell Telephone Company	6,136,560	0.69
The Cleveland Electric Illuminating Company	5,853,160	0.66
American Retirement Corporation	4,165,810	0.47
Kensington Limited Partnership	3,098,510	0.35
Concord Company	2,366,530	0.27
Waldorf Partners Limited Partnership	2,206,020	0.25
SAA Incorporated	2,140,210	0.24
	\$58,077,410	6.55%
	\$887,912,101	

City of Cleveland Heights, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Year	Tax Rate	Total Tax Collected (1)	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits	Taxes From Individuals	Percentage of Taxes From Individuals
2013	2.00 %	\$22,714,993	\$6,961,230	31 %	\$673,668	3 %	\$15,080,095	66 %
2012	2.00	22,419,053	6,949,906	31	672,572	3	14,796,575	66
2011	2.00	19,214,462	6,699,569	35	421,295	2	12,093,598	63
2010	2.00	18,827,105	6,694,873	36	646,012	3	11,486,220	61
2009	2.00	20,085,142	6,713,661	33	662,329	3	12,709,152	63
2008	2.00	18,954,767	6,661,900	35	771,496	4	11,575,371	61
2007	2.00	19,845,822	6,716,031	34	668,921	3	17,366,824	88
2006	2.00	19,851,936	6,913,938	35	910,993	5	12,027,005	61
2005	2.00	19,031,390	6,738,821	35	695,989	4	11,596,580	61
2004	2.00	18,967,552	6,603,963	35	628,296	3	11,735,293	62

Sources: Regional Income Tax Agency data - certain amounts may be estimates. Number of filers does not equal total taxpayers due to taxpayers paying City taxes through employer withholding only, without filing requirement.

Note: The City is statutorily prohibited from presenting individual taxpayer information

(1) Based on Cash Basis

City of Cleveland Heights, Ohio
*Ratio of General Obligation Bonded Debt to Estimated Actual
Value and Bonded Debt Per Capita
Last Ten Years*

Year	Population	Estimated Actual Value of Taxable Property	Gross Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt Per Capita
2013	46,121	\$2,437,138,015	\$10,830,316	0.44%	\$235
2012	46,121	2,451,180,647	12,462,539	0.51	270
2011	46,121	2,586,030,462	14,326,306	0.55	311
2010	46,121	2,623,900,772	15,895,000	0.61	345
2009	50,769	2,622,975,971	11,400,000	0.43	225
2008	50,769	2,941,735,296	13,110,000	0.45	258
2007	50,769	2,919,878,828	14,785,000	0.51	291
2006	50,769	2,863,528,379	16,315,000	0.57	524
2005	50,769	2,520,414,844	17,775,000	0.64	318
2004	50,769	2,517,087,265	19,185,000	0.71	350

Note: The debt service fund pays principal and interest on general obligation bonds, as well as special assessment bonds.

City of Cleveland Heights, Ohio
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

Governmental Activities						
Year	General Obligation Bonds	Economic Development Bonds	Special Assessment Bonds	Bond Anticipation Notes	Capital Leases	OPWC Loans
2013	\$10,830,316	\$0	\$2,522,575	\$0	\$193,836	\$1,679,271
2012	12,462,539	0	2,613,206	0	283,615	1,286,753
2011	14,326,306	0	2,703,837	0	408,081	1,307,256
2010	15,895,000	235,000	2,770,000	1,850,000	637,743	1,399,070
2009	11,400,000	460,000	2,850,000	0	122,055	1,226,097
2008	13,110,000	680,000	2,930,000	905,000	172,280	1,262,887
2007	14,785,000	890,000	3,010,000	910,000	53,000	1,405,583
2006	16,315,000	1,090,000	3,085,000	1,184,960	86,639	1,414,179
2005	17,775,000	1,285,000	3,160,000	1,821,400	61,019	1,481,006
2004	19,185,000	1,475,000	3,200,000	3,499,000	116,548	369,741

(1) Computation of percentage of personal income divided by total debt over total personal income.
See page S26 for total personal income data.

(2) Computation of per capita divided by total debt over population.
See page S26 for population data.

Business - Type Activities

General Obligation Bonds	Bond Anticipation Notes	OPWC Loans	OWDA Loans	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (2)
\$0	\$0	\$898,518	\$517,409	\$0	\$16,641,925	1.19%	\$361
0	0	995,417	554,141	0	18,195,671	1.30	395
0	0	1,043,867	589,433	0	20,378,780	1.46	442
0	0	1,172,917	495,486	0	24,455,216	1.75	530
6,210,000	0	1,237,667	335,792	267,003	24,108,614	1.84	934
6,355,000	0	1,334,567	327,487	479,366	27,556,587	2.10	1,068
0	6,600,000	1,431,465	119,926	695,037	29,900,011	2.28	1,159
0	7,327,040	1,528,364	0	903,602	32,934,784	2.51	1,276
0	7,902,600	1,801,828	0	391,086	35,678,939	2.72	1,383
0	0	939,688	0	205,233	28,990,210	2.21	1,123

City of Cleveland Heights, Ohio

Legal Debt Margin

Last Ten Years

	2013	2012	2011	2010
Total Assessed Property Value	<u>\$861,088,460</u>	<u>\$865,300,800</u>	<u>\$911,825,870</u>	<u>\$924,844,430</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	10,680,000	12,290,000	14,125,000	15,895,000
Special Assessment Bonds	2,505,000	2,595,000	2,685,000	2,770,000
OPWC Loans	1,679,271	1,286,753	1,307,256	1,399,070
Notes	2,193,000	2,126,000	1,703,000	1,850,000
Total Gross Indebtedness	<u>17,057,271</u>	<u>18,297,753</u>	<u>19,820,256</u>	<u>21,914,070</u>
Less:				
Special Assessment Bonds	(2,505,000)	(2,595,000)	(2,685,000)	(2,770,000)
OPWC Loans	(1,679,271)	(1,286,753)	(1,307,256)	(1,399,070)
Notes	(2,193,000)	(2,126,000)	(1,703,000)	(1,850,000)
General Bond Retirement Fund Balance	<u>(1,306,909)</u>	<u>(1,817,733)</u>	<u>(3,485,699)</u>	<u>(3,790,860)</u>
Total Net Debt Applicable to Debt Limit	<u>9,373,091</u>	<u>10,472,267</u>	<u>10,639,301</u>	<u>12,104,140</u>
Overall Legal Debt Limit				
10 1/2% of Assessed Valuation	<u>90,414,288</u>	<u>90,856,584</u>	<u>95,741,716</u>	<u>97,108,665</u>
Legal Debt Margin Within 10 1/2% Limitations	<u>\$81,041,197</u>	<u>\$80,384,317</u>	<u>\$85,102,415</u>	<u>\$85,004,525</u>
Legal Debt Margin as a Percentage of the Debt Limit	89.63%	88.47%	88.89%	87.54%
Unvoted Debt Limitation				
5 1/2% of Assessed Valuation	<u>\$47,359,865</u>	<u>\$47,591,544</u>	<u>\$50,150,423</u>	<u>\$50,866,444</u>
Total Gross Indebtedness	17,057,271	18,297,753	19,820,256	21,914,070
Less:				
Special Assessment Bonds	(2,505,000)	(2,595,000)	(2,685,000)	(2,770,000)
OPWC Loans	(1,679,271)	(1,286,753)	(1,307,256)	(1,399,070)
Notes	(2,193,000)	(2,126,000)	(1,703,000)	(1,850,000)
General Bond Retirement Fund Balance	<u>(1,306,909)</u>	<u>(1,817,733)</u>	<u>(3,485,699)</u>	<u>(3,790,860)</u>
Net Debt Within 5 1/2% Limitations	<u>9,373,091</u>	<u>10,472,267</u>	<u>10,639,301</u>	<u>12,104,140</u>
Unvoted Legal Debt Margin Within 5 1/2% Limitations	<u>\$37,986,774</u>	<u>\$37,119,277</u>	<u>\$39,511,122</u>	<u>\$38,762,304</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	80.21%	78.00%	78.79%	76.20%

Source: City Financial Records

2009	2008	2007	2006	2005	2004
<u>\$924,330,040</u>	<u>\$988,511,560</u>	<u>\$995,536,060</u>	<u>\$999,298,505</u>	<u>\$883,640,876</u>	<u>\$887,912,101</u>
11,400,000	13,110,000	14,785,000	16,315,000	17,775,000	19,185,000
2,850,000	2,930,000	3,010,000	3,085,000	3,160,000	3,200,000
1,226,097	1,262,887	1,405,583	1,414,179	1,481,006	369,741
0	905,000	910,000	1,184,960	1,821,400	3,499,000
<u>15,476,097</u>	<u>18,207,887</u>	<u>20,110,583</u>	<u>21,999,139</u>	<u>24,237,406</u>	<u>26,253,741</u>
(2,850,000)	(2,930,000)	(3,010,000)	(3,085,000)	(3,160,000)	(3,200,000)
(1,226,097)	(1,262,887)	(1,405,583)	(1,414,179)	(1,481,006)	(369,741)
0	(905,000)	(910,000)	(1,184,960)	(1,821,400)	(3,499,000)
<u>(3,642,458)</u>	<u>(3,304,603)</u>	<u>(2,869,545)</u>	<u>(2,652,333)</u>	<u>(3,260,162)</u>	<u>(3,204,502)</u>
<u>7,757,542</u>	<u>9,805,397</u>	<u>11,915,455</u>	<u>13,662,667</u>	<u>14,514,838</u>	<u>15,980,498</u>
<u>97,054,654</u>	<u>103,793,714</u>	<u>104,531,286</u>	<u>104,926,343</u>	<u>92,782,292</u>	<u>93,230,771</u>
<u>\$89,297,112</u>	<u>\$93,988,317</u>	<u>\$92,615,831</u>	<u>\$91,263,676</u>	<u>\$78,267,454</u>	<u>\$77,250,273</u>
92.01%	90.55%	88.60%	86.98%	84.36%	82.86%
<u>\$50,838,152</u>	<u>\$54,368,136</u>	<u>\$54,754,483</u>	<u>\$54,961,418</u>	<u>\$48,600,248</u>	<u>\$48,835,166</u>
15,476,097	18,207,887	20,110,583	21,999,139	24,237,406	26,253,741
(2,850,000)	(2,930,000)	(3,010,000)	(3,085,000)	(3,160,000)	(3,200,000)
(1,226,097)	(1,262,887)	(1,405,583)	(1,414,179)	(1,481,006)	(369,741)
0	(905,000)	(910,000)	(1,184,960)	(1,821,400)	(3,499,000)
<u>(3,642,458)</u>	<u>(3,304,603)</u>	<u>(2,869,545)</u>	<u>(2,652,333)</u>	<u>(3,260,162)</u>	<u>(264,921)</u>
<u>7,757,542</u>	<u>9,805,397</u>	<u>11,915,455</u>	<u>13,662,667</u>	<u>14,514,838</u>	<u>18,920,079</u>
<u>\$43,080,610</u>	<u>\$44,562,739</u>	<u>\$42,839,028</u>	<u>\$41,298,751</u>	<u>\$34,085,410</u>	<u>\$29,915,087</u>
84.74%	81.96%	78.24%	75.14%	70.13%	61.26%

City of Cleveland Heights, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2013

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Cleveland Heights
Direct Debt			
City of Cleveland Heights			
General Obligation Bonds	\$10,830,316	100.00%	\$10,830,316
Special Assessment Bonds	2,522,575	100.00	2,522,575
OPWC Loans	1,679,271	100.00	1,679,271
Capital Leases	193,836	100.00	193,836
Total Direct Debt	15,225,998		15,225,998
Overlapping Debt:			
Payable from Property Taxes			
Cuyahoga County Bonds	335,242,118	3.40	11,398,232
Regional Transit Authority Bonds	148,938,217	3.40	5,063,899
Cleveland Heights-			
University Heights City School District	13,096,407	75.64	9,906,122
East Cleveland School District	5,355,139	23.8	1,274,523
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	427,434,477	3.40	14,532,772
Cuyahoga County Loans	6,058,580	3.40	205,992
Cuyahoga County Notes	5,100,000	3.40	173,400
Cuyahoga County Leases	372,101,958	3.40	12,651,467
Regional Transit Authority Capital Lease	16,149,572	3.40	549,085
Cleveland Heights -			
University Heights City School District Leases	318,414	75.64	240,848
Total Overlapping Debt	1,329,794,882		55,996,341
Total	\$1,345,020,880		\$71,222,339

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government.

City of Cleveland Heights, Ohio

Pledged Revenue Coverage

Revenue Debt - Water Fund

Last Three Years (1)

<u>Year</u>	<u>Operating Revenue</u>	<u>Expenses, Net of Depreciation *</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirement**</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2013	\$12,437,636	\$12,307,103	\$130,533	\$10,485	\$8,579	\$19,064	6.85
2012	11,468,562	12,786,562	(1,318,000)	10,094	10,114	20,208	(65.22)
2011	10,125,904	10,378,779	(252,875)	9,167	0	9,167	(27.59)

(1) Information prior to 2011 unavailable.

* Total operating expenses exclusive of depreciation.

** Revenue debt includes OWDA loans payable solely from net revenues in the water enterprise fund.

Source: City Financial Records

City of Cleveland Heights, Ohio

Pledged Revenue Coverage

Revenue Debt - Sewer Fund

Last Three Years (1)

<u>Year</u>	<u>Operating Revenue</u>	<u>Expenses, Net of Depreciation *</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirement**</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2013	\$1,671,895	\$1,568,459	\$103,436	\$26,247	\$12,026	\$38,273	2.70
2012	1,728,603	1,555,693	172,910	25,198	13,075	38,273	4.52
2011	1,607,296	1,921,205	(313,909)	11,392	7,151	18,543	(16.93)

(1) Information prior to 2011 unavailable.

* Total operating expenses exclusive of depreciation.

** Revenue debt includes OWDA loans payable solely from net revenues in the sewer enterprise fund.

Source: City Financial Records

City of Cleveland Heights, Ohio

Principal Employers

2013 and 2006(1)

2013

Employer	Employees
Group Management Services Incorporated	n/a
City of Cleveland Heights	783
Cuyahoga County Fiscal Office	321
CAS Health Investors	394
Home Depot	212
Toyota on the Heights	136
Cleveland Heights University Heights Public Library	135
Motorcars	87
Total	2,068
Total City Employment	n/a

2006

Employer	Employees	Percentage of Total City Employment
Cleveland Heights - University Heights City School District	851	2.71 %
City of Cleveland Heights	496	1.58
Kaiser Foundation	375	1.19
Walmart	250	0.80
Motorcars	200	0.64
Hebrew Academy	145	0.46
Home Depot	135	0.43
Cedarwood Plaza	130	0.41
Zagara's	125	0.40
Cleveland Heights University Heights Public Library	107	0.34
Total	2,814	8.95 %
Total City Employment	31,440	

Source: City of Cleveland Heights, Department of Income Tax - 2006
Regional Income Tax Agency (RITA)

n/a - not available

(1) Latest information available

City of Cleveland Heights, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (a)	Total Personal Income	Per Capita Personal Income	Median Household Income	Median Age	Educational Attainment: High School or higher
2013	46,121	\$1,395,621,460	\$30,260	\$47,529	35.2	93.7
2012	46,121	1,395,621,460	30,260	47,966	35.3	92.4
2011	46,121	1,395,621,460	30,260	49,056	35.7	92.3
2010	46,121	1,395,621,460	30,260	49,056	35.7	92.3
2009	50,769	1,310,043,276	25,804	47,400	35.2	91.6
2008	50,769	1,310,043,276	25,804	47,400	35.2	91.6
2007	50,769	1,310,043,276	25,804	47,400	35.2	91.6
2006	50,769	1,310,043,276	25,804	58,028	35.2	91.6
2005	50,769	1,310,043,276	25,804	58,028	35.2	91.6
2004	50,769	1,310,043,276	25,804	58,028	35.2	91.6

(a) Source: U. S. Census, Census of population
2010- 2012: 2010 Federal Census
2001-2009: 2000 Federal Census

(b) Source: Cuyahoga County Fiscal Officer

(c) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us>".

School Enrollment (c)	Cuyahoga County Unemployment Rate	Average Sales Price of Residential Property	Total Assessed Property Value (b)
5,300	7.2 %	n/a	\$861,088,460
5,870	8.3	n/a	865,300,800
5,870	8.0	n/a	911,825,870
5,832	8.6	131,300	924,844,430
5,899	9.0	131,300	924,330,040
6,286	7.1	131,300	988,511,560
6,286	6.1	131,300	995,536,060
6,473	5.5	245,290	999,298,505
6,717	5.9	178,000	883,640,876
6,887	6.3	160,000	887,912,101

City of Cleveland Heights, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

<u>Function/program</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Government:						
Mangement/Council	7.1	6.1	7.0	7.0	7.0	8.0
Finance	6.6	6.6	7.5	17.5	19.0	19.5
Off-Street Parking	3.0	3.0	3.0	3.0	3.0	3.0
Planning/Community						
Development	11.9	11.1	12.0	12.0	12.0	14.0
Building/Inspectional	15.0	17.4	16.5	15.0	15.5	18.0
Municipal Court	25.4	24.9	29.0	26.0	23.5	23.0
Other	20.2	18.4	19.0	18.5	18.5	21.0
Public Safety:						
Police						
Officers	113.8	113.1	113.0	111.0	111.0	118.0
Civilians/Crossing Guards	5.0	8.0	4.0	4.0	4.0	4.0
Fire						
Firefighters and officers	69.0	75.0	71.0	72.0	75.0	78.0
Civilians/Dispatch	8.6	9.9	10.5	10.0	9.0	9.0
Culture and Recreation:	58.6	57.0	56.5	59.5	59.0	65.0
Sanitation:	30.0	27.9	30.0	29.0	29.0	31.0
Transportation:	22.0	20.0	19.0	21.0	28.0	22.0
Other Public Works Departments	23.0	23.0	21.0	23.0	23.0	23.0
Public Utilities:						
Water	15.0	17.0	18.0	18.0	17.0	17.0
Wastewater	13.0	13.0	10.0	10.0	10.0	11.0
Totals:	<u>447.2</u>	<u>451.3</u>	<u>447.0</u>	<u>456.5</u>	<u>463.5</u>	<u>484.5</u>

Source: City of Cleveland Heights Payroll/ Human Resources Department

Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee.

Count taken at December 31.

2007	2006	2005	2004
8.0	8.0	8.0	8.5
18.0	22.0	22.0	21.0
3.0	2.0	2.0	1.0
13.5	13.0	13.0	14.5
20.0	22.0	22.0	21.5
26.0	24.0	24.0	22.0
25.0	27.0	27.0	23.0
115.5	108.0	108.0	114.0
4.0	12.0	12.0	4.0
79.0	79.0	79.0	79.0
9.0	8.0	8.0	8.0
72.0	70.0	70.0	48.0
32.0	33.0	32.0	34.0
26.0	23.0	26.0	23.0
24.0	24.5	24.5	24.0
19.0	20.0	20.0	19.5
10.0	10.0	10.0	13.0
<u>504.0</u>	<u>505.5</u>	<u>507.5</u>	<u>478.0</u>

City of Cleveland Heights, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/program	2013	2012	2011	2010
General Government				
Council and Clerk				
Number of ordinances passed	68	47	52	51
Number of resolutions passed	143	142	112	117
Number of Planning Commission docket items	52	27	22	27
Number of Board of Zoning Appeals docket items	36	25	28	30
Finance Department				
Number of checks/ accounts payable vouchers issued	6,498	6,752	6,363	6,327
Amount of checks written	\$29,020,478	\$30,468,399	\$27,736,616	\$34,223,380
Interest earnings for fiscal year (cash basis)	\$77,695	\$93,503	\$98,115	\$150,034
Number of journal entries issued	501	438	415	331
Agency Ratings - Moody's Financial Services	Aa2	Aa2	Aa3	Aa3
Income Tax Department				
Number of refund checks/vouchers issued	*	*	*	1,146
Amount of checks written	*	*	*	\$361,142
Number of individual returns	*	*	*	16,197
Number of business returns	*	*	*	1,899
Number of business withholding returns	*	*	*	10,610
Amount of penalties and interest collected	*	*	*	\$124,498
Annual number of corporate withholding forms processed	*	*	*	10,670
Annual number of balance due statements processed	*	*	*	46,769
Annual number of estimated payment forms processed	*	*	*	46,769
Annual number of reconciliations of withholdings processed	*	*	*	1,731
Municipal Court				
Number of civil cases	1,511	1,365	1,126	1,532
Number of criminal cases	3,359	2,685	2,287	3,162
Public Safety				
Fire				
EMS calls	4,733	4,817	4,631	4,374
Fire calls	1,399	1,296	1,211	1,136
Fires with loss	62	64	54	60
Fire safety inspections/re-inspections	957	1000+	1000+	1000+
Number of times mutual aid given to Fire and EMS	110	101	76	72
Number of times mutual aid received from Fire and EMS	82	128	91	51
Civil Service				
Number of police entry tests administered	1	0	1	0
Number of fire entry tests administered	1	0	1	0
Number of fire promotional tests administered	2	2	3	0
Number of hires of police officers from certified lists	2	2	7	8
Number of hires of fire/medics from certified lists	2	8	6	0
Number of promotions from fire certified lists	4	3	4	0
Number of promotions from police certified lists	0	2	2	2
Public Health Services (b)				
Vital Statistics				
Number of birth certificates sold	0	0	0	0
Number of death certificates sold	0	0	0	0
Number of burial permits issued	0	0	0	0
Culture and Recreation				
Senior activity center receipts	\$0	\$60,962	\$57,911	\$51,818
Swimming pools receipts	\$97,222	\$108,284	\$98,739	\$97,618
Ice program receipts	\$36,356	\$46,901	\$53,505	\$56,607
General recreation program receipts	\$94,312	\$90,404	\$96,470	\$97,908
Child care/summer program receipts (a)	\$0	\$0	\$0	\$0
Sports programs receipts	\$183,743	\$197,133	\$208,882	\$202,654
Community center program receipts	\$587,822	\$584,432	\$627,573	\$658,871
Cain park program receipts	\$564,682	\$689,853	\$428,296	\$425,099

2009	2008	2007	2006	2005	2004
32	72	42	45	62	65
95	111	116	98	106	123
17	16	23	25	30	33
31	33	26	24	27	39
6,191	6,842	7,090	7,252	7,404	7,861
\$26,202,955	\$27,805,150	\$32,223,691	\$26,767,750	\$29,584,579	\$30,834,075
\$311,695	\$458,811	\$1,026,304	\$987,192	\$437,830	\$369,534
352	335	371	278	302	305
Aa3	Aa3	Aa3	Aa3	Aa3	Aa3
1,065	1,100	1,247	1,332	1,229	1,304
\$335,724	\$384,020	\$362,176	\$307,635	\$367,483	\$392,189
15,483	15,660	17,797	18,569	19,112	17,161
1,931	1,331	1,881	1,912	1,809	1,859
10,654	10,343	1,386	1,760	1,691	1,628
\$64,601	\$49,630	\$91,867	\$271,651	\$99,467	\$181,190
10,654	10,343	1,760	1,760	1,691	1,628
47,806	48,909	58,087	58,087	79,710	78,217
47,806	48,909	58,087	58,087	79,710	78,217
2,073	1,495	1,348	1,837	1,683	78,217
1,778	1,864	2,014	2,700	1,270	1,831
3,449	3,047	3,582	3,408	2,985	2,956
4,098	4,113	4,047	3,984	4,168	4,034
1,119	1,247	1,304	1,261	1,143	1,141
48	57	51	55	88	51
1000+	1000+	1000+	1000+	1000+	1000+
45	71	90	103	89	84
66	65	82	42	77	80
0	1	0	0	0	1
0	0	1	0	1	0
0	0	0	0	1	0
4	0	2	0	0	4
0	0	0	1	1	0
0	0	0	1	2	0
3	0	0	0	0	0
0	0	0	177	224	186
0	0	0	646	586	553
0	0	0	650	770	721
\$56,039	\$54,521	\$46,198	\$47,239	\$49,503	\$54,307
\$87,468	\$95,385	\$103,788	\$97,851	\$108,565	\$99,862
\$49,967	\$50,456	\$52,876	\$83,050	\$76,679	\$98,986
\$143,470	\$69,056	\$71,849	\$76,648	\$77,122	\$63,873
\$0	\$157,639	\$211,603	\$202,417	\$206,777	\$185,493
\$194,513	\$204,718	\$224,013	\$222,546	\$223,602	\$218,709
\$606,401	\$706,337	\$708,994	\$737,836	\$678,549	\$632,413
\$492,280	\$419,008	\$583,553	\$732,301	\$666,202	\$602,292

(continued)

City of Cleveland Heights, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years (1)

Function/program	2013	2012	2011	2010
Community Development				
Building Department				
Construction permits issued - residential	807	906	792	964
Construction permits issued - commercial	105	95	92	108
Estimated value of construction - residential	\$9,610,449	\$10,674,213	\$10,638,000	\$11,304,000
Estimated value of construction - commercial	\$8,644,284	\$5,656,276	\$9,091,000	\$4,803,000
Number of permits issued	3,185	3,291	3,172	3,599
Amount of revenue generated from permits	\$365,424	\$314,110	\$311,809	\$383,576
Amount of revenue generated from fees/contractors licenses	\$113,318	\$120,724	\$113,420	\$117,625
Number of contractor registrations issued	1,080	1,134	853	1,407
Number of inspections performed	7,843	7,090	8,193	9,004
Community Development				
Annual entitled grant award	\$1,496,443	\$1,446,726	\$1,601,941	\$1,909,731
Program income received	\$283,408	\$208,548	\$506,829	\$344,680
CDBG-recovery and reinvestment award	\$0	\$0	\$0	\$0
Neighborhood stabilization program	\$0	\$0	\$250,000	\$0
Homelessness prevention and rapid re-housing program	\$0	\$0	\$0	\$0
Sanitation				
Refuse disposal costs per year January through December (c)	n/a	n/a	n/a	n/a
Transportation				
Crackseal Coating Program (lbs.)	11,153	6,761	5,065	7,155
Street repair (curb, aprons, berms, asphalt) (hours)	2,880	5,520	5,520	5,520
Line striping (hours)	2,152	1,736	1,792	1,848
Street Sweeping (hours)	2,800	2,960	2,960	2,960
Cold Patch (hours)	4,960	5,440	5,760	5,440
Snow and ice removal - regular hours	8,400	3,360	6,720	7,840
Snow and ice removal - overtime hours	3,488	3,002	3,191	4,257
Landscaping Stump-Chipper Service (hours)	5,716	5,500	5,668	5,200
Leaf collection - fall (hours)	13,332	11,433	11,047	10,828
Equipment repair/body shop (hours)	15,680	16,818	16,640	16,640
Number of trees planted per year	246	273	250	309
Tons of snow melting salt purchased	7,225	4,977	4,469	5,443
Cost of snow/calcium chloride purchased	\$237,629	\$226,927	\$210,907	\$238,918
Skunk removals	n/a	n/a	n/a	n/a
Water Department				
Water rates per 1,000 cu ft of water used	70.0	56.6	56.6	56.6
Average number of water accounts billed monthly (cu ft)	15,487	15,460	15,419	15,439
Total water collections annually (including P&I)	\$16,154,339	\$11,083,365	\$10,050,111	\$10,628,905
Payments to Cleveland for bulk water purchases	\$10,314,487	\$8,993,685	\$779,438	\$9,332,522
Wastewater Department				
Wastewater rates per 1,000 cu ft of water used (local)	11.1	11.1	11.1	11.1
Sewer and sanitary calls for service	350	318	326	360

Source: City of Cleveland Heights departments

Notes:

- (a) Beginning 2009, child care/summer programs were merged with the general recreational programming.
- (b) Public health handled at the County level in 2007.
 - * The City contracted with Regional Income Tax Agency for the collection of its municipal income tax effective July 7,2011 Therefore, due to mid-year conversion, accurate statistics are not available.
- (c) Beginning 2004, expenses were paid out of Department 6203 prior to that, expenses were paid out of Department 6204.

2009	2008	2007	2006	2005	2004
928	1,307	1,741	1,499	1,893	1,932
97	110	171	137	178	175
\$7,369,000	\$9,392,000	\$12,902,000	\$15,055,000	\$16,065,000	\$13,479,000
\$4,563,000	\$8,490,000	\$27,378,000	\$18,528,000	\$36,806,000	\$16,682,000
3,406	3,813	4,563	4,103	5,109	5,307
\$211,663	\$227,462	\$309,977	\$426,412	\$522,638	\$331,876
\$349,193	\$348,592	\$568,550	\$426,650	\$547,318	\$403,715
1,151	1,078	1,269	1,187	1,311	1,222
8,190	7,385	9,150	9,458	9,018	8,501
\$1,757,055	\$1,723,214	\$1,778,281	\$1,773,674	\$1,968,638	\$2,072,000
\$308,859	\$409,675	\$373,184	\$440,590	\$498,877	\$479,534
\$467,840	\$0	\$0	\$0	\$0	\$0
\$2,351,526	\$0	\$0	\$0	\$0	\$0
\$715,677	\$0	\$0	\$0	\$0	\$0
n/a	n/a	n/a	n/a	634,747	642,686
5,145	12,000	12,000	15,000	15,000	32,000
5,972	6,240	8,000	8,320	8,320	8,320
1,704	2,024	700	643	775	800
8,255	1,867	2,400	2,712	1,501	1,953
3,723	3,120	3,916	4,160	4,160	4,160
2,688	7,840	5,107	3,456	2,900	2,300
2,856	6,441	4,476	2,356	8,275	3,507
4,610	4,972	5,198	4,128	3,800	3,975
10,613	12,647	17,875	16,695	8,704	n/a
16,640	16,173	19,720	21,500	21,500	21,500
145	369	270	278	304	552
3,418	14,128	13,403	6,910	18,780	14,371
\$144,305	\$492,377	\$438,970	\$221,946	\$586,406	\$455,917
n/a	n/a	165	101	134	421
56.6	48.8	46.7	41.7	41.2	40.0
15,500	15,876	15,920	15,915	15,970	15,980
\$12,676,221	\$9,621,815	\$9,429,481	\$8,802,440	\$7,995,432	\$7,283,991
\$7,673,574	\$7,656,758	\$7,355,075	\$7,509,876	\$8,170,774	\$7,139,993
10.2	10.1	10.1	10.1	10.1	7.1
1,400	515	526	549	439	489

City of Cleveland Heights, Ohio
Capital Asset Statistics by Function/Program
Last Ten Years

Function/program	2013	2012	2011	2010
General Government				
Square Footage Occupied	68,000	68,000	68,000	68,000
Administrative Vehicles	9	14	14	16
Inspectional Vehicles	18	14	14	22
Municipal Court Vehicles	3	2	2	2
Land and Building Vehicles	21	14	14	22
Police				
Stations	1	1	1	1
Square Footage of Building	18,877	18,877	18,877	18,877
Vehicles	99	100	100	106
Fire				
Stations	2	2	2	2
Square Footage of Building	24,068	24,068	24,068	24,068
Vehicles	18	19	19	18
Recreation				
Number of Parks	6	6	6	6
Number of Pools	1	1	1	1
Number of Ice Rinks	2	2	2	2
Number of Tennis Courts	18	18	18	18
Number of Skateboarding Areas	1	1	1	1
Number of Baseball Diamonds	9	9	9	9
Number of Basketball Courts	5	5	5	5
Community Center Square Footage	150,000	150,000	150,000	150,000
Vehicles	7	12	12	27
Other public works				
Streets (miles)	137	137	137	137
Curbs (miles)	249	249	249	249
Square footage of Garage/Transfer Station	42,244	42,244	42,244	42,244
Service Vehicles	105	105	105	125
Wastewater				
Sanitary sewers (miles)	150	150	150	150
Storm sewers (miles)	150	150	150	150

Sources:

City of Cleveland Heights, Planning Department
City of Cleveland Heights, Building Department
City of Cleveland Heights, Parks and Recreation Department
City of Cleveland Heights, Payroll Department
City of Cleveland Heights, Water Department
City of Cleveland Heights, Street Maintenance Department

2009	2008	2007	2006	2005	2004
68,000	68,000	68,000	68,000	68,000	68,000
18	22	16	17	18	18
17	18	18	17	17	17
2	2	2	2	2	2
21	16	16	22	23	19
1	1	1	1	1	1
18,877	18,877	18,877	18,877	18,877	18,877
120	153	118	107	119	127
2	2	2	2	2	2
24,068	24,068	24,068	24,068	24,068	24,068
20	20	19	20	20	23
6	6	6	6	6	6
1	1	2	2	2	2
2	2	2	2	2	2
18	18	18	18	18	18
1	1	1	1	1	1
9	9	9	9	9	9
5	5	5	5	5	5
150,000	150,000	150,000	150,000	150,000	150,000
10	34	13	17	20	21
137	137	137	137	137	137
249	249	249	249	249	249
42,244	42,244	42,244	42,244	42,244	42,244
132	153	145	117	90	101
150	150	150	150	150	150
150	150	150	150	150	150

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Dave Yost • Auditor of State

CITY OF CLEVELAND HEIGHTS

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
SEPTEMBER 02, 2014**