

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

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2015**

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, 2015 through December 31, 2015. 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

November 4, 2016

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**CITY OF CLEVELAND HEIGHTS
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

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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
Cleveland Heights, Ohio

The Honorable Dave Yost
Auditor of State
State of 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, (City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 8, 2016, wherein we noted that the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*, and restated its net position at December 31, 2014 for governmental and business-type activities.

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 of Cleveland Heights, Ohio'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 *Governmental 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, Inc.
Certified Public Accountants

September 8, 2016

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

Certified Public Accountants

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**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 THE UNIFORM GUIDANCE**

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

The Honorable David Yost
Auditor of State
State of Ohio

Report on Compliance for Each Major Federal Program

We have audited the City of Cleveland Heights, Cuyahoga County, Ohio's (City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the City of Cleveland Heights, Ohio's major federal program for the year ended December 31, 2015. The City of Cleveland Heights, Ohio's major federal program is 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City of Cleveland Heights, Ohio's major federal program 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the 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 its major federal program for the year ended December 31, 2015.

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 Uniform Guidance, 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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, 2015, 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 September 8, 2016, which contained unmodified opinions on those financial statements. Our opinion also explained that the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, and restated its net position of the governmental activities and business-type activities at December 31, 2014. 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 the Uniform Guidance 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.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



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

September 8, 2016

**CITY OF CLEVELAND HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2015**

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	\$ 1,291,467
Total Direct Programs			<u>1,291,467</u>
<i>Passed through the Ohio Department of Development</i>			
Neighborhood Stabilization Program	14.256	N/A	<u>101,800</u>
<i>Passed through Cuyahoga County Housing Consortium</i>			
HOME Investment Partnership Program	14.239	M-05-DC-390216	<u>372,069</u>
<i>Passed through Cuyahoga Department of Development</i>			
Lead Safe Cuyahoga Program	14.900	LHC-OHLHB0373-07	<u>329,803</u>
Total Passed through Programs			<u>803,672</u>
Total U.S. Department of Housing and Urban Development			<u>2,095,139</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>			
<i>Direct Program:</i>			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	N//A	<u>491,624</u>
Assistance to Firefighters Grant	97.044	N/A	<u>295,302</u>
Total U.S. Department of Homeland Security			<u>786,926</u>
<u>U.S. Department of Transportation</u>			
<i>Passed through Ohio Department of Transportation</i>			
Federal Aid Highway Program	20.205	N/A	<u>26,006</u>
Total U.S. Department of Transportation			<u>26,006</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,921,699</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, 2015**

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.

The City did not use the de minimus rate of 10 percent for indirect costs charged to the federal grants.

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 2015 is as follows:

Beginning loans receivable balance as of January 1, 2015	\$ 1,678,625
Write Offs	(70,300)
Loans Made	0
Loan Principal Repaid	<u>(209,808)</u>
Ending loans receivable balance as of December 31, 2015	1,398,517
Cash balance on hand in the revolving loan fund as of December 31, 2015	<u>35,725</u>
Total value of revolving loan fund portion of the CDBG 14.218 Program	1,434,242
Other grants administered through the 14.218 Program	<u>1,291,467</u>
Total CDBG 14.218 Program	<u><u>\$ 2,725,709</u></u>

**CITY OF CLEVELAND HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 DECEMBER 31, 2015**

1. SUMMARY OF AUDITOR'S RESULTS

2015(i)	Type of Financial Statement Opinion	Unmodified
2015(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2015(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2015(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2015(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2015(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2015(v)	Type of Major Programs' Compliance Opinions	Unmodified
2015(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2015(vii)	Major Programs (list): Community Development Block Grant - CFDA #14.218	
2015(viii)	Dollar Threshold: A/B Programs	Type A: \$750,000 Type B: All Others
2015(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, 2015**

The prior audit report, as of December 31, 2014, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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CAFR

2015 COMPREHENSIVE ANNUAL FINANCIAL REPORT CLEVELAND HEIGHTS, OHIO

for the fiscal year ended
December 31, 2015



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Cleveland Heights beautiful parks

INTRODUCTORY SECTION



**Snow
gently
settles
on
Forest
Hill Park.**

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2015
COMPREHENSIVE
ANNUAL FINANCIAL REPORT
CLEVELAND HEIGHTS, OHIO

for the fiscal year ended
December 31, 2015



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

Children
enjoy
the
Cain Park
Splash Pad.

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City of Cleveland Heights, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2015
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September 8, 2016

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

The purpose of this letter is to acquaint you with the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending December 31, 2015. 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 is 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 of City 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.

The City has nine major operating departments, including the following:

- A public works department that oversees various divisions including refuse, street maintenance and utilities;
- Public Safety that includes police and fire;
- Community Services Department that oversees Cain Park and parks and recreation;
- Finance Department that includes general accounting and treasury management as well as preparation of the Comprehensive Annual Financial Report.

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 continues to benefit from 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.

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 2016 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.

MAJOR INITIATIVES

Through a variety of municipal services and programs together with 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 2015 included: Chris Botti, Esperanza Spalding, Herman's Hermits, Preservation Hall Jazz Band, Apollo's Fire Baroque Orchestra, Golden Dragon Acrobats, The Beach Boys, Richard Marx & John Waite, Eileen Ivers, Black Violin and Southside Johnny and the Asbury Jukes. The Cain Park Arts Festival was again well attended in 2015 and is recognized as one of the best such events in the United States.

There were various road resurfacing and surface treatment projects completed during the year at a cost of approximately \$1.5 million.

The City implemented a new time clock system with Kronos.

Structural repairs were made at three of the City's parking garages along with resurfacing of several City owned off street parking lots.

This is the second year of the newly implemented five year capital improvement program. This process is undertaken in correlation to the operating budget process. Among the projects that were included in the initial five year capital improvement program were as follows:

- Service garage roof improvements at a cost of \$156,000;
- Parking lot resurfacing at a cost of \$290,000; and
- Police vehicles at a cost of \$190,372

PLANNED DEVELOPMENT PROJECTS FOR 2016

The Cedar Lee Streetscape will start and be completed in 2016. Total project cost at approximately \$3.4 million. The City has secured over \$3 million in federal and county funding for this project.

Various road resurfacing and surface treatment projects.

Resurfacing of several city owned off street parking lots.

Rehabilitation of the parking lot at Fire Station #2

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. In 2016, City Council approved an agreement with the City of Cleveland to transition from a master meter community to a direct service community. This would entail that the City of Cleveland would distribute water to City residents while maintaining and owning the water mains.

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 residents.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) Program is administered by the Planning and Development Department. In 2015, the City received \$1 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, Community Development, Public Improvements, Water and Sewer Services, and General Administrative Services.

In addition to the services above, 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 a variety of sports, playground, and picnic facilities. In addition, the expansion of the Recreation Pavilion into a full-service Community Center was completed in 2001. Other features of the Community Center are a Senior Activity Center, a field house, ice rinks 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, special styrofoam and electronics. 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. During 2015 the department was able to concentrate on the removing and replanting of Cleveland Heights' aging urban forest. The Forestry Division planted 203 trees, (size 2" to 2.5" caliper), removed 528 hazardous trees, and trimmed 803 trees. The trimming and removal of hazardous trees resulted in 245 loads of wood chips and 74 loads of logs. The Department provided Christmas tree chipping curbside throughout the city in the month of January. The Forestry Division is on call 24 hours a day 365 days a year to respond to storm and tree related emergencies. Currently there are four International Society of Arboriculture (ISA) Certified Arborists on staff. In 2015 Knowles Municipal Forestry was contracted to perform an independent City-wide electronic tree inventory and assessment of all city owned trees. The City received its 38th – 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 as needed, 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 approximately \$1.5 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 2015. This discussion follows the Independent Auditors’ Report.

The City maintains its legal level of budgetary control at the fund level. 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, 2015, have been audited by James G. Zupka, CPA, Inc. The auditor's unqualified 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, 2014. 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 thirty-one (31) consecutive years (fiscal years ended December 31, 1984 through December 31, 2014). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

The City also received the "Auditor of State Award with Distinction" for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014. This award is given to less than 5% of eligible participants and demonstrates a high standard of financial reporting.

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, 2015

ELECTED OFFICIALS

Mayor.....	Dennis Wilcox
Vice Mayor.....	Cheryl L. Stephens
Council Member.....	Mary Dunbar
Council Member.....	Jason S. Stein
Council Member.....	Kahlil Seren
Council Member.....	Jeff Coryell
Council Member.....	Melissa Yasinow
Municipal Judge.....	A. Deane Buchanon

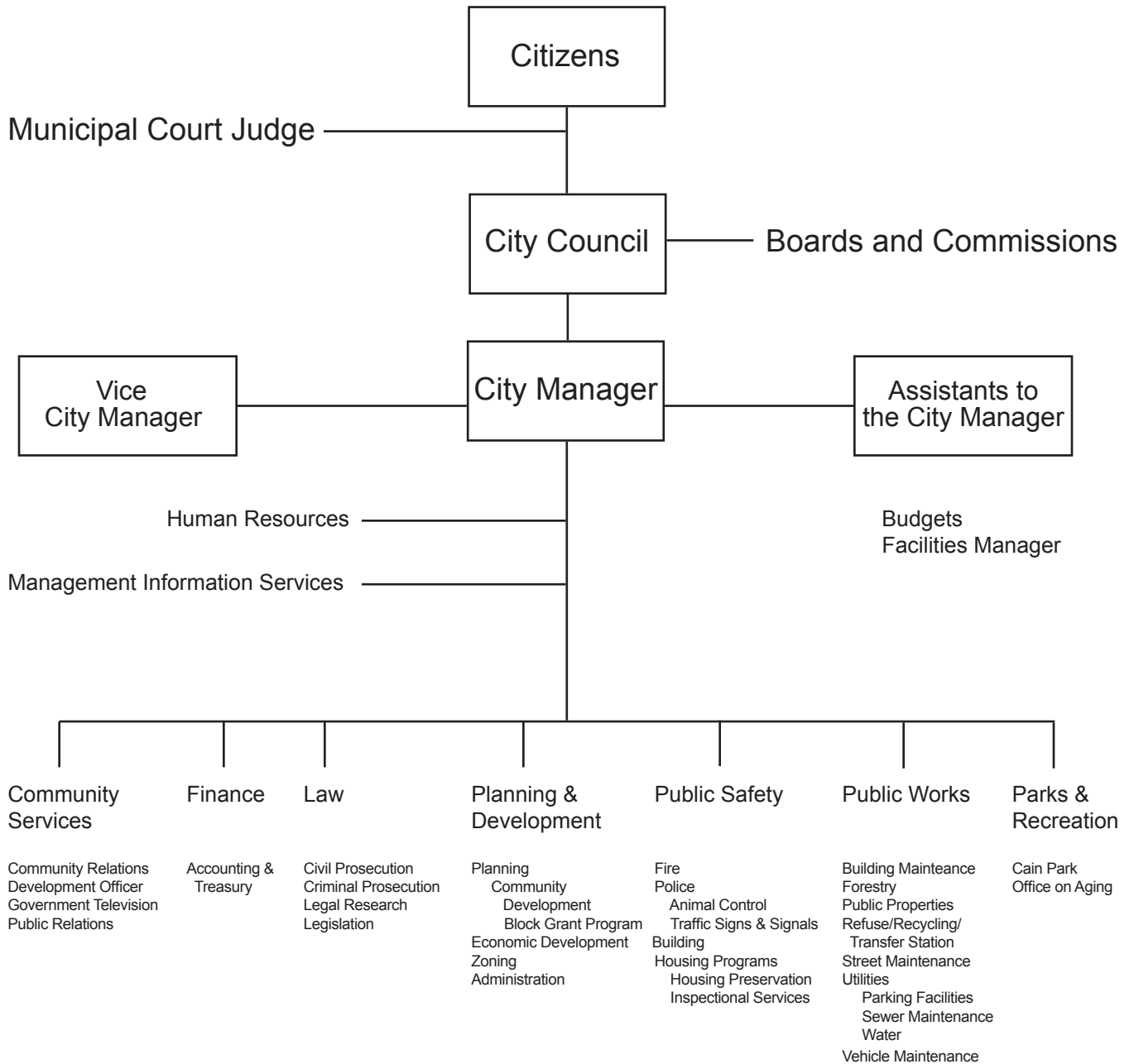
APPOINTED OFFICIALS

City Manager.....	Tanisha R. Briley
Vice City Manager/Director of Community Services.....	Susanna Niermann O'Neil
Director of Finance.....	Tom Raguz
Assistant Director of Finance.....	Sharron McCrory
Director of Law.....	L. James Juliano, Jr.
First Assistant Director of Law.....	Elizabeth Rothenberg
Assistant Director of Law.....	Kevin Roberts
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



CITY OF CLEVELAND HEIGHTS, OHIO

City Organization as of December 31, 2015





CITY OF CLEVELAND HEIGHTS, OHIO

Department of Finance Organizational Chart as of December 31, 2015





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, 2014

Executive Director/CEO

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Cleveland Heights beautiful parks



FINANCIAL SECTION

Summer
wildflowers
in the
great
meadow
of
Forest Hill
Park.

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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
Cleveland Heights, Ohio

The Honorable Dave 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, (City) as of and for the year ended December 31, 2015, 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, Cuyahoga County, Ohio, as of December 31, 2015, 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.

Emphasis of Matter

As described in Note 3 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and restated its net position at December 31, 2014 for governmental and business-type activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension Liabilities and Pension Contributions, 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 September 8, 2016, 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

September 8, 2016

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City of Cleveland Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
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, 2015. 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 2015 are as follows:

- Overall, governmental activities revenues of \$59 million exceeded the expenses of \$52.9 million, thereby increasing the net position by \$5.8 million for the year 2015. The total net position is \$65 million compared to \$59.1 for the previous year.
- Total governmental liabilities decreased by \$529,358, which is attributed to paying down more debt obligations and fewer current liabilities during 2015.
- On November 30, 2015, the City was successful in passing a local income tax levy, which raised the income tax rate from 2 percent to 2.25 percent starting January 2, 2016.
- 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, 2015
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 17 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, 2015
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 25 through 28 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 starting on page 30 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 required supplementary information and 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.

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 2015?" 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, 2015
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 2015 compared to 2014.

NET POSITION

TABLE 1

	Governmental Activities		Business-Type Activities		Total	
	2015	2014*	2015	2014*	2015	2014*
Assets						
Current and Other Assets	\$54,813,459	\$51,849,482	\$5,921,868	\$4,666,963	\$60,735,327	\$56,516,445
Capital Assets, Net	81,747,117	82,023,971	21,759,173	21,974,289	103,506,290	103,998,260
<i>Total Assets</i>	<u>136,560,576</u>	<u>133,873,453</u>	<u>27,681,041</u>	<u>26,641,252</u>	<u>164,241,617</u>	<u>160,514,705</u>
Deferred Outflows of Resources						
Deferred Charge on Refunding	803,299	361,729	0	0	803,299	361,729
Pension	6,206,667	4,034,782	206,341	147,427	6,413,008	4,182,209
<i>Total Deferred Outflows of Resources</i>	<u>7,009,966</u>	<u>4,396,511</u>	<u>206,341</u>	<u>147,427</u>	<u>7,216,307</u>	<u>4,543,938</u>
Liabilities						
Current and Other Liabilities	2,746,935	5,368,119	1,781,041	3,037,736	4,527,976	8,405,855
Long-Term Liabilities:						
Due within One Year	5,327,863	6,229,488	463,167	471,381	5,791,030	6,700,869
Due in More than One Year						
Net Pension Liability	42,550,485	40,532,937	1,200,223	1,173,114	43,750,708	41,706,051
Other Amounts	18,459,770	17,483,867	1,528,178	1,642,453	19,987,948	19,126,320
<i>Total Liabilities</i>	<u>69,085,053</u>	<u>69,614,411</u>	<u>4,972,609</u>	<u>6,324,684</u>	<u>74,057,662</u>	<u>75,939,095</u>
Deferred Inflows of Resources						
Property Taxes	9,268,639	9,510,786	0	0	9,268,639	9,510,786
Pension	249,590	0	21,085	0	270,675	0
<i>Total Deferred Inflows of Resources</i>	<u>9,518,229</u>	<u>9,510,786</u>	<u>21,085</u>	<u>0</u>	<u>9,539,314</u>	<u>9,510,786</u>
Net Investment in Capital Assets	63,355,613	63,242,503	20,428,734	20,507,524	83,784,347	83,750,027
Restricted for:						
Capital Projects	834,343	715,354	0	0	834,343	715,354
Debt Service	4,225,426	4,616,423	0	0	4,225,426	4,616,423
Other Purposes	11,284,563	10,657,170	0	0	11,284,563	10,657,170
Unrestricted (Deficit)	(14,732,685)	(20,086,683)	2,464,954	(43,529)	(12,267,731)	(20,130,212)
<i>Total Net Position</i>	<u>\$64,967,260</u>	<u>\$59,144,767</u>	<u>\$22,893,688</u>	<u>\$20,463,995</u>	<u>\$87,860,948</u>	<u>\$79,608,762</u>

*Restated

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed that follow, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability.

GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$95,642,922 to \$59,144,767 for governmental activities and from \$21,489,682 to \$20,463,995 for business type activities.

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Our total net position of the City's governmental activities increased \$5,822,493 (9.84 percent) during the current year due to revenues exceeding expenses. 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.

CHANGES IN NET POSITION
TABLE 2

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for Services	\$13,751,693	\$13,973,272	\$15,905,002	\$14,599,136	\$29,656,695	\$28,572,408
Operating Grants and Contributions	5,136,553	6,296,657	0	0	5,136,553	6,296,657
Capital Grants and Contributions	37,300	73,446	0	0	37,300	73,446
Total Program Revenues	18,925,546	20,343,375	15,905,002	14,599,136	34,830,548	34,942,511
General Revenues:						
Property Taxes	10,343,183	9,280,067	0	0	10,343,183	9,280,067
Municipal Income Taxes	24,221,436	24,035,692	0	0	24,221,436	24,035,692
Admissions Taxes	94,087	158,849	0	0	94,087	158,849
Grants and Entitlements	2,938,207	3,297,881	0	0	2,938,207	3,297,881
Franchise Taxes	560,558	490,496	0	0	560,558	490,496
Investment Income	77,437	70,034	0	0	77,437	70,034
Gain on Sale of Capital Assets	15,219	0	0	0	15,219	0
Miscellaneous	1,838,614	1,259,270	4,232	19,361	1,842,846	1,278,631
Total General Revenues	40,088,741	38,592,289	4,232	19,361	40,092,973	38,611,650
Total Revenues	59,014,287	58,935,664	15,909,234	14,618,497	74,923,521	73,554,161
Program Expenses						
General Government	12,914,350	14,768,680	0	0	12,914,350	14,768,680
Public Safety	21,488,717	21,856,257	0	0	21,488,717	21,856,257
Public Health Services	332,708	363,067	0	0	332,708	363,067
Transportation	7,123,967	8,330,208	0	0	7,123,967	8,330,208
Community Development	5,009,520	6,147,040	0	0	5,009,520	6,147,040
Sanitation	2,531,508	1,829,229	0	0	2,531,508	1,829,229
Culture and Recreation	3,007,590	3,117,836	0	0	3,007,590	3,117,836
Interest and Fiscal Charges	498,182	668,496	0	0	498,182	668,496
Water	0	0	12,225,265	14,023,023	12,225,265	14,023,023
Sewer	0	0	1,539,528	2,045,581	1,539,528	2,045,581
Total Program Expenses	52,906,542	57,080,813	13,764,793	16,068,604	66,671,335	73,149,417
Increase (Decrease) in Net Position						
Before Transfers	6,107,745	1,854,851	2,144,441	(1,450,107)	8,252,186	404,744
Transfers	(285,252)	16,421	285,252	(16,421)	0	0
Change in Net Position	5,822,493	1,871,272	2,429,693	(1,466,528)	8,252,186	404,744
Net Position Beginning of Year -						
Restated (See Note 3)	59,144,767	N/A	20,463,995	N/A	79,608,762	N/A
Net Position End of Year	\$64,967,260	\$59,144,767	\$22,893,688	\$20,463,995	\$87,860,948	\$79,608,762

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The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$4,182,209 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$4,453,882. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-Type Activities	Total
Total 2015 program expense under GASB 68	\$52,906,542	\$13,764,793	\$66,671,335
Pension expense under GASB 68	(4,322,300)	(131,582)	(4,453,882)
2015 contractually required contribution	4,227,047	142,301	4,369,348
Adjusted 2015 program expenses	52,811,289	13,775,512	66,586,801
Total 2014 program expenses under GASB 27	57,080,813	16,068,604	73,149,417
Decrease in program expenses not related to pension	(\$4,269,524)	(\$2,293,092)	(\$6,562,616)

Governmental Activities

Governmental activities increased the City's net position by \$5,822,493 during 2015, as compared to an increase of \$1,871,272 during 2014.

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 2015. 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.

The income tax revenue for 2015 was \$24,221,436, an increase of \$185,744 or 0.77 percent from 2014. The increase was due to a higher rate of collections on delinquent accounts. Of the \$40,088,741 in total general revenues, income tax accounted for 60.42 percent, as compared to 62.28 percent of the total during 2014. Property taxes for 2015 were \$10,343,183, a \$1,063,116 increase from 2014.

Charges for services decreased for 2015 by \$221,579 (1.59 percent) due to a slight increase in delinquent special assessments.

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. The increase was attributable primarily to the increase in property taxes and income taxes. Operating grants and contributions decreased due to prior year grants that were not applied for during 2015.

The largest program function for the City for 2015 is public safety, with program expenses of \$21,488,717 as compared to \$21,856,257 in 2014, a decrease of 1.68 percent. This was due to a decrease in personnel costs. 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 \$12,914,350 decreased by \$1,854,330, as compared to expenses of \$14,768,680 for 2014. This is due to a decrease in personnel costs.

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The next largest program expense for 2015 is transportation, with program expenses of \$7,123,967, as compared to \$8,330,208 in 2014, a decrease of 14.48 percent. This is a result of major projects being completed in 2014.

Community development expenses decreased by \$1,137,520, or 18.51 percent, during 2015, due to a decrease in program costs as a result of a decrease in funding from operating grants and contributions.

As can be seen in table 2, all programs have a heavy reliance on general revenues, with 67.93 percent of total 2015 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, increased the City's net position by \$2,429,693 during 2015, as compared to a decrease of net position of \$1,466,528 during 2014. The increase in net position in business-type activities is due to significant increases in charges for services.

Program revenues exceeded program expenses in the amount of \$2,144,441 (before transfers) for the water and sewer operations in 2015. This is due to increased charges for services and decreased operational costs.

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 20. These funds are accounted for by using the modified accrual basis of accounting.

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As of the end of the current year, the City of Cleveland Heights's governmental funds reported combined ending fund balances of \$21,312,493. Nonspendable fund balance of \$347,389 includes inventory. Fund balance in the amount of \$9,244,854 is restricted for road improvements, police and fire department operations, and community development operations. Fund balance in the amount of \$964,170 is committed to public building maintenance, Cain Parking operations, ambulance services, police facility improvements and Ring Road construction. Assigned fund balance includes \$3,459,206 for other than personal services purchases on order, economic development, City Hall maintenance, and capital improvements. Unassigned fund balances of \$7,296,874 represents all balances not previously classified.

All governmental funds had total revenues of \$59,187,851 and expenditures of \$56,925,523. Revenues increased from the previous year. The increase in revenues was attributable to an increase in property and municipal income tax revenues, which was partially offset by a decrease in intergovernmental revenues. The decrease in expenditures was primarily due to decreases in public safety, transportation, 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 \$8,266,266, of which \$272,287 was nonspendable because of inventory, \$113,116 was assigned to purchases on order, and \$7,880,863 was unassigned for financial reporting purposes. Total fund balance of the City's general fund increased by \$3,600,776, mainly due to increases in property and municipal income tax revenues and decreases in transportation and community development expenditures. 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 \$1,801,619, which was an increase from the prior year mainly due to the issuance of notes.

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 2015, 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 (including other financing sources) were \$42,673,000 and final budgeted revenues were \$42,954,353, while actual revenues (including other financing sources) were at \$44,535,970. Original general fund budgeted expenditures (including other financing sources) were \$42,263,416, and the final amended budget (including other financing uses) was \$44,144,549. Actual general fund expenditures (including other financing uses) were \$43,669,743, or \$474,806 less than final budgeted expenditures (including other financing uses). The City will monitor spending more closely to ensure the expenditures are in line with the budget.

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Capital Assets and Debt Administration

Capital Assets

Table 3 shows 2015 balances of capital assets as compared to 2014.

**CAPITAL ASSETS
(NET OF DEPRECIATION)**

TABLE 3

	Governmental Activities		Business-Type Activities	
	2015	2014	2015	2014
Land	\$5,288,136	\$5,288,136	\$0	\$0
Construction in Progress	5,968,601	3,338,014	0	20,735
Intangible Assets	32,707	32,707	0	0
Land Improvements	981,075	1,106,245	0	0
Buildings and Improvements	33,237,954	34,369,681	90,805	97,190
Machinery & Equipment	7,380,048	6,891,379	179,458	218,054
Infrastructure:				
Streets and Sidewalks	28,037,815	30,129,746	0	0
Off-street Parking Lots	820,781	868,063	0	0
Water Lines	0	0	14,307,503	14,262,869
Sanitary Sewers Lines	0	0	5,265,148	5,387,571
Storm Sewer Lines	0	0	1,916,259	1,987,870
Total	<u>\$81,747,117</u>	<u>\$82,023,971</u>	<u>\$21,759,173</u>	<u>\$21,974,289</u>

The most significant increases in governmental capital assets came in construction in progress, which increased \$2,932,712 during 2015, largely due to the start of several street parking lot projects. Total capital assets for business-type activities decreased compared to 2014 due to current year depreciation outpacing current year additions.

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.

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Debt

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

OUTSTANDING DEBT

TABLE 4

	Governmental Activities		Business - Type Activities	
	2015	2014	2015	2014
General Obligation Bonds	\$12,971,816	\$12,202,733	\$0	\$0
Special Assessment Bonds	2,375,000	2,490,000	0	0
OPWC Loans	1,461,069	1,576,509	704,720	801,619
OWDA Loans	0	0	439,386	479,178
Short-Term Notes	237,527	1,976,277	0	185,968
Long-Term Notes	1,515,000	0	186,333	0
Total	\$18,560,412	\$18,245,519	\$1,330,439	\$1,466,765

The general obligation bonds are composed of (1) 2013 Various Purpose Refunding Bonds; (2) 2014 Various Purpose Bonds; (3) 2015 Various Purpose Bonds; (4) 2008 Recreational Facilities Refunding Bonds; (5) 2008 Cedar Lee Parking Deck Bonds; and (6) 2015 Cedar Lee Parking Deck Refunding Bonds.

The special assessment bonds consist of the 2014 Ring Road improvements Refunding Bonds. 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 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.

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

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 \$73,336,388 at December 31, 2015.

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

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Current Financial Related Activities

The Administration and City Council developed a five year capital improvement 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 2015 year is no different as the City completed the street and other infrastructure improvements. On May 2, 2016, the City entered into a service agreement with the City of Cleveland for water, and to terminate the master meter agreement effective January, 2017.

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, 2015

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$16,757,163	\$1,000,498	\$17,757,661
Materials and Supplies Inventory	347,389	36,914	384,303
Accrued Interest Receivable	12,059	0	12,059
Accounts Receivable	1,862,812	5,257,754	7,120,566
Internal Balances	373,298	(373,298)	0
Intergovernmental Receivable	2,589,623	0	2,589,623
Municipal Income Taxes Receivable	13,624,100	0	13,624,100
Property Taxes Receivable	11,513,260	0	11,513,260
Special Assessments Receivable	5,637,100	0	5,637,100
Notes Receivable	1,508,722	0	1,508,722
Assets Held For Resale	587,933	0	587,933
Nondepreciable Capital Assets	11,289,444	0	11,289,444
Depreciable Capital Assets, Net	70,457,673	21,759,173	92,216,846
<i>Total Assets</i>	<u>136,560,576</u>	<u>27,681,041</u>	<u>164,241,617</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	803,299	0	803,299
Pension	6,206,667	206,341	6,413,008
<i>Total Deferred Outflows of Resources</i>	<u>7,009,966</u>	<u>206,341</u>	<u>7,216,307</u>
Liabilities			
Accounts Payable	557,496	40,902	598,398
Contracts Payable	18,005	0	18,005
Accrued Wages	920,681	47,257	967,938
Accrued Interest Payable	47,818	1,066	48,884
Intergovernmental Payable	965,408	1,691,816	2,657,224
Notes Payable	237,527	0	237,527
Long-Term Liabilities:			
Due Within One Year	5,327,863	463,167	5,791,030
Net Pension Liability (See Note 13)	42,550,485	1,200,223	43,750,708
Other Amounts Due In More Than One Year	18,459,770	1,528,178	19,987,948
<i>Total Liabilities</i>	<u>69,085,053</u>	<u>4,972,609</u>	<u>74,057,662</u>
Deferred Inflows of Resources			
Property Taxes	9,268,639	0	9,268,639
Pension	249,590	21,085	270,675
<i>Total Deferred Inflows of Resources</i>	<u>9,518,229</u>	<u>21,085</u>	<u>9,539,314</u>
Net Position			
Net Investment in Capital Assets	63,355,613	20,428,734	83,784,347
Restricted for:			
Capital Projects	834,343	0	834,343
Debt Service	4,225,426	0	4,225,426
Road Improvements	1,454,195	0	1,454,195
Community Development	1,407,045	0	1,407,045
Municipal Court Special Projects	1,778,074	0	1,778,074
Street Lighting	2,598,370	0	2,598,370
Public Safety	130,213	0	130,213
Other Purposes	3,916,666	0	3,916,666
Unrestricted (Deficit)	(14,732,685)	2,464,954	(12,267,731)
<i>Total Net Position</i>	<u>\$64,967,260</u>	<u>\$22,893,688</u>	<u>\$87,860,948</u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Statement of Activities
For the Year Ended December 31, 2015

	Expenses	Program Revenues		
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$12,914,350	\$4,368,875	\$13,414	
Public Safety	21,488,717	5,614,727	1,416,172	0
Public Health Services	332,708	75,245	5,585	0
Transportation	7,123,967	660,114	2,006,120	0
Community Development	5,009,520	508,653	1,669,844	0
Sanitation	2,531,508	1,037,224	0	37,300
Culture and Recreation	3,007,590	1,486,855	25,418	0
Interest and Fiscal Charges	498,182	0	0	0
<i>Total Governmental Activities</i>	<u>52,906,542</u>	<u>13,751,693</u>	<u>5,136,553</u>	<u>37,300</u>
Business-Type Activities				
Water	12,225,265	14,282,892	0	0
Sewer	1,539,528	1,622,110	0	0
<i>Total Business-Type Activities</i>	<u>13,764,793</u>	<u>15,905,002</u>	<u>0</u>	<u>0</u>
<i>Total</i>	<u>\$66,671,335</u>	<u>\$29,656,695</u>	<u>\$5,136,553</u>	<u>\$37,300</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
- Gain on Sale of Capital Assets
- Investment Earnings
- Miscellaneous

Total General Revenues Before Transfers

Transfers

Total General Revenues and Transfers

Change in Net Position

*Net Position Beginning of Year -
Restated (See Note 3)*

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
(\$8,532,061)	\$0	(\$8,532,061)
(14,457,818)	0	(14,457,818)
(251,878)	0	(251,878)
(4,457,733)	0	(4,457,733)
(2,831,023)	0	(2,831,023)
(1,456,984)	0	(1,456,984)
(1,495,317)	0	(1,495,317)
(498,182)	0	(498,182)
(33,980,996)	0	(33,980,996)
0	2,057,627	2,057,627
0	82,582	82,582
0	2,140,209	2,140,209
(33,980,996)	2,140,209	(31,840,787)
7,465,977	0	7,465,977
217,334	0	217,334
217,334	0	217,334
1,935,505	0	1,935,505
507,033	0	507,033
24,221,436	0	24,221,436
94,087	0	94,087
2,938,207	0	2,938,207
560,558	0	560,558
15,219	0	15,219
77,437	0	77,437
1,838,614	4,232	1,842,846
40,088,741	4,232	40,092,973
(285,252)	285,252	0
39,803,489	289,484	40,092,973
5,822,493	2,429,693	8,252,186
59,144,767	20,463,995	79,608,762
<u>\$64,967,260</u>	<u>\$22,893,688</u>	<u>\$87,860,948</u>

City of Cleveland Heights, Ohio

Balance Sheet

Governmental Funds

December 31, 2015

	General	General Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$5,200,263	\$2,040,444	\$9,516,456	\$16,757,163
Materials and Supplies Inventory	272,287	0	75,102	347,389
Accrued Interest Receivable	12,059	0	0	12,059
Accounts Receivable	535,053	0	1,327,759	1,862,812
Interfund Receivable	816,224	0	0	816,224
Intergovernmental Receivable	1,227,262	141,216	1,221,145	2,589,623
Municipal Income Taxes Receivable	13,624,100	0	0	13,624,100
Property Taxes Receivable	8,038,671	2,407,193	1,067,396	11,513,260
Special Assessments Receivable	0	1,680,000	3,957,100	5,637,100
Notes Receivable	0	0	1,508,722	1,508,722
Assets Held For Resale	0	0	587,933	587,933
<i>Total Assets</i>	<u>\$29,725,919</u>	<u>\$6,268,853</u>	<u>\$19,261,613</u>	<u>\$55,256,385</u>
Liabilities				
Accounts Payable	\$205,461	\$0	\$343,820	\$549,281
Contracts Payable	3,000	0	15,005	18,005
Accrued Wages	841,845	0	78,836	920,681
Interfund Payable	11,059	0	431,867	442,926
Intergovernmental Payable	603,085	0	362,323	965,408
Accrued Interest Payable	0	1,298	0	1,298
Notes Payable	0	237,527	0	237,527
<i>Total Liabilities</i>	<u>1,664,450</u>	<u>238,825</u>	<u>1,231,851</u>	<u>3,135,126</u>
Deferred Inflows of Resources				
Property Taxes	6,426,220	1,983,082	859,337	9,268,639
Unavailable Revenue	13,368,983	2,245,327	5,925,817	21,540,127
<i>Total Deferred Inflows of Resources</i>	<u>19,795,203</u>	<u>4,228,409</u>	<u>6,785,154</u>	<u>30,808,766</u>
Fund Balances				
Nonspendable	272,287	0	75,102	347,389
Restricted	0	1,801,619	7,443,235	9,244,854
Committed	0	0	964,170	964,170
Assigned	113,116	0	3,346,090	3,459,206
Unassigned (Deficit)	7,880,863	0	(583,989)	7,296,874
<i>Total Fund Balances</i>	<u>8,266,266</u>	<u>1,801,619</u>	<u>11,244,608</u>	<u>21,312,493</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$29,725,919</u>	<u>\$6,268,853</u>	<u>\$19,261,613</u>	<u>\$55,256,385</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, 2015*

Total Governmental Fund Balances		\$21,312,493
<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.		81,747,117
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	1,645,018	
Delinquent Property Taxes	2,244,621	
Municipal Income Tax	10,338,390	
Intergovernmental	1,674,998	
Special Assessments	5,637,100	
Total		21,540,127
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		(8,215)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(46,520)
Deferred Outflows of Resources represent deferred charges on refunding which are not reported in the funds.		803,299
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(12,971,816)	
Special Assessment Bonds	(2,375,000)	
OPWC Loans	(1,461,069)	
Notes	(1,515,000)	
Compensated Absences Payable	(4,191,809)	
Retrospective Workers' Compensation	(466,081)	
Solid Waste	(159,940)	
Capital Lease Obligation Payable	(646,918)	
Total		(23,787,633)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	6,206,667	
Net Pension Liability	(42,550,485)	
Deferred Inflows - Pension	(249,590)	
Total		(36,593,408)
<i>Net Position of Governmental Activities</i>		\$64,967,260

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, 2015

	General	General Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$7,295,765	\$1,917,771	\$940,814	\$10,154,350
Municipal Income Taxes	24,797,290	0	0	24,797,290
Admissions Taxes	94,087	0	0	94,087
Charges for Services	1,134,025	0	2,697,370	3,831,395
Licenses, Permits and Fees	5,047,890	0	35,254	5,083,144
Fines and Forfeitures	2,046,315	0	391,277	2,437,592
Intergovernmental	2,546,524	282,416	5,223,464	8,052,404
Special Assessments	0	147,155	2,060,626	2,207,781
Interest	77,380	0	57	77,437
Rentals	0	0	22,200	22,200
Contributions and Donations	0	0	30,999	30,999
Franchise Taxes	560,558	0	0	560,558
Miscellaneous	1,280,142	534	557,938	1,838,614
<i>Total Revenues</i>	<u>44,879,976</u>	<u>2,347,876</u>	<u>11,959,999</u>	<u>59,187,851</u>
Expenditures				
Current:				
General Government	13,319,671	1,448	1,673,099	14,994,218
Public Safety	15,661,413	0	5,838,142	21,499,555
Public Health Services	348,593	0	34,286	382,879
Transportation	3,057,956	0	1,854,191	4,912,147
Community Development	2,150,030	0	3,054,593	5,204,623
Sanitation	2,272,075	0	0	2,272,075
Culture and Recreation	1,934,711	0	918,656	2,853,367
Capital Outlay	0	0	1,887,039	1,887,039
Debt Service:				
Principal Retirement	101,959	2,073,509	229,392	2,404,860
Interest and Fiscal Charges	1,380	361,540	34,508	397,428
Bond Issuance Costs	0	74,332	43,000	117,332
<i>Total Expenditures</i>	<u>38,847,788</u>	<u>2,510,829</u>	<u>15,566,906</u>	<u>56,925,523</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,032,188</u>	<u>(162,953)</u>	<u>(3,606,907)</u>	<u>2,262,328</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	10,944	0	4,275	15,219
Proceeds of Notes	0	1,515,000	0	1,515,000
General Obligation Bonds Issued	0	4,641,079	2,320,921	6,962,000
Payment to Refunded Bond Escrow Agent	0	(4,728,842)	0	(4,728,842)
Transfers In	0	55,296	2,495,020	2,550,316
Transfers Out	(2,442,356)	0	(107,960)	(2,550,316)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,431,412)</u>	<u>1,482,533</u>	<u>4,712,256</u>	<u>3,763,377</u>
<i>Net Change in Fund Balances</i>	3,600,776	1,319,580	1,105,349	6,025,705
<i>Fund Balances Beginning of Year</i>	<u>4,665,490</u>	<u>482,039</u>	<u>10,139,259</u>	<u>15,286,788</u>
<i>Fund Balances End of Year</i>	<u>\$8,266,266</u>	<u>\$1,801,619</u>	<u>\$11,244,608</u>	<u>\$21,312,493</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, 2015*

Net Change in Fund Balances - Total Governmental Funds	\$6,025,705
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
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 outlay in the current period:	
Capital Outlay	4,773,972
Current Year Depreciation	<u>(4,964,456)</u>
Total	(190,484)
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.	
	(86,370)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues:	
Delinquent Property Taxes	188,833
Municipal Income Taxes	(575,854)
Intergovernmental	28,657
Special Assessments	138,459
Charges for Services	<u>31,122</u>
Total	(188,783)
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	2,005,000
Special Assessment Bonds	115,000
OPWC Loans Payable	115,440
Capital Leases	<u>169,420</u>
Total	2,404,860
Other financing sources and uses in the governmental funds increased long-term liabilities in the statement of net position:	
General Obligation Bonds Issued	(6,962,000)
Payment to Refunded Escrow Agent	4,728,842
Notes Issued	<u>(1,515,000)</u>
Total	(3,748,158)
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	(1,399)
Amortization of Bond Premium	47,917
Amortization of Loss on Refunding	<u>(147,272)</u>
Total	(100,754)
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	1,671,935
Retrospective Workers' Compensation	138,200
Solid Waste	<u>(190)</u>
Total	1,809,945
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	
	4,227,047
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	
	(4,322,300)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.	
	<u>(8,215)</u>
<i>Change in Net Position of Governmental Activities</i>	<u><u>\$5,822,493</u></u>

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$7,667,678	\$7,667,678	\$7,295,765	(\$371,913)
Municipal Income Taxes	23,733,229	22,432,912	24,039,748	1,606,836
Admissions Taxes	95,801	90,552	97,038	6,486
Charges for Services	1,119,566	1,058,226	1,134,025	75,799
Licenses, Permits and Fees	4,978,958	4,706,166	5,043,262	337,096
Fines and Forfeitures	2,042,981	1,931,048	2,069,366	138,318
Intergovernmental	1,226,897	1,226,897	2,985,008	1,758,111
Interest	77,717	73,459	78,721	5,262
Franchise Taxes	560,000	561,353	561,353	0
Miscellaneous	1,159,369	1,095,850	1,210,696	114,846
<i>Total Revenues</i>	<u>42,662,196</u>	<u>40,844,141</u>	<u>44,514,982</u>	<u>3,670,841</u>
Expenditures				
Current:				
General Government	13,365,162	13,282,764	13,053,231	229,533
Public Safety	15,671,987	15,592,216	15,434,962	157,254
Public Health Services	352,187	352,187	345,300	6,887
Transportation	3,276,447	2,882,410	2,785,169	97,241
Community Development	2,155,270	2,094,898	1,959,026	135,872
Sanitation	2,215,200	2,215,200	2,209,504	5,696
Culture and Recreation	2,036,551	1,960,926	1,823,938	136,988
Debt Service:				
Principal Retirement	101,959	101,959	101,959	0
Interest and Fiscal Charges	1,381	1,381	1,381	0
<i>Total Expenditures</i>	<u>39,176,144</u>	<u>38,483,941</u>	<u>37,714,470</u>	<u>769,471</u>
<i>Excess of Revenues Over Expenditures</i>	<u>3,486,052</u>	<u>2,360,200</u>	<u>6,800,512</u>	<u>4,440,312</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	10,804	10,212	10,944	732
Advances In	0	0	10,044	10,044
Advances Out	0	0	(431,867)	(431,867)
Transfers In	0	2,100,000	0	(2,100,000)
Transfers Out	(3,087,272)	(5,660,608)	(5,523,406)	137,202
<i>Total Other Financing Sources (Uses)</i>	<u>(3,076,468)</u>	<u>(3,550,396)</u>	<u>(5,934,285)</u>	<u>(2,383,889)</u>
<i>Net Change in Fund Balance</i>	409,584	(1,190,196)	866,227	2,056,423
<i>Fund Balance Beginning of Year</i>	1,962,586	1,962,586	1,962,586	0
Unexpended Prior Year Encumbrances	14,433	14,433	14,433	0
<i>Fund Balance End of Year</i>	<u>\$2,386,603</u>	<u>\$786,823</u>	<u>\$2,843,246</u>	<u>\$2,056,423</u>

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio

Statement of Fund Net Position

Proprietary Funds

December 31, 2015

	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	\$376,564	\$623,934	\$1,000,498	\$0
Materials and Supplies Inventory	30,750	6,164	36,914	0
Accounts Receivable	4,731,979	525,775	5,257,754	0
Interfund Receivable	11,059	0	11,059	0
<i>Total Current Assets</i>	<u>5,150,352</u>	<u>1,155,873</u>	<u>6,306,225</u>	<u>0</u>
<i>Noncurrent Assets</i>				
Depreciable Capital Assets, Net	14,525,799	7,233,374	21,759,173	0
<i>Total Assets</i>	<u>19,676,151</u>	<u>8,389,247</u>	<u>28,065,398</u>	<u>0</u>
Deferred Outflows				
Pension	106,482	99,859	206,341	0
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	24,380	16,522	40,902	8,215
Accrued Wages	24,823	22,434	47,257	0
Interfund Payable	384,357	0	384,357	0
Accrued Interest Payable	1,066	0	1,066	0
Intergovernmental Payable	1,673,664	18,152	1,691,816	0
Compensated Absences Payable	77,668	247,183	324,851	0
OPWC Loans	65,415	31,485	96,900	0
OWDA Loans	11,753	29,663	41,416	0
<i>Total Current Liabilities</i>	<u>2,263,126</u>	<u>365,439</u>	<u>2,628,565</u>	<u>8,215</u>
<i>Long-Term Liabilities (Net of Current Portion)</i>				
Compensated Absences Payable	88,817	247,238	336,055	0
Notes Payable	186,333	0	186,333	0
OPWC Loan Payable	348,362	259,458	607,820	0
OWDA Loan Payable	211,323	186,647	397,970	0
Net Pension Liability (See Note 13)	619,371	580,852	1,200,223	0
<i>Total Long-Term Liabilities</i>	<u>1,454,206</u>	<u>1,274,195</u>	<u>2,728,401</u>	<u>0</u>
<i>Total Liabilities</i>	<u>3,717,332</u>	<u>1,639,634</u>	<u>5,356,966</u>	<u>8,215</u>
Deferred Inflows				
Pension	10,881	10,204	21,085	0
Net Position				
Net Investment in Capital Assets	13,702,613	6,726,121	20,428,734	0
Unrestricted (Deficit)	2,351,807	113,147	2,464,954	(8,215)
<i>Total Net Position</i>	<u>\$16,054,420</u>	<u>\$6,839,268</u>	<u>\$22,893,688</u>	<u>(\$8,215)</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, 2015*

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Sewer	Total	
Operating Revenues				
Charges for Services	\$13,942,422	\$1,622,110	\$15,564,532	\$5,552,619
Tap-In-Fees	340,470	0	340,470	0
Miscellaneous	2,637	1,595	4,232	0
<i>Total Operating Revenues</i>	<u>14,285,529</u>	<u>1,623,705</u>	<u>15,909,234</u>	<u>5,552,619</u>
Operating Expenses				
Personal Services	2,592,382	807,820	3,400,202	0
Other Than Personal Services	9,296,619	511,847	9,808,466	8,215
Non-Governmental	34,714	0	34,714	0
Depreciation	290,302	210,066	500,368	0
Claims	0	0	0	5,552,619
<i>Total Operating Expenses</i>	<u>12,214,017</u>	<u>1,529,733</u>	<u>13,743,750</u>	<u>5,560,834</u>
<i>Operating Income (Loss)</i>	<u>2,071,512</u>	<u>93,972</u>	<u>2,165,484</u>	<u>(8,215)</u>
Non-Operating Expenses				
Interest and Fiscal Charges	(11,248)	(9,795)	(21,043)	0
<i>Income Before Capital Contributions</i>	2,060,264	84,177	2,144,441	(8,215)
Capital Contributions	285,252	0	285,252	0
<i>Change in Net Position</i>	2,345,516	84,177	2,429,693	(8,215)
<i>Net Position Beginning of Year - Restated (See Note 3)</i>	<u>13,708,904</u>	<u>6,755,091</u>	<u>20,463,995</u>	<u>0</u>
<i>Net Position End of Year</i>	<u>\$16,054,420</u>	<u>\$6,839,268</u>	<u>\$22,893,688</u>	<u>(\$8,215)</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, 2015

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Sewer	Total	
<i>Increase (Decrease) In Cash and Cash Equivalents</i>				
Cash Flows from Operating Activities				
Cash Received from Customers	\$13,161,149	\$1,535,455	\$14,696,604	5,604,834
Cash Received from Other Operating Sources	2,637	1,595	4,232	0
Cash Received from Tap-In Fees	340,470	0	340,470	0
Cash Payments to Suppliers for Goods and Services	(12,072,323)	(505,271)	(12,577,594)	0
Cash Payments for Claims	0	0	0	(5,604,834)
Cash Payments for Employee Services and Benefits	(1,021,765)	(913,561)	(1,935,326)	0
<i>Net Cash Provided by Operating Activities</i>	<u>410,168</u>	<u>118,218</u>	<u>528,386</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities				
Notes Issued	186,333	0	186,333	0
Principal Paid on Notes	(185,000)	0	(185,000)	0
Principal Paid on OPWC Loans	(65,415)	(31,484)	(96,899)	0
Principal Paid on OWDA Loans	(11,314)	(28,478)	(39,792)	0
Interest Paid on OWDA Loans	(11,925)	(9,795)	(21,720)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(87,321)</u>	<u>(69,757)</u>	<u>(157,078)</u>	<u>0</u>
<i>Net Increase In Cash and Cash Equivalents</i>	322,847	48,461	371,308	0
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>53,717</u>	<u>575,473</u>	<u>629,190</u>	<u>0</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$376,564</u></u>	<u><u>\$623,934</u></u>	<u><u>\$1,000,498</u></u>	<u><u>\$0</u></u>

(continued)

City of Cleveland Heights, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2015

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Sewer	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
<i>Operating Income (Loss)</i>	\$2,071,512	\$93,972	\$2,165,484	(\$8,215)
Adjustments:				
Depreciation	290,302	210,066	500,368	0
(Increase)/Decrease in Assets:				
Accounts Receivable	(779,896)	(86,655)	(866,551)	0
Materials and Supplies Inventory	(9,505)	(6,164)	(15,669)	0
Interfund Receivable	(1,377)	0	(1,377)	52,215
(Increase)/Decrease in Deferred Outflows of Resources - Pension	10,907	10,229	21,136	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	(15,888)	12,740	(3,148)	8,215
Accrued Wages	1,845	609	2,454	0
Compensated Absences	(75,349)	(96,783)	(172,132)	0
Intergovernmental Payable	(1,065,944)	(4,380)	(1,070,324)	0
Net Pension Liability	(11,418)	(10,708)	(22,126)	0
Claims Payable	0	0	0	(52,215)
Increase/(Decrease) in Deferred Inflows of Resources - Pension	(5,021)	(4,708)	(9,729)	0
<i>Net Cash Provided by Operating Activities</i>	<u>\$410,168</u>	<u>\$118,218</u>	<u>\$528,386</u>	<u>\$0</u>

Noncash Capital Financing Activities

During 2015, governmental activities transferred capital assets to the water enterprise fund, in the amount of \$285,252. These amounts are included in capital contributions.

See accompanying notes to the basic financial statements

City of Cleveland Heights, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2015

Assets	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$876,324</u></u>
Liabilities	
Deposits Held and Due to Others	<u><u>\$876,324</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, 2015

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, 2015

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, 2015

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 and miscellaneous receipts.

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, 2015

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 and pension 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. The deferred outflows of resources related to pension are explained in Note 13.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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, unavailable revenue and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 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. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities on page 21. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 13).

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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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 2015, investments were limited to STAR Ohio, municipal bonds, federal home loan bank bonds, federal farm credit bank notes, federal national mortgage association notes, and federal home loan mortgage corporation notes. Investments are reported at fair value, which is based on quoted market price or current share.

The City of Cleveland Heights has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2015. 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, 2015.

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 2015 was \$77,380, which includes \$55,769 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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

All capital assets are depreciated except for land, construction in progress and intangible assets. 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
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.

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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources are deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

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, compensated absences, and net pension liability 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:

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

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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.

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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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.

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 – Change in Accounting Principle and Restatement of Net Position

For 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.” GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditure.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

The implementation of this pronouncement understatement had the following effect on net position as reported December 31, 2015:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net position December 31, 2014	\$95,642,922	\$21,489,682	\$117,132,604
Adjustments:			
Net Pension Liability	(40,532,937)	(1,173,114)	(41,706,051)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>4,034,782</u>	<u>147,427</u>	<u>4,182,209</u>
Restated Net Position December 31, 2014	<u>\$59,144,767</u>	<u>\$20,463,995</u>	<u>\$79,608,762</u>
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Net position December 31, 2014	\$14,238,206	\$7,251,476	\$21,489,682
Adjustments:			
Net Pension Liability	(605,381)	(567,733)	(1,173,114)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>76,079</u>	<u>71,348</u>	<u>147,427</u>
Restated Net Position December 31, 2014	<u>\$13,708,904</u>	<u>\$6,755,091</u>	<u>\$20,463,995</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 4 – Compliance and Accountability

Compliance

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

<u>Fund</u>	<u>Appropriations Plus Prior Year Encumbrances</u>	<u>Expenditures Plus Encumbrances</u>	<u>Excess</u>
<i>General Fund</i>			
General Government			
Law Department			
Personal Services	\$513,000	\$609,143	(\$96,143)
Service Administration			
Personal Services	313,922	315,971	(2,049)
Public Properties and Park Maintenance			
Personal Services	1,222,849	1,226,776	(3,927)
Other than Personal Services	944,850	977,580	(32,730)
Community Service Administration			
Personal Services	237,673	247,225	(9,552)
Public Safety			
Animal Protection Unit			
Personal Services	67,159	69,429	(2,270)
Transportation			
Vehicle Maintenance			
Personal Services	476,924	483,378	(6,454)

(continued)

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Fund	Appropriations Plus Prior Year Encumbrances	Expenditures Plus Encumbrances	Excess
<i>General Fund</i>			
Community Development			
Public Relations			
Personal Services	\$102,622	\$105,159	(\$2,537)
Housing Inspections			
Personal Services	474,199	476,510	(2,311)
Other than Personal Services	33,550	64,549	(30,999)
Sanitation			
Refuse Collection and Transfer Station			
Personal Services	1,638,300	1,665,030	(26,730)
<i>SMCR</i>			
Transportation			
Street Construction, Maintenance and Repair			
Other than Personal Services	215,427	285,856	(70,429)
Capital Outlay	1,409,787	1,746,223	(336,436)
<i>FEMA Grant</i>			
Public Safety			
FEMA			
Personal Services	0	493,151	(493,151)
<i>Water</i>			
Water Administration			
Personal Services	311,401	312,904	(1,503)
Other Than Personal Services	220,300	244,335	(24,035)
Water Distribution			
Non-Governmental	18,000	20,363	(2,363)

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

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Accountability

At December 31, 2015, the following funds had deficit fund balances.

Fund Descriptions	Amounts
Special Revenue Funds:	
Foundation Grants	\$224,355
Communications System	37,883
Home Program	31,443
Police Pension	121,545
Fire Pension	168,763

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.

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 as follows:

Fund Balances	General	General Bond Retirement	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$272,287	\$0	\$75,102	\$347,389
<u>Restricted for:</u>				
Road Improvements	0	0	960,051	960,051
Drug and Law Enforcement	0	0	424,045	424,045
Community Development	0	0	1,745,902	1,745,902
FEMA grant	0	0	83,382	83,382
Municipal Court Computerization and Special Projects	0	0	1,954,685	1,954,685
Public Right of Way	0	0	23,788	23,788
Lead Safe Cuyahoga	0	0	1,876	1,876
Neighborhood Stabilization Program	0	0	487,096	487,096
Street Maintenance	0	0	580,249	580,249
First Suburbs Development Council	0	0	41,512	41,512
Off-Street Parking	0	0	425,253	425,253
Aging and Youth Recreation	0	0	28,791	28,791
Police Memorial	0	0	608	608
Juvenile Diversion	0	0	979	979
Recreational Facility Improvements	0	0	685,018	685,018
Debt service payments	0	1,801,619	0	1,801,619
Total Restricted	0	1,801,619	7,443,235	9,244,854

(continued)

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Fund Balances	General	General Bond Retirement	Other Governmental Funds	Total
<u>Committed to:</u>				
Public Building Maintenance	\$0	\$0	\$423	\$423
Cain Park Operations	0	0	24,922	24,922
Ambulance Services	0	0	861,095	861,095
Police Facility Improvement	0	0	42,685	42,685
Ring Road Construction	0	0	35,045	35,045
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>964,170</u>	<u>964,170</u>
<u>Assigned to:</u>				
Capital Improvements	0	0	1,435,447	1,435,447
Economic Development	0	0	1,818,621	1,818,621
City Hall Maintenance	0	0	92,022	92,022
Purchases on Order:				
Other than Personal Services	113,116	0	0	113,116
<i>Total Assigned</i>	<u>113,116</u>	<u>0</u>	<u>3,346,090</u>	<u>3,459,206</u>
Unassigned (Deficit)	<u>7,880,863</u>	<u>0</u>	<u>(583,989)</u>	<u>7,296,874</u>
Total Fund Balances	<u>\$8,266,266</u>	<u>\$1,801,619</u>	<u>\$11,244,608</u>	<u>\$21,312,493</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 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) Investments are reported at fair value (GAAP) rather than cost (budget basis).
- (c) 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.
- (d) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (e) Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP).
- (f) Budgetary revenues and expenditures of the earned benefits and budget stabilization funds are classified to the general fund for GAAP reporting.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

- (g) Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP).

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

	General
GAAP Basis	\$3,600,776
Net Adjustment for Revenue Accruals	(3,486,918)
Beginning Fair Value Adjustment for Investments	(6,687)
Ending Fair Value Adjustment for Investments	12,320
Beginning Unrecorded Cash	34
Ending Unrecorded Cash	(7,659)
Net Adjustment for Expenditure Accruals	(758,883)
Advances Out	(431,867)
Excess of revenues and other financing sources over expenditures and other uses:	
Earned Benefits	22
Budget Stabilization	2,100,000
Encumbrances	(154,911)
Budget Basis	\$866,227

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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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 Home Loan Bank Bonds, Federal Farm Credit Bank Notes, Federal National Mortgage Association Notes, and Federal Home Loan Mortgage Corporation Notes. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
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, and with certain limitations bonds and other obligations of political subdivisions 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 40 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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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, \$3,403,865 of the City’s bank balance of \$4,691,649 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.

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, 2015, the City had the following investments:

	Fair Value	Maturity	Percentage of Total Investments
STAR Ohio	\$6,505,695	Average 49.4 Days	47.89 %
School District Municipal Bonds	565,000	Less than One Year	4.16
Municipal Bonds	1,944,606	Less than One Year	14.31
Municipal Bonds	770,608	Less than Two Years	5.67
Federal Home Loan Bank Bonds	500,000	Less than Four Years	3.68
Federal Farm Credit Bank Notes	249,646	Less than One Year	1.84
Federal Farm Credit Bank Notes	549,921	Less than Two Years	4.05
Federal Farm Credit Bank Notes	250,000	Less than Three Years	1.84
Federal National Mortgage Association Notes	300,000	Less than Three Years	2.21
Federal Home Loan Mortgage Corporation Notes	1,449,006	Less than Two Years	10.67
Federal Home Loan Mortgage Corporation Notes	499,610	Less than Three Years	3.68
Total Portfolio	<u>\$13,584,092</u>		

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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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. The municipal bonds and economic development notes are unrated. 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.

Note 8 – Interfund Balances and Transfers

Interfund Balances

As of December 31, 2015, interfund balances were as follows:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>		
	<u>General</u>	<u>Water Fund</u>	<u>Totals</u>
Governmental:			
General Fund	\$0	\$11,059	\$11,059
Other Governmental Funds	431,867	0	431,867
Total Governmental Activities	431,867	11,059	442,926
Business-Type:			
Water	384,357	0	384,357
Total	<u>\$816,224</u>	<u>\$11,059</u>	<u>\$827,283</u>

Interfund balances at December 31, 2015, consisted of general fund advances of \$431,867 to nonmajor special revenue funds due to the timing of reimbursement of expenditures, a general fund advance to water as a utilities receivable, and an advance of \$384,357 to the water enterprise fund to cover a prior year negative fund balance. All advances are expected to be repaid within one year.

Interfund Transfers

At December 31, 2015 interfund transfers were as follows:

<u>Transfers To</u>	<u>Transfers From</u>		<u>Total</u>
	<u>General</u>	<u>Other Governmental Funds</u>	
Major Funds:			
General Bond Retirement	\$23,836	\$31,460	\$55,296
Other Governmental Funds	2,418,520	76,500	2,495,020
Total	<u>\$2,442,356</u>	<u>\$107,960</u>	<u>\$2,550,316</u>

The general fund transfers to the other governmental funds were made to provide additional resources for capital improvements and current operations. The general fund and other governmental funds transfers to the general bond retirement fund were made for the portion of 2015 general obligation bond issuance related to those funds. The transfers from other governmental funds to police pension and fire pension were made for fund contributions for pension liabilities.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 9 – Receivables

Receivables at December 31, 2015, 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, 2015, the amount of delinquent special assessments was \$1,917,918.

Notes expected to be collected in more than one year amount to \$1,234,617 in the community development block grant special revenue fund. At December 31, 2015 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 2015 for real and public utility property taxes represents collections of 2014 taxes.

2015 real property taxes are levied after October 1, 2015 on the assessed value as of January 1, 2015, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2015 real property taxes are collected in and intended to finance 2016.

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. 2015 public utility property taxes which became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2015 was \$13.92 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2015 property tax receipts were based are as follows:

Real Estate:	
Residential/Agricultural	\$686,084,250
Other Real Estate	117,958,640
Public Utility Property	<u>14,628,530</u>
Total Assessed Valuation	<u><u>\$818,671,420</u></u>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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, 2015 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2015 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	\$733,919
Homestead and Rollback	703,835
Gas Excise Tax	546,087
Cuyahoga County Grant	318,433
Auto Registration	205,342
CDBG Grant	82,007
<i>Total Intergovernmental Receivables</i>	<i>\$2,589,623</i>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 10 – Capital Assets

A summary of changes in capital assets during 2015 follows:

	Balance 12/31/2014	Additions	Deletions	Balance 12/31/2015
Governmental Activities				
<i>Nondepreciable Capital Assets</i>				
Land	\$5,288,136	\$0	\$0	\$5,288,136
Construction in Progress	3,338,014	2,932,712	(302,125)	5,968,601
Intangible Assets	32,707	0	0	32,707
<i>Total Nondepreciable Capital Assets</i>	<u>8,658,857</u>	<u>2,932,712</u>	<u>(302,125)</u>	<u>11,289,444</u>
<i>Depreciable Capital Assets</i>				
Land Improvements	2,170,388	0	0	2,170,388
Building and Improvements	58,464,332	210,702	(24,846)	58,650,188
Machinery and Equipment	22,784,897	1,932,683	(514,410)	24,203,170
Infrastructure				
Streets and Sidewalks	50,125,584	0	0	50,125,584
Off-Street Parking	2,604,360	0	0	2,604,360
<i>Total Depreciable Capital Assets</i>	<u>136,149,561</u>	<u>2,143,385</u>	<u>(539,256)</u>	<u>137,753,690</u>
<i>Less Accumulated Depreciation</i>				
Land Improvements	(1,064,143)	(125,170)	0	(1,189,313)
Building and Improvements	(24,094,651)	(1,331,145)	13,562	(25,412,234)
Machinery and Equipment	(15,893,518)	(1,368,928)	439,324	(16,823,122)
Infrastructure				
Streets and Sidewalks	(19,995,838)	(2,091,931)	0	(22,087,769)
Off-Street Parking	(1,736,297)	(47,282)	0	(1,783,579)
<i>Total Accumulated Depreciation</i>	<u>(62,784,447)</u>	<u>(4,964,456) *</u>	<u>452,886</u>	<u>(67,296,017)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>73,365,114</u>	<u>(2,821,071)</u>	<u>(86,370)</u>	<u>70,457,673</u>
<i>Total Governmental Capital Assets, Net</i>	<u>\$82,023,971</u>	<u>\$111,641</u>	<u>(\$388,495)</u>	<u>\$81,747,117</u>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

	Balance 12/31/2014	Additions	Deletions	Balance 12/31/2015
Business-Type Activities				
<i>Nondepreciable Capital Assets</i>				
Construction in Progress	\$20,735	\$0	(\$20,735)	\$0
<i>Depreciable Capital Assets</i>				
Buildings and Improvements	148,238	0	0	148,238
Machinery and Equipment	4,459,579	0	(42,495)	4,417,084
Infrastructure				
Water Lines	18,531,193	305,987	0	18,837,180
Sanitary Sewer Lines	7,321,168	0	0	7,321,168
Storm Sewer Lines	2,941,631	0	0	2,941,631
<i>Total Depreciable Capital Assets</i>	<u>33,401,809</u>	<u>305,987</u>	<u>(42,495)</u>	<u>33,665,301</u>
<i>Less Accumulated Depreciation</i>				
Buildings and Improvements	(51,048)	(6,385)	0	(57,433)
Machinery and Equipment	(4,241,525)	(38,596)	42,495	(4,237,626)
Infrastructure				
Water Lines	(4,268,324)	(261,353)	0	(4,529,677)
Sanitary Sewer Lines	(1,933,597)	(122,423)	0	(2,056,020)
Storm Sewer Lines	(953,761)	(71,611)	0	(1,025,372)
<i>Total Accumulated Depreciation</i>	<u>(11,448,255)</u>	<u>(500,368)</u>	<u>42,495</u>	<u>(11,906,128)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>21,953,554</u>	<u>(194,381)</u>	<u>0</u>	<u>21,759,173</u>
<i>Total Business-Type Activities Capital Assets, Net</i>	<u>\$21,974,289</u>	<u>(\$194,381)</u>	<u>(\$20,735)</u>	<u>\$21,759,173</u>

*Depreciation expense was charged to governmental functions as follows:

General Government	\$993,092
Public Safety	669,158
Public Health	825
Transportation	2,329,163
Community Development	120,461
Sanitation	267,655
Culture and Recreation	584,102
Total	<u>\$4,964,456</u>

During 2015, governmental activities transferred capital assets to the water enterprise fund, in the amount of \$285,252.

Note 11 – Significant Commitments

Contractual Commitments

At December 31, 2015, the City had \$5,968,601 in significant contractual commitments which consisted of several construction projects, including street resurfacing and the Lecona 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:

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Governmental Funds:		Proprietary Funds:	
General fund	\$154,911	Water	\$29,588
Other Governmental Funds	<u>1,057,726</u>	Sewer	<u>9,594</u>
Total Governmental Funds	<u><u>\$1,212,637</u></u>	Total Proprietary Funds	<u><u>\$39,182</u></u>

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	\$98,095,000	\$50,000
General Liability	15,000,000	100,000
Automobile Liability	15,000,000	100,000
Public Officials Liability	15,000,000	100,000
Police Professional Liability	15,000,000	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.

During 2014, the City began providing employees hospital/medical, prescription and vision benefits through a fully insured program, and has elected to provide employee 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.

Changes in the fund claims liability amount in 2014 and 2015 were as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2014	\$30,301	\$5,797,952	\$5,776,038	\$2,215
2015	52,215	5,552,619	5,604,834	0

The City participates in the State Workers' Compensation retrospective rating and payment system. Once the City receives notice of the 2015 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 2015. The minimum premium portion of intergovernmental payable is \$423,216. The maintenance of these benefits is accounted for in the general fund. Claims of \$466,081 have been accrued as a liability at December 31, 2015 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 2014 and 2015 were:

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2014	\$767,872	\$466,868	\$630,459	\$604,281
2015	604,281	435,725	573,925	466,081

Note 13 – Defined Benefit Pension Plans

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others.

While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
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Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – City employees, other than full-time police and firefighters, participate 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 and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’ fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member’s career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member’s career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

City of Cleveland Heights, Ohio
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Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0
2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,826,707 for 2015. Of this amount, \$204,134 is reported as an intergovernmental payable.

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description – City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member’s average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

City of Cleveland Heights, Ohio
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Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>Police</u>	<u>Firefighters</u>
2015 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50	11.50
July 2, 2015 through December 31, 2015	12.25	12.25
2015 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u><u>19.50 %</u></u>	<u><u>24.00 %</u></u>
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$2,542,641 for 2015. Of this amount \$283,181 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$15,407,233	\$28,343,475	\$43,750,708
Proportion of the Net Pension Liability	0.12774300%	0.54712730%	
Pension Expense	\$1,689,108	\$2,764,774	\$4,453,882

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OPF	Total
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$822,083	\$1,221,577	\$2,043,660
City contributions subsequent to the measurement date	1,826,707	2,542,641	4,369,348
Total Deferred Outflows of Resources	\$2,648,790	\$3,764,218	\$6,413,008
Deferred Inflows of Resources			
Differences between expected and actual experience	\$270,675	\$0	\$270,675

The \$4,369,348 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OPF	Total
Year Ending December 31:			
2016	\$80,631	\$305,394	\$386,025
2017	80,631	305,394	386,025
2018	184,626	305,394	490,020
2019	205,520	305,395	510,915
Total	\$551,408	\$1,221,577	\$1,772,985

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

Discount Rate The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$28,344,894	\$15,407,233	\$4,510,605

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented as follows:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014 are summarized as follows:

City of Cleveland Heights, Ohio
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Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

* levered 2x

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$39,203,314	\$28,343,475	\$19,148,494

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 14 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional 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 two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a health reimbursement arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.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 Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2 percent during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5 percent.

City of Cleveland Heights, Ohio
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Substantially all of the City's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2015, 2014, and 2013 was \$293,329, \$312,410 and \$629,585, respectively. For 2015, 86.96 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

Ohio Police and Fire Pension Fund

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

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Postemployment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

The Ohio Revised Code allows, but does not mandate, OPF to provide OPEB benefits. Authority for the OPF 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.

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OPF website at www.opf.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required by the Ohio Revised Code to contribute to the pension plan at rates expressed as a percentage of payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and firefighters, respectively. Active members do not make contributions to the OPEB Plan.

OPF 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 premium reimbursements administered 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 OPF Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contribution made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, the employer contribution allocated to the health care plan was .5 percent of covered payroll. The amount of employer contribution 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 Sections 115 and 401(h).

The OPF Board of Trustees is also 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.

City of Cleveland Heights, Ohio
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The City's contribution to OPF which was allocated to fund postemployment health care benefits for police and firefighters was \$28,602 and \$30,974 for the year ended December 31, 2015, \$28,209 and \$30,085 for the year ended December 31, 2014, and \$192,964 and \$209,338 for the year ended December 31, 2013. For 2015, 88.86 percent has been contributed for both police and firefighters with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

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 ten or more consecutive years of service is entitled to payment to a maximum of 240 hours for accumulated sick leave.

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. At December 31, 2015, the current final closure cost estimate is \$159,940, and is reported as a liability on the City's books.

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, 2015.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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>
Governmental Activities				
General Obligation Bonds				
Various Purpose Refunding	2013	2017	1.25	\$1,590,000
Various Purpose	2014	2028	3.19	3,125,000
Various Purpose	2015	2028	1.91	2,322,000
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
Cedar Lee Parking Deck Refunding	2015	2028	2.03	4,640,000
Special Assessment Bonds				
Ring Road Improvement Refunding	2014	2029	2.93	2,510,000
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
Long-term Notes				
Street Improvements	2015	2016	1.375	320,000
Motorized Equipment	2015	2016	1.375	1,124,000
Computer Equipment	2015	2016	1.375	71,000
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
Long-term Notes				
Water System Improvements	2015	2016	1.375	185,000

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Changes in long-term obligations during the year ended December 31, 2015, consisted of the following:

	Balance 12/31/2014	Increase	Decrease	Balance 12/31/2015	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds					
2013 Various Purpose Refunding Bonds	\$960,000	\$0	\$315,000	\$645,000	\$320,000
Unamortized Premium	5,545	0	1,819	3,726	0
2014 Various Purpose Bonds	2,960,000	0	255,000	2,705,000	365,000
2015 Various Purpose Bonds	0	2,322,000	115,000	2,207,000	210,000
2008 Recreational Facilities Refunding Bonds	3,185,000	0	1,015,000	2,170,000	1,060,000
Unamortized Premium	97,002	0	30,912	66,090	0
2008 Cedar Lee Parking Deck Bonds	4,980,000	0	4,410,000	570,000	280,000
Unamortized Premium	15,186	0	15,186	0	0
2015 Cedar Lee Parking Deck Refunding Bonds	0	4,640,000	35,000	4,605,000	60,000
<i>Total General Obligation Bonds</i>	<u>12,202,733</u>	<u>6,962,000</u>	<u>6,192,917</u>	<u>12,971,816</u>	<u>2,295,000</u>
Special Assessment Bonds (with governmental commitment)					
2014 Ring Road Improvement Refunding	2,490,000	0	115,000	2,375,000	115,000
OPWC Loans					
2001 Taylor Road Rehabilitation	46,473	0	6,639	39,834	6,639
2005 Coventry Road Rehabilitation	194,114	0	18,487	175,627	18,487
2006 Lee Road Rehabilitation	29,888	0	1,992	27,896	1,992
2006 Meadowbrook Boulevard	606,246	0	50,522	555,724	50,520
2010 Monticello Boulevard	205,326	0	12,444	192,882	12,444
2012 Monticello Boulevard	494,462	0	25,356	469,106	25,357
<i>Total OPWC Loans</i>	<u>1,576,509</u>	<u>0</u>	<u>115,440</u>	<u>1,461,069</u>	<u>115,439</u>
Long-term Notes					
Street Equipment	0	320,000	0	320,000	0
Motorized Equipment	0	1,124,000	0	1,124,000	0
Computer Equipment	0	71,000	0	71,000	0
<i>Total Long-term Notes</i>	<u>0</u>	<u>1,515,000</u>	<u>0</u>	<u>1,515,000</u>	<u>0</u>
Other Long-Term Obligations					
Compensated Absences Payable	5,863,744	1,990,938	3,662,873	4,191,809	2,478,077
Workers' Compensation Liability	604,281	435,725	573,925	466,081	255,254
Solid Waste Liability	159,750	190	0	159,940	0
Capital Leases	816,338	0	169,420	646,918	69,093
<i>Total Other Long-Term Obligations</i>	<u>7,444,113</u>	<u>2,426,853</u>	<u>4,406,218</u>	<u>5,464,748</u>	<u>2,802,424</u>
Net Pension Liability					
OPERS	13,886,121	320,889	0	14,207,010	0
OPF	26,646,816	1,696,659	0	28,343,475	0
<i>Total Net Pension Liability</i>	<u>40,532,937</u>	<u>2,017,548</u>	<u>0</u>	<u>42,550,485</u>	<u>0</u>
Total Governmental Long-Term Liabilities	<u><u>\$64,246,292</u></u>	<u><u>\$12,921,401</u></u>	<u><u>\$10,829,575</u></u>	<u><u>\$66,338,118</u></u>	<u><u>\$5,327,863</u></u>

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

	Balance 12/31/2014	Increase	Decrease	Balance 12/31/2015	Amounts Due in One Year
Business-Type Activities					
OPWC Loans					
Cedar Road - Water	\$258,742	\$0	\$47,044	\$211,698	\$47,044
Cedar Road - Sewer	46,863	0	8,520	38,343	8,521
Meadowbrook Boulevard Rehabilitation - Water	220,450	0	18,371	202,079	18,371
Meadowbrook Boulevard Rehabilitation - Sewer	275,564	0	22,964	252,600	22,964
<i>Total OPWC Loans</i>	<u>801,619</u>	<u>0</u>	<u>96,899</u>	<u>704,720</u>	<u>96,900</u>
OWDA Loans					
OWDA Loan - Demington Sewer	244,788	0	28,478	216,310	29,663
OWDA Loan - Runnymede Water Line	234,390	0	11,314	223,076	11,753
<i>Total OWDA Loans</i>	<u>479,178</u>	<u>0</u>	<u>39,792</u>	<u>439,386</u>	<u>41,416</u>
Long-term Notes					
Water System Improvements	0	185,000	0	185,000	0
Premium	0	1,333	0	1,333	0
<i>Total Long-term Notes</i>	<u>0</u>	<u>186,333</u>	<u>0</u>	<u>186,333</u>	<u>0</u>
Other Long-Term Obligations					
Compensated Absences Payable	833,037	162,559	334,690	660,906	324,851
Net Pension Liability					
OPERS	1,173,114	27,109	0	1,200,223	0
Total Business-Type Activities Long-term Liabilities	<u>\$3,286,948</u>	<u>\$376,001</u>	<u>\$471,381</u>	<u>\$3,191,568</u>	<u>\$463,167</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 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, 2015, \$2,170,000 of the defeased bonds are still outstanding.

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, 2028. 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 2017. The bonds will be retired through the general bond retirement fund.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

In 2014, the City issued \$3,125,000 in various purpose general obligation bonds. The bonds were issued with a fixed interest rate of 3.19 percent. The bonds were issued for a 15 year period with final maturity during fiscal year 2028. The bonds will be retired through the general bond retirement fund.

In 2015, the City issued \$2,322,000 in various purpose general obligation bonds. The bonds were issued with a fixed interest rate of 1.91 percent. The bonds were issued for a 15 year period with final maturity during fiscal year 2029. The bonds will be retired through the general bond retirement fund.

In 2015, the City issued general obligation bonds, in the amount of \$4,640,000, to partially refund bonds previously issued in 2008 for Cedar Lee parking deck. The bonds were issued with a fixed interest rate of 2.03 percent. The bonds were issued for a 15 year period with final maturity during fiscal year 2028. The bonds will be retired through the general bond retirement fund.

	2008 Cedar Lee Parking Deck
Outstanding at December 31, 2014	\$4,980,000
Amount Refunded	(4,140,000)
Principal Payment on Non-Refunded Portion	<u>(270,000)</u>
Outstanding at December 31, 2015	<u><u>\$570,000</u></u>

As a result, \$4,140,000 of these bonds are considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements.

	2008 Cedar Lee Parking Deck
2008 General Obligation Bonds	\$4,140,000
Payment to Refunded Bond Escrow Agent - Other Financing Use	<u>(4,728,842)</u>
2015 General Obligation Bond Refunding Accounting Loss	<u><u>(\$588,842)</u></u>

Although the refunding will result in the recognition of an accounting loss of \$588,842, the City in effect decreased its aggregated debt service payments by \$458,491 over the next 14 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$400,568.

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.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

In 2014, the City issued special assessment bonds, in the amount of \$2,510,000, to refund bonds previously issued in 2004 for improvements to Ring Road. The bonds were issued with a fixed interest rate of 2.93 percent. The bonds were issued for a 15 year period with final maturity during 2029. The bonds will be retired through the general bond retirement fund.

Long-term Notes During 2015, the City issued \$1,515,000 in bond anticipation notes which were used to retire the \$1,966,000 in bond anticipation notes and for the purchase of equipment and water system improvements. The notes have an interest rate of 1.375 percent and mature on July 29, 2016.

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 City pays obligations related to employee compensation from the fund benefitting from their service. See Note 15 for information regarding net pension liability. The solid waste liability will be paid from the general fund. During 2003, the EPA required a final closure cost estimate from the City. 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.

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 26.64 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$706,772. Principal and interest paid for the current year and total net revenues were \$88,654 and \$2,361,814 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 4.36 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$539,716. Principal and interest paid for the current year and total net revenues were \$69,757 and \$304,038 respectively.

The City's overall legal debt margin was \$73,336,388 and the unvoted legal debt margin was \$32,402,817 at December 31, 2015. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2015, are as follows:

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Governmental Activities					
Year	General Obligation Bonds		Special Assessment Bonds		OPWC Loans
	Principal	Interest	Principal	Interest	
2016	\$2,295,000	\$355,287	\$115,000	\$69,588	\$115,439
2017	2,276,000	279,405	120,000	66,218	115,440
2018	872,000	194,184	125,000	62,702	115,439
2019	837,000	173,437	125,000	59,040	115,440
2020	798,000	153,864	130,000	55,377	115,439
2021-2025	3,864,000	481,600	700,000	218,285	541,400
2026-2030	1,960,000	95,820	1,060,000	96,543	247,497
2031-2034	0	0	0	0	94,975
Total	\$12,902,000	\$1,733,597	\$2,375,000	\$627,753	\$1,461,069

Business-Type Activities			
Year	OPWC Loans	OWDA Loans	
		Principal	Interest
2016	\$96,900	\$41,416	\$17,064
2017	96,899	43,106	15,374
2018	96,900	44,865	13,614
2019	96,899	46,696	11,783
2020	69,117	48,602	9,877
2021-2025	206,674	131,921	26,522
2026-2030	41,331	82,780	8,148
Total	\$704,720	\$439,386	\$102,382

Note 19 – Notes Payable

Changes in the City’s note activity for the year ended December 31, 2015, were as follows:

	Outstanding 12/31/2014	Additions	(Reductions)	Outstanding 12/31/2015
Governmental Activities:				
<i>General Obligation</i>				
<i>Bond Retirement Fund:</i>				
Street Improvements	\$365,000	\$22,000	(\$365,000)	\$22,000
Motorized Equipment	1,506,000	191,000	(1,506,000)	191,000
Computer Equipment	95,000	12,000	(95,000)	12,000
Premium	10,277	12,527	(10,277)	12,527
Total Governmental Activities	\$1,976,277	\$237,527	(\$1,976,277)	\$237,527
<i>Enterprise Funds:</i>				
<i>Water</i>				
Water System Improvements	\$185,000	\$0	(\$185,000)	\$0
Premium	968	0	(968)	0
Total Enterprise Funds	\$185,968	\$0	(\$185,968)	\$0

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

In 2015, the City paid the \$2,151,000 various purpose notes and reissued \$225,000. The notes have an interest rate of 1.375 percent and mature on July 29, 2016. 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, 2015:

	Amounts
Equipment	\$1,180,133
Less Accumulated Depreciation	(596,027)
Current Book Value	\$584,106

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, 2015.

Year Ending December 31, 2015	Governmental Activities
2016	\$85,154
2017	85,154
2018	85,154
2019	85,154
2020	85,154
2021-2025	261,298
2026-2029	48,605
Total	735,673
Less: Amount Representing Interest	(88,755)
Present Value of Net Minimum Lease Payments	\$646,918

Note 21 – Assets Held For Resale

Assets held for resale represents land purchased by the City which will be sold for development purposes under the Community Development Block Grant Program (CDBG) and Neighborhood Stabilization Program.

City of Cleveland Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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 2015, 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 22, 2016, the City issued \$1,600,000 in general obligation bonds for various purposes. The bonds have an interest rate of 1.91 percent and a maturity date of December 1, 2030.

On May 2, 2016, the City entered into a direct service agreement with the City of Cleveland for water, and to terminate the master meter agreement effective January of 2017.

In July of 2016, the City paid \$2,151,000 in various purpose notes and reissued \$1,700,000. The notes have an interest rate of 1.75 percent and mature on July 26, 2017. All note proceeds have been fully expended.

Required Supplementary Information

City of Cleveland Heights, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Two Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.12774300%	0.12774300%
City's Proportionate Share of the Net Pension Liability	\$15,407,233	\$15,059,235
City's Covered-Employee Payroll	\$15,114,271	\$13,602,624
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	101.94%	110.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior year end.

City of Cleveland Heights, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
Last Two Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.54712730%	0.54712730%
City's Proportionate Share of the Net Pension Liability	\$28,343,475	\$26,646,816
City's Covered-Employee Payroll	\$10,740,721	\$11,100,872
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	263.89%	240.04%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior year end.

City of Cleveland Heights, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System - Traditional Plan
Last Three Years (1)

	2015	2014	2013
Contractually Required Contribution	\$1,826,707	\$1,892,517	\$1,840,602
Contributions in Relation to the Contractually Required Contribution	(1,826,707)	(1,892,517)	(1,840,602)
Contribution Deficiency (Excess)	\$0	\$0	\$0
City Covered-Employee Payroll	\$14,741,394	\$15,114,271	\$13,602,624
Contributions as a Percentage of Covered-Employee Payroll	12.39%	12.52%	13.53%

(1) Information prior to 2013 is not available.

City of Cleveland Heights, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	2015	2014	2013	2012
Contractually Required Contribution	\$2,542,641	\$2,289,692	\$2,022,363	\$1,642,143
Contributions in Relation to the Contractually Required Contribution	<u>(2,542,641)</u>	<u>(2,289,692)</u>	<u>(2,022,363)</u>	<u>(1,642,143)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$11,915,147	\$10,740,721	\$11,100,872	\$10,905,975
Contributions as a Percentage of Covered-Employee Payroll:	21.34%	21.32%	18.22%	15.06%

2011	2010	2009	2008	2007	2006
\$1,637,957	\$2,377,764	\$2,325,122	\$2,325,122	\$2,290,703	\$2,180,503
(1,637,957)	(2,377,764)	(2,325,122)	(2,325,122)	(2,290,703)	(2,180,503)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$10,820,729	\$15,898,541	\$15,465,278	\$18,236,251	\$17,966,298	\$18,557,472
15.14%	14.96%	15.03%	12.75%	12.75%	11.75%

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 the portion of the State gasoline tax and motor vehicle registration fees restricted for the maintenance and repair of dedicated streets within the City.

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 communities.

Public Building Maintenance Fund - To account for and report committed rental income for placement of communication towers. This fund did not have any budgetary activity in 2015, therefore, budgetary information is not provided.

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.

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 of street lighting expenditures within the City.

Tree Fund - To account for and report restricted special assessments for the payment of the cost of maintenance of 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.

First Suburbs Development Council Fund - To account for and report grants restricted to the expenditures of the First Suburbs Development Council.

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.

(continued)

Fund Descriptions - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

Juvenile Diversion Program Fund - To account for and report private donations restricted for programs that divert youth from involvement in the juvenile justice system.

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.

Budget Stabilization Fund - To account for and report the accumulation of resources for the accumulation of resources against increases in expenditures or decreases in revenues in the general fund. 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 the 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, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$5,429,578	\$4,086,878	\$9,516,456
Materials and Supplies Inventory	75,102	0	75,102
Accounts Receivable	1,327,759	0	1,327,759
Intergovernmental Receivable	1,183,845	37,300	1,221,145
Property Taxes Receivable	492,652	574,744	1,067,396
Special Assessments Receivable	3,957,100	0	3,957,100
Notes Receivable	1,508,722	0	1,508,722
Assets Held for Resale	457,358	130,575	587,933
<i>Total Assets</i>	<u>\$14,432,116</u>	<u>\$4,829,497</u>	<u>\$19,261,613</u>
Liabilities			
Accounts Payable	\$236,351	\$107,469	\$343,820
Contracts Payable	15,005	0	15,005
Accrued Wages	78,836	0	78,836
Interfund Payable	431,867	0	431,867
Intergovernmental Payable	361,177	1,146	362,323
<i>Total Liabilities</i>	<u>1,123,236</u>	<u>108,615</u>	<u>1,231,851</u>
Deferred Inflows of Resources			
Property Taxes	396,618	462,719	859,337
Unavailable Revenue	5,776,492	149,325	5,925,817
<i>Deferred Inflows of Resources</i>	<u>6,173,110</u>	<u>612,044</u>	<u>6,785,154</u>
Fund Balances			
Nonspendable	75,102	0	75,102
Restricted	6,758,217	685,018	7,443,235
Committed	886,440	77,730	964,170
Assigned	0	3,346,090	3,346,090
Unassigned (Deficit)	(583,989)	0	(583,989)
<i>Total Fund Balances</i>	<u>7,135,770</u>	<u>4,108,838</u>	<u>11,244,608</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$14,432,116</u>	<u>\$4,829,497</u>	<u>\$19,261,613</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, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$434,252	\$506,562	\$940,814
Charges for Services	2,697,370	0	2,697,370
Licenses, Permits and Fees	1,154	34,100	35,254
Fines and Forfeitures	391,277	0	391,277
Intergovernmental	5,148,865	74,599	5,223,464
Special Assessments	2,060,626	0	2,060,626
Interest	57	0	57
Rentals	0	22,200	22,200
Contributions and Donations	30,999	0	30,999
Miscellaneous	456,832	101,106	557,938
<i>Total Revenues</i>	<u>11,221,432</u>	<u>738,567</u>	<u>11,959,999</u>
Expenditures			
Current:			
General Government	1,593,183	79,916	1,673,099
Public Safety	5,815,838	22,304	5,838,142
Public Health Services	34,286	0	34,286
Transportation	1,854,191	0	1,854,191
Community Development	3,054,593	0	3,054,593
Culture and Recreation	722,166	196,490	918,656
Capital Outlay	0	1,887,039	1,887,039
Debt Service:			
Principal Retirement	229,392	0	229,392
Interest and Fiscal Charges	34,508	0	34,508
Bond Issuance Costs	5,463	37,537	43,000
<i>Total Expenditures</i>	<u>13,343,620</u>	<u>2,223,286</u>	<u>15,566,906</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,122,188)</u>	<u>(1,484,719)</u>	<u>(3,606,907)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	4,175	100	4,275
General Obligation Bonds Issued	295,000	2,025,921	2,320,921
Transfers In	2,495,020	0	2,495,020
Transfers Out	(80,495)	(27,465)	(107,960)
<i>Total Other Financing Sources (Uses)</i>	<u>2,713,700</u>	<u>1,998,556</u>	<u>4,712,256</u>
<i>Net Change in Fund Balances</i>	591,512	513,837	1,105,349
<i>Fund Balances Beginning of Year</i>	<u>6,544,258</u>	<u>3,595,001</u>	<u>10,139,259</u>
<i>Fund Balances End of Year</i>	<u><u>\$7,135,770</u></u>	<u><u>\$4,108,838</u></u>	<u><u>\$11,244,608</u></u>

City of Cleveland Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015

	Street Construction, Maintenance and Repair	Foundation Grants	Communications System	Public Building Maintenance	Law Enforcement Trust	Drug Law Enforcement	Community Development Block Grant
Assets							
Equity in Pooled Cash and Cash Equivalents	\$441,964	\$41,500	\$7,764	\$423	\$64,214	\$87,891	\$3,847
Materials and Supplies Inventory	0	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0	0
Intergovernmental Receivable	1,069,862	0	0	0	0	0	82,007
Property Taxes Receivable	0	0	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0	0
Notes Receivable	0	0	0	0	0	0	1,456,623
Assets Held for Resale	0	93,205	0	0	0	0	0
<i>Total Assets</i>	<u>\$1,511,826</u>	<u>\$134,705</u>	<u>\$7,764</u>	<u>\$423</u>	<u>\$64,214</u>	<u>\$87,891</u>	<u>\$1,542,477</u>
Liabilities							
Accounts Payable	\$34,383	\$51,160	\$15,359	\$0	\$0	\$20,817	\$60,757
Contracts Payable	15,005	0	0	0	0	0	0
Accrued Wages	4,361	0	16,728	0	0	708	13,719
Interfund Payable	0	300,000	0	0	0	0	50,000
Intergovernmental Payable	3,882	7,900	13,560	0	0	367	10,956
<i>Total Liabilities</i>	<u>57,631</u>	<u>359,060</u>	<u>45,647</u>	<u>0</u>	<u>0</u>	<u>21,892</u>	<u>135,432</u>
Deferred Inflows of Resources							
Property Taxes	0	0	0	0	0	0	0
Unavailable Revenue	494,144	0	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>494,144</u>	<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	0
Restricted	960,051	0	0	0	64,214	65,999	1,407,045
Committed	0	0	0	423	0	0	0
Unassigned (Deficit)	0	(224,355)	(37,883)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>960,051</u>	<u>(224,355)</u>	<u>(37,883)</u>	<u>423</u>	<u>64,214</u>	<u>65,999</u>	<u>1,407,045</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$1,511,826</u>	<u>\$134,705</u>	<u>\$7,764</u>	<u>\$423</u>	<u>\$64,214</u>	<u>\$87,891</u>	<u>\$1,542,477</u>

(continued)

City of Cleveland Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2015

	Home Program	FEMA Grant	Cain Park Operating	Public Right of Way	Indigent Driver's Alcohol Treatment	Municipal Court Clerk Computerization	DUI Enforcement and Education
Assets							
Equity in Pooled Cash and							
Cash Equivalents	\$2,825	\$105,695	\$25,404	\$23,788	\$197,850	\$189,226	\$95,982
Materials and Supplies Inventory	0	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0	0
Intergovernmental Receivable	0	0	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0	0
Notes Receivable	52,099	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$54,924</u>	<u>\$105,695</u>	<u>\$25,404</u>	<u>\$23,788</u>	<u>\$197,850</u>	<u>\$189,226</u>	<u>\$95,982</u>
Liabilities							
Accounts Payable	\$4,500	\$0	\$90	\$0	\$0	\$5,686	\$0
Contracts Payable	0	0	0	0	0	0	0
Accrued Wages	0	15,032	0	0	0	1,505	0
Interfund Payable	81,867	0	0	0	0	0	0
Intergovernmental Payable	0	7,281	392	0	0	5,424	0
<i>Total Liabilities</i>	<u>86,367</u>	<u>22,313</u>	<u>482</u>	<u>0</u>	<u>0</u>	<u>12,615</u>	<u>0</u>
Deferred Inflows of Resources							
Property Taxes	0	0	0	0	0	0	0
Unavailable Revenue	0	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>	<u>0</u>
Fund Balances							
Nonspendable	0	0	0	0	0	0	0
Restricted	0	83,382	0	23,788	197,850	176,611	95,982
Committed	0	0	24,922	0	0	0	0
Unassigned (Deficit)	(31,443)	0	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(31,443)</u>	<u>83,382</u>	<u>24,922</u>	<u>23,788</u>	<u>197,850</u>	<u>176,611</u>	<u>95,982</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$54,924</u>	<u>\$105,695</u>	<u>\$25,404</u>	<u>\$23,788</u>	<u>\$197,850</u>	<u>\$189,226</u>	<u>\$95,982</u>

Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Street Lighting	Tree	Police Pension	Fire Pension	First Suburbs Development Council	Parking
\$1,780,304	\$1,876	\$122,943	\$580,249	\$370,536	\$0	\$1	\$41,512	\$452,231
0	0	0	0	0	0	0	0	75,102
0	0	0	0	0	0	0	0	0
0	0	0	0	0	15,988	15,988	0	0
0	0	0	0	0	246,326	246,326	0	0
0	0	0	2,018,121	1,938,979	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	364,153	0	0	0	0	0	0
<u>\$1,780,304</u>	<u>\$1,876</u>	<u>\$487,096</u>	<u>\$2,598,370</u>	<u>\$2,309,515</u>	<u>\$262,314</u>	<u>\$262,315</u>	<u>\$41,512</u>	<u>\$527,333</u>
\$2,131	\$0	\$0	\$0	\$1,574	\$0	\$0	\$0	\$15,411
0	0	0	0	0	0	0	0	0
0	0	0	0	16,253	0	0	0	6,499
0	0	0	0	0	0	0	0	0
99	0	0	0	13,852	121,545	168,764	0	5,068
<u>2,230</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>31,679</u>	<u>121,545</u>	<u>168,764</u>	<u>0</u>	<u>26,978</u>
0	0	0	0	0	198,309	198,309	0	0
0	0	0	2,018,121	1,938,979	64,005	64,005	0	0
0	0	0	2,018,121	1,938,979	262,314	262,314	0	0
0	0	0	0	0	0	0	0	75,102
1,778,074	1,876	487,096	580,249	338,857	0	0	41,512	425,253
0	0	0	0	0	0	0	0	0
0	0	0	0	0	(121,545)	(168,763)	0	0
<u>1,778,074</u>	<u>1,876</u>	<u>487,096</u>	<u>580,249</u>	<u>338,857</u>	<u>(121,545)</u>	<u>(168,763)</u>	<u>41,512</u>	<u>500,355</u>
<u>\$1,780,304</u>	<u>\$1,876</u>	<u>\$487,096</u>	<u>\$2,598,370</u>	<u>\$2,309,515</u>	<u>\$262,314</u>	<u>\$262,315</u>	<u>\$41,512</u>	<u>\$527,333</u>

(continued)

City of Cleveland Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2015

	Ambulance Services	Office on Aging Donations	Youth Recreation Donation	Police Memorial Trust	Youth Advisory Commission	Juvenile Diversion Program	Total Nonmajor Special Revenue Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$758,675	\$5,835	\$22,885	\$608	\$71	\$3,479	\$5,429,578
Materials and Supplies Inventory	0	0	0	0	0	0	75,102
Accounts Receivable	1,327,759	0	0	0	0	0	1,327,759
Intergovernmental Receivable	0	0	0	0	0	0	1,183,845
Property Taxes Receivable	0	0	0	0	0	0	492,652
Special Assessments Receivable	0	0	0	0	0	0	3,957,100
Notes Receivable	0	0	0	0	0	0	1,508,722
Assets Held for Resale	0	0	0	0	0	0	457,358
<i>Total Assets</i>	<u>\$2,086,434</u>	<u>\$5,835</u>	<u>\$22,885</u>	<u>\$608</u>	<u>\$71</u>	<u>\$3,479</u>	<u>\$14,432,116</u>
Liabilities							
Accounts Payable	\$21,983	\$0	\$0	\$0	\$0	\$2,500	\$236,351
Contracts Payable	0	0	0	0	0	0	15,005
Accrued Wages	4,031	0	0	0	0	0	78,836
Interfund Payable	0	0	0	0	0	0	431,867
Intergovernmental Payable	2,087	0	0	0	0	0	361,177
<i>Total Liabilities</i>	<u>28,101</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,500</u>	<u>1,123,236</u>
Deferred Inflows of Resources							
Property Taxes	0	0	0	0	0	0	396,618
Unavailable Revenue	1,197,238	0	0	0	0	0	5,776,492
<i>Total Deferred Inflows of Resources</i>	<u>1,197,238</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,173,110</u>
Fund Balances							
Nonspendable	0	0	0	0	0	0	75,102
Restricted	0	5,835	22,885	608	71	979	6,758,217
Committed	861,095	0	0	0	0	0	886,440
Unassigned (Deficit)	0	0	0	0	0	0	(583,989)
<i>Total Fund Balances (Deficit)</i>	<u>861,095</u>	<u>5,835</u>	<u>22,885</u>	<u>608</u>	<u>71</u>	<u>979</u>	<u>7,135,770</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,086,434</u>	<u>\$5,835</u>	<u>\$22,885</u>	<u>\$608</u>	<u>\$71</u>	<u>\$3,479</u>	<u>\$14,432,116</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, 2015

	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	52,770	107,673
Intergovernmental	2,050,273	7,669	425,726	0	8,320	0
Special Assessments	0	0	0	0	0	0
Interest	57	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	289,560	0	2	0	0	58,661
<i>Total Revenues</i>	<u>2,339,890</u>	<u>7,669</u>	<u>425,728</u>	<u>0</u>	<u>61,090</u>	<u>166,334</u>
Expenditures						
Current:						
General Government	0	0	0	0	0	0
Public Safety	0	0	782,182	0	60,841	226,088
Public Health Services	0	0	0	0	0	0
Transportation	1,854,191	0	0	0	0	0
Community Development	0	242,465	0	0	0	0
Culture and Recreation	0	0	0	0	0	0
Debt Service:						
Principal Retirement	115,440	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Bond Issuance Costs	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,969,631</u>	<u>242,465</u>	<u>782,182</u>	<u>0</u>	<u>60,841</u>	<u>226,088</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>370,259</u>	<u>(234,796)</u>	<u>(356,454)</u>	<u>0</u>	<u>249</u>	<u>(59,754)</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	0	0	0	0	4,175	0
General Obligation Bonds Issued	0	0	0	0	0	0
Transfers In	0	0	349,860	0	0	0
Transfers Out	0	0	0	0	0	(15,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>349,860</u>	<u>0</u>	<u>4,175</u>	<u>(15,000)</u>
<i>Net Change in Fund Balances</i>	370,259	(234,796)	(6,594)	0	4,424	(74,754)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>589,792</u>	<u>10,441</u>	<u>(31,289)</u>	<u>423</u>	<u>59,790</u>	<u>140,753</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$960,051</u>	<u>(\$224,355)</u>	<u>(\$37,883)</u>	<u>\$423</u>	<u>\$64,214</u>	<u>\$65,999</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, 2015

	Community Development Block Grant	Home Program	FEMA Grant	Cain Park Operating	Public Right of Way	Indigent Driver's Alcohol Treatment
Revenues						
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	639,940	0	0
Licenses, Permits and Fees	0	0	0	0	999	0
Fines and Forfeitures	0	0	0	0	0	19,704
Intergovernmental	1,099,520	240,772	598,846	25,418	0	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	0	0	0	2,774	0	0
<i>Total Revenues</i>	<u>1,099,520</u>	<u>240,772</u>	<u>598,846</u>	<u>668,132</u>	<u>999</u>	<u>19,704</u>
Expenditures						
Current:						
General Government	0	0	0	0	0	2,500
Public Safety	0	0	515,464	0	0	0
Public Health Services	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
Community Development	1,298,012	362,744	0	0	0	0
Culture and Recreation	0	0	0	722,166	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Bond Issuance Costs	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,298,012</u>	<u>362,744</u>	<u>515,464</u>	<u>722,166</u>	<u>0</u>	<u>2,500</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(198,492)</u>	<u>(121,972)</u>	<u>83,382</u>	<u>(54,034)</u>	<u>999</u>	<u>17,204</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	0	0	0	0	0	0
General Obligation Bonds Issued	0	0	0	0	0	0
Transfers In	0	0	0	80,000	0	0
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>80,000</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(198,492)	(121,972)	83,382	25,966	999	17,204
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,605,537</u>	<u>90,529</u>	<u>0</u>	<u>(1,044)</u>	<u>22,789</u>	<u>180,646</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,407,045</u>	<u>(\$31,443)</u>	<u>\$83,382</u>	<u>\$24,922</u>	<u>\$23,788</u>	<u>\$197,850</u>

Municipal Court Clerk Computerization	DUI Enforcement and Education	Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Street Lighting	Tree
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	140
77,442	9,980	123,708	0	0	0	0
0	0	0	321,883	0	0	0
0	0	0	0	0	1,063,579	997,047
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	2,124	0	0	0	100,827
<u>77,442</u>	<u>9,980</u>	<u>125,832</u>	<u>321,883</u>	<u>0</u>	<u>1,063,579</u>	<u>1,098,014</u>
182,649	0	101,403	0	0	0	0
0	0	0	0	0	878,140	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	329,803	18,402	0	793,074
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
<u>182,649</u>	<u>0</u>	<u>101,403</u>	<u>329,803</u>	<u>18,402</u>	<u>878,140</u>	<u>793,074</u>
<u>(105,207)</u>	<u>9,980</u>	<u>24,429</u>	<u>(7,920)</u>	<u>(18,402)</u>	<u>185,439</u>	<u>304,940</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	19,130	15,675
0	0	0	0	0	0	(3,995)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,130</u>	<u>11,680</u>
(105,207)	9,980	24,429	(7,920)	(18,402)	204,569	316,620
<u>281,818</u>	<u>86,002</u>	<u>1,753,645</u>	<u>9,796</u>	<u>505,498</u>	<u>375,680</u>	<u>22,237</u>
<u>\$176,611</u>	<u>\$95,982</u>	<u>\$1,778,074</u>	<u>\$1,876</u>	<u>\$487,096</u>	<u>\$580,249</u>	<u>\$338,857</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, 2015

	Police Pension	Fire Pension	First Suburbs Development Council	Parking	Ambulance Services	Office on Aging Donations
Revenues						
Property Taxes	\$217,126	\$217,126	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	1,173,892	883,494	0
Licenses, Permits and Fees	0	0	0	0	0	15
Fines and Forfeitures	0	0	0	0	0	0
Intergovernmental	31,973	31,974	32,056	0	274,435	0
Special Assessments	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	5,585
Miscellaneous	0	0	0	0	2,884	0
<i>Total Revenues</i>	<u>249,099</u>	<u>249,100</u>	<u>32,056</u>	<u>1,173,892</u>	<u>1,160,813</u>	<u>5,600</u>
Expenditures						
Current:						
General Government	0	0	0	1,304,051	0	0
Public Safety	1,113,110	1,426,235	0	0	799,320	0
Public Health Services	0	0	0	0	0	34,286
Transportation	0	0	0	0	0	0
Community Development	0	0	10,093	0	0	0
Culture and Recreation	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	46,491	67,461	0
Interest and Fiscal Charges	0	0	0	16,815	17,693	0
Bond Issuance Costs	0	0	0	5,463	0	0
<i>Total Expenditures</i>	<u>1,113,110</u>	<u>1,426,235</u>	<u>10,093</u>	<u>1,372,820</u>	<u>884,474</u>	<u>34,286</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(864,011)</u>	<u>(1,177,135)</u>	<u>21,963</u>	<u>(198,928)</u>	<u>276,339</u>	<u>(28,686)</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	0	0	0	0	0	0
General Obligation Bonds Issued	0	0	0	295,000	0	0
Transfers In	868,736	1,161,619	0	0	0	0
Transfers Out	0	0	0	0	(61,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>868,736</u>	<u>1,161,619</u>	<u>0</u>	<u>295,000</u>	<u>(61,500)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	4,725	(15,516)	21,963	96,072	214,839	(28,686)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(126,270)</u>	<u>(153,247)</u>	<u>19,549</u>	<u>404,283</u>	<u>646,256</u>	<u>34,521</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$121,545)</u>	<u>(\$168,763)</u>	<u>\$41,512</u>	<u>\$500,355</u>	<u>\$861,095</u>	<u>\$5,835</u>

<u>Youth Recreation Donation</u>	<u>Police Memorial Trust</u>	<u>Youth Advisory Commission</u>	<u>Juvenile Diversion Program</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$0	\$0	\$434,252
44	0	0	0	2,697,370
0	0	0	0	1,154
0	0	0	0	391,277
0	0	0	0	5,148,865
0	0	0	0	2,060,626
0	0	0	0	57
13,414	0	0	12,000	30,999
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>456,832</u>
<u>13,458</u>	<u>0</u>	<u>0</u>	<u>12,000</u>	<u>11,221,432</u>
2,580	0	0	0	1,593,183
0	0	0	14,458	5,815,838
0	0	0	0	34,286
0	0	0	0	1,854,191
0	0	0	0	3,054,593
0	0	0	0	722,166
0	0	0	0	229,392
0	0	0	0	34,508
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,463</u>
<u>2,580</u>	<u>0</u>	<u>0</u>	<u>14,458</u>	<u>13,343,620</u>
<u>10,878</u>	<u>0</u>	<u>0</u>	<u>(2,458)</u>	<u>(2,122,188)</u>
0	0	0	0	4,175
0	0	0	0	295,000
0	0	0	0	2,495,020
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(80,495)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,713,700</u>
10,878	0	0	(2,458)	591,512
<u>12,007</u>	<u>608</u>	<u>71</u>	<u>3,437</u>	<u>6,544,258</u>
<u>\$22,885</u>	<u>\$608</u>	<u>\$71</u>	<u>\$979</u>	<u>\$7,135,770</u>

City of Cleveland Heights, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2015

	<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	\$43,831	\$726,351	\$1,485,620	\$1,688,046
Intergovernmental Receivable	0	37,300	0	0
Property Taxes Receivable	0	574,744	0	0
Assets Held for Resale	0	0	0	130,575
<i>Total Assets</i>	<u>\$43,831</u>	<u>\$1,338,395</u>	<u>\$1,485,620</u>	<u>\$1,818,621</u>
Liabilities				
Accounts Payable	\$0	\$41,333	\$50,173	\$0
Intergovernmental Payable	1,146	0	0	0
<i>Total Liabilities</i>	<u>1,146</u>	<u>41,333</u>	<u>50,173</u>	<u>0</u>
Deferred Inflows of Resources				
Property Taxes	0	462,719	0	0
Unavailable Revenue	0	149,325	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>612,044</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted	0	685,018	0	0
Committed	42,685	0	0	0
Assigned	0	0	1,435,447	1,818,621
<i>Total Fund Balances</i>	<u>42,685</u>	<u>685,018</u>	<u>1,435,447</u>	<u>1,818,621</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$43,831</u>	<u>\$1,338,395</u>	<u>\$1,485,620</u>	<u>\$1,818,621</u>

City Hall Maintenance	Ring Road Construction	Total Nonmajor Capital Projects Funds
\$107,985	\$35,045	\$4,086,878
0	0	37,300
0	0	574,744
0	0	130,575
<u>\$107,985</u>	<u>\$35,045</u>	<u>\$4,829,497</u>
\$15,963	\$0	\$107,469
0	0	1,146
15,963	0	108,615
0	0	462,719
0	0	149,325
0	0	612,044
0	0	685,018
0	35,045	77,730
92,022	0	3,346,090
92,022	35,045	4,108,838
<u>\$107,985</u>	<u>\$35,045</u>	<u>\$4,829,497</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, 2015

	Police Facility Improvement	Recreation Facility Improvement	Capital Improvements	Economic Development
Revenues				
Property Taxes	\$0	\$506,562	\$0	\$0
Licenses, Permits and Fees	34,100	0	0	0
Intergovernmental	0	74,599	0	0
Rentals	0	0	0	0
Miscellaneous	0	5,000	0	96,106
<i>Total Revenues</i>	<u>34,100</u>	<u>586,161</u>	<u>0</u>	<u>96,106</u>
Expenditures				
General Government	0	0	62,451	0
Public Safety	22,304	0	0	0
Culture and Recreation	0	196,490	0	0
Capital Outlay	4,856	244,666	1,450,177	0
Debt Service:				
Bond Issuance Costs	0	0	37,537	0
<i>Total Expenditures</i>	<u>27,160</u>	<u>441,156</u>	<u>1,550,165</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,940</u>	<u>145,005</u>	<u>(1,550,165)</u>	<u>96,106</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	100
General Obligation Bonds Issued	0	0	2,025,921	0
Transfers Out	0	(27,465)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(27,465)</u>	<u>2,025,921</u>	<u>100</u>
<i>Net Change in Fund Balances</i>	6,940	117,540	475,756	96,206
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>35,745</u>	<u>567,478</u>	<u>959,691</u>	<u>1,722,415</u>
<i>Fund Balances End of Year</i>	<u><u>\$42,685</u></u>	<u><u>\$685,018</u></u>	<u><u>\$1,435,447</u></u>	<u><u>\$1,818,621</u></u>

City Hall Maintenance	Ring Road Construction	Total Nonmajor Capital Projects Funds
\$0	\$0	\$506,562
0	0	34,100
0	0	74,599
22,200	0	22,200
0	0	101,106
<u>22,200</u>	<u>0</u>	<u>738,567</u>
17,465	0	79,916
0	0	22,304
0	0	196,490
0	187,340	1,887,039
0	0	37,537
<u>17,465</u>	<u>187,340</u>	<u>2,223,286</u>
<u>4,735</u>	<u>(187,340)</u>	<u>(1,484,719)</u>
0	0	100
0	0	2,025,921
0	0	(27,465)
<u>0</u>	<u>0</u>	<u>1,998,556</u>
4,735	(187,340)	513,837
<u>87,287</u>	<u>222,385</u>	<u>3,595,001</u>
<u>\$92,022</u>	<u>\$35,045</u>	<u>\$4,108,838</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.

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, 2015

	Balance 12/31/14	Additions	Reductions	Balance 12/31/15
<i>First Suburbs Consortium</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$70,719	\$45,000	\$37,934	\$77,785
Liabilities				
Deposits Held and Due to Others	\$70,719	\$45,000	\$37,934	\$77,785
<i>Municipal Court</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$47,108	\$515,036	\$170,080	\$392,064
Liabilities				
Deposits Held and Due to Others	\$47,108	\$515,036	\$170,080	\$392,064
<i>Sales Tax</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$352	\$35	\$31	\$356
Liabilities				
Deposits Held and Due to Others	\$352	\$35	\$31	\$356
<i>Miscellaneous</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$422,971	\$154,618	\$292,800	\$284,789
Liabilities				
Deposits Held and Due to Others	\$422,971	\$154,618	\$292,800	\$284,789
<i>NEORS</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$130,073	\$9,405,703	\$9,414,446	\$121,330
Liabilities				
Deposits Held and Due to Others	\$130,073	\$9,405,703	\$9,414,446	\$121,330
<i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$671,223	\$10,120,392	\$9,915,291	\$876,324
Liabilities				
Deposits Held and Due to Others	\$671,223	\$10,120,392	\$9,915,291	\$876,324

**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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$7,667,678	\$7,667,678	\$7,295,765	(\$371,913)
Municipal Income Taxes	23,733,229	22,432,912	24,039,748	1,606,836
Admissions Taxes	95,801	90,552	97,038	6,486
Charges for Services	1,119,566	1,058,226	1,134,025	75,799
Licenses, Permits and Fees	4,978,958	4,706,166	5,043,262	337,096
Fines and Forfeitures	2,042,981	1,931,048	2,069,366	138,318
Intergovernmental	1,226,897	1,226,897	2,985,008	1,758,111
Interest	77,717	73,459	78,721	5,262
Franchise Taxes	560,000	561,353	561,353	0
Miscellaneous	1,159,369	1,095,850	1,210,696	114,846
Total Revenues	42,662,196	40,844,141	44,514,982	3,670,841
Expenditures				
Current:				
General Government				
City Council				
Personal Services	77,883	79,075	79,075	0
Other than Personal Services	8,750	5,058	4,480	578
Total City Council	86,633	84,133	83,555	578
City Manager				
Personal Services	524,786	478,888	456,866	22,022
Other than Personal Services	17,100	62,998	60,368	2,630
Total City Manager	541,886	541,886	517,234	24,652
Management Information System				
Personal Services	279,896	279,910	276,674	3,236
Other than Personal Services	63,455	88,545	64,543	24,002
Capital Outlay	8,000	8,000	7,099	901
Total Management Information System	351,351	376,455	348,316	28,139
Central Services				
Personal Services	0	9,759	9,759	0
Other than Personal Services	0	2	1	1
Total Central Services	0	9,761	9,760	1
Civil Service Commission				
Personal Services	935	1,122	1,122	0
Other than Personal Services	14,050	8,750	6,510	2,240
Total Civil Service Commission	14,985	9,872	7,632	2,240
Finance Department				
Personal Services	379,451	378,395	364,830	13,565
Other than Personal Services	99,490	94,446	90,331	4,115
Capital Outlay	400	400	146	254
Total Finance Department	479,341	473,241	455,307	17,934
Income Tax Department				
Other than Personal Services	\$809,500	\$900,000	\$899,423	\$577

(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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Law Department				
Personal Services	\$514,500	\$513,000	\$609,143	(\$96,143)
Other than Personal Services	184,750	181,450	153,564	27,886
Total Law Department	699,250	694,450	762,707	(68,257)
Service Administration				
Personal Services	305,922	313,922	315,971	(2,049)
Other than Personal Services	3,575	2,620	1,987	633
Total Service Administration	309,497	316,542	317,958	(1,416)
Capital Projects				
Other than Personal Services	40,000	40,000	36,409	3,591
Public Properties and Park Maintenance				
Personal Services	1,202,849	1,222,849	1,226,776	(3,927)
Other than Personal Services	965,050	944,850	977,580	(32,730)
Capital Outlay	110	110	0	110
Non-Governmental	0	200	185	15
Total Public Properties and Park Maintenance	2,168,009	2,168,009	2,204,541	(36,532)
Community Service Administration				
Personal Services	227,673	237,673	247,225	(9,552)
Other than Personal Services	1,075	1,075	130	945
Total Community Service Administration	228,748	238,748	247,355	(8,607)
County Auditor				
Other than Personal Services:				
Elections Expense	0	124	124	0
Auditor and Treasurer Fees	199,500	199,500	198,758	742
Delinquent Land Advertising	1,500	1,376	0	1,376
Total County Auditor	201,000	201,000	198,882	2,118
Municipal Court				
Personal Services	1,051,740	1,051,740	1,040,885	10,855
Other than Personal Services	185,575	185,502	131,694	53,808
Non-Governmental	120	120	0	120
Total Municipal Court	1,237,435	1,237,362	1,172,579	64,783
Administrative Support				
Personal Services	725,000	667,478	666,665	813
Other than Personal Services	931,990	853,290	788,294	64,996
Total Administrative Support	1,656,990	1,520,768	1,454,959	65,809
Hospitalization Insurance				
Personal Services	4,540,537	4,470,537	4,336,614	133,923
Total General Government	\$13,365,162	\$13,282,764	\$13,053,231	\$229,533

(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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public Safety				
Police Department				
Personal Services	\$8,494,817	\$8,294,817	\$8,284,094	\$10,723
Other than Personal Services	469,900	397,287	352,585	44,702
Capital Outlay	17,500	12,400	11,886	514
Non-Governmental	0	5,671	5,403	268
Total Police Department	8,982,217	8,710,175	8,653,968	56,207
Police Academy				
Personal Services	5,000	5,000	3,962	1,038
Other than Personal Services	83,600	85,600	80,201	5,399
Capital Outlay	4,500	2,500	0	2,500
Total Police Academy	93,100	93,100	84,163	8,937
Police Motor Vehicle Maintenance				
Personal Services	220,749	220,764	219,347	1,417
Other than Personal Services	93,850	87,335	75,534	11,801
Capital Outlay	3,500	0	0	0
Total Police Motor Vehicle Maintenance	318,099	308,099	294,881	13,218
Traffic Signs and Signals				
Personal Services	57,345	57,345	57,026	319
Other than Personal Services	104,600	116,023	116,023	0
Total Traffic Signs and Signals	161,945	173,368	173,049	319
Animal Protection Unit				
Personal Services	67,159	67,159	69,429	(2,270)
Other than Personal Services	29,000	29,000	20,137	8,863
Total Animal Protection Unit	96,159	96,159	89,566	6,593
Fire Department				
Personal Services	5,683,220	5,876,220	5,831,836	44,384
Other than Personal Services	219,050	219,038	204,573	14,465
Capital Outlay	1,500	1,500	743	757
Total Fire Department	5,903,770	6,096,758	6,037,152	59,606
Fire Prevention Bureau				
Personal Services	111,777	111,777	100,175	11,602
Other than Personal Services	4,920	2,780	2,008	772
Total Fire Prevention Bureau	116,697	114,557	102,183	12,374
Total Public Safety	\$15,671,987	\$15,592,216	\$15,434,962	\$157,254

(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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public Health Services				
Office on Aging				
Personal Services	\$143,137	\$143,500	\$143,500	\$0
Other than Personal Services	20,900	20,537	18,265	2,272
Non-Governmental	300	300	0	300
Total Office on Aging	164,337	164,337	161,765	2,572
Health and Vital Statistics				
Other than Personal Services	187,600	187,600	183,535	4,065
Commission on Aging				
Other than Personal Services	250	250	0	250
<i>Total Public Health Services</i>	<u>352,187</u>	<u>352,187</u>	<u>345,300</u>	<u>6,887</u>
Transportation				
Parking Meters				
Personal Services	0	875	875	0
Vehicle Maintenance				
Personal Services	476,924	476,924	483,378	(6,454)
Other than Personal Services	1,395,425	1,151,925	1,089,458	62,467
Capital Outlay	9,100	2,600	1,140	1,460
Total Vehicle Maintenance	1,881,449	1,631,449	1,573,976	57,473
Street Maintenance				
Personal Services	1,205,478	1,180,478	1,179,684	794
Other than Personal Services	189,520	63,608	30,634	32,974
Capital Outlay	0	6,000	0	6,000
Total Street Maintenance	1,394,998	1,250,086	1,210,318	39,768
<i>Total Transportation</i>	<u>3,276,447</u>	<u>2,882,410</u>	<u>2,785,169</u>	<u>97,241</u>
Community Development				
Community Relations				
Personal Services	87,224	72,224	62,604	9,620
Other than Personal Services	16,520	16,520	10,784	5,736
Total Community Relations	103,744	88,744	73,388	15,356
Public Relations				
Personal Services	101,922	102,622	105,159	(2,537)
Other than Personal Services	100,900	75,400	65,128	10,272
Total Public Relations	\$202,822	\$178,022	\$170,287	\$7,735
Planning Department				
Personal Services	349,391	339,391	323,143	16,248
Other than Personal Services	17,325	10,100	7,134	2,966
Capital Outlay	1,250	0	0	0
Total Planning Department	\$367,966	\$349,491	\$330,277	\$19,214

(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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Planning Commission				
Personal Services	\$7,481	\$7,481	\$6,587	\$894
Other than Personal Services	4,200	3,800	2,554	1,246
Non-Governmental	50	450	450	0
Total Planning Commission	11,731	11,731	9,591	2,140
Board of Zoning Appeals				
Personal Services	7,481	4,481	4,019	462
Other than Personal Services	2,900	2,790	2,215	575
Non-Governmental	50	160	160	0
Total Board of Zoning Appeals	10,431	7,431	6,394	1,037
Special Improvement Districts				
Other than Personal Services	361,929	338,093	337,744	349
Building Department				
Personal Services	365,886	302,086	267,191	34,895
Other than Personal Services	34,600	40,700	23,103	17,597
Non-Governmental	0	7,404	7,404	0
Total Building Department	400,486	350,190	297,698	52,492
Housing Inspections				
Personal Services	468,199	474,199	476,510	(2,311)
Other than Personal Services	40,850	33,550	64,549	(30,999)
Non-Governmental	0	2,000	2,000	0
Total Housing Inspections	509,049	509,749	543,059	(33,310)
Landmark Commission				
Other than Personal Services	16,450	16,450	15,216	1,234
Local Programming				
Personal Services	89,112	89,112	87,578	1,534
Other than Personal Services	59,500	135,335	70,910	64,425
Capital Outlay	22,050	20,550	16,884	3,666
Total Local Programming	170,662	244,997	175,372	69,625
Total Community Development	2,155,270	2,094,898	1,959,026	135,872
Sanitation				
Refuse Collection and Transfer Station				
Personal Services	1,638,300	1,638,300	1,665,030	(26,730)
Other than Personal Services	576,900	576,900	544,474	32,426
Total Sanitation	\$2,215,200	\$2,215,200	\$2,209,504	\$5,696

(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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Culture and Recreation				
Recreation Administration				
Personal Services	\$172,428	\$172,428	\$146,029	\$26,399
Other than Personal Services	37,150	37,150	25,060	12,090
Total Recreation Administration	209,578	209,578	171,089	38,489
Swimming Pools				
Personal Services	252,258	237,258	224,051	13,207
Other than Personal Services	40,450	35,450	28,302	7,148
Non-Governmental	700	250	128	122
Total Swimming Pools	293,408	272,958	252,481	20,477
Ice Programs				
Personal Services	212,966	212,966	195,925	17,041
Other than Personal Services	18,350	16,350	14,037	2,313
Non-Governmental	1,000	300	65	235
Total Ice Programs	232,316	229,616	210,027	19,589
General Recreation Programs				
Personal Services	126,675	101,675	87,553	14,122
Other than Personal Services	23,800	23,800	20,112	3,688
Non-Governmental	2,500	1,300	771	529
Total General Recreation Programs	152,975	126,775	108,436	18,339
Sports Programs				
Personal Services	113,966	114,066	112,303	1,763
Other than Personal Services	106,500	83,125	66,293	16,832
Non-Governmental	5,000	2,000	1,990	10
Total Sports Programs	225,466	199,191	180,586	18,605
Community Center				
Personal Services	476,008	476,008	466,267	9,741
Other than Personal Services	445,300	445,138	433,390	11,748
Non-Governmental	1,500	1,662	1,662	0
Total Community Center	922,808	922,808	901,319	21,489
<i>Total Culture and Recreation</i>	2,036,551	1,960,926	1,823,938	136,988
Debt Service:				
Principal Retirement	101,959	101,959	101,959	0
Interest and Fiscal Charges	1,381	1,381	1,381	0
Total Debt Service	103,340	103,340	103,340	0
<i>Total Expenditures</i>	39,176,144	38,483,941	37,714,470	769,471
<i>Excess of Revenues Over Expenditures</i>	\$3,486,052	\$2,360,200	\$6,800,512	\$4,440,312

(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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses)				
Sale of Capital Assets	\$10,804	\$10,212	\$10,944	\$732
Advances In	0	0	10,044	10,044
Advances Out	0	0	(431,867)	(431,867)
Transfers In	0	2,100,000	0	(2,100,000)
Transfers Out	(3,087,272)	(5,660,608)	(5,523,406)	137,202
<i>Total Other Financing Sources (Uses)</i>	<u>(3,076,468)</u>	<u>(3,550,396)</u>	<u>(5,934,285)</u>	<u>(2,383,889)</u>
<i>Net Change in Fund Balance</i>	409,584	(1,190,196)	866,227	2,056,423
<i>Fund Balance Beginning of Year</i>	1,962,586	1,962,586	1,962,586	0
Unexpended Prior Year Encumbrances	14,433	14,433	14,433	0
<i>Fund Balance End of Year</i>	<u><u>\$2,386,603</u></u>	<u><u>\$786,823</u></u>	<u><u>\$2,843,246</u></u>	<u><u>\$2,056,423</u></u>

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,776,445	\$1,776,445	\$1,917,771	\$141,326
Intergovernmental	261,604	261,604	282,416	20,812
Special Assessments	4,353	149,353	147,155	(2,198)
Miscellaneous	16	542	534	(8)
<i>Total Revenues</i>	<u>2,042,418</u>	<u>2,187,944</u>	<u>2,347,876</u>	<u>159,932</u>
Expenditures				
Current:				
General Government:				
Other than Personal Services	0	1,448	1,448	0
Debt Service:				
Principal Retirement	2,910,000	4,044,194	4,039,509	4,685
Interest and Fiscal Charges	0	378,760	378,760	0
Bond Issuance Costs	0	74,332	74,332	0
<i>Total Expenditures</i>	<u>2,910,000</u>	<u>4,498,734</u>	<u>4,494,049</u>	<u>4,685</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(867,582)</u>	<u>(2,310,790)</u>	<u>(2,146,173)</u>	<u>164,617</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	137,284	4,710,406	4,641,079	(69,327)
Payment to Refunded Bond Escrow Agent	0	(4,654,510)	(4,728,842)	(74,332)
Notes Issued	51,470	1,765,992	1,740,000	(25,992)
Premium on Notes	371	12,714	12,527	(187)
Transfers In	1,636	56,122	55,296	(826)
<i>Total Other Financing Sources (Uses)</i>	<u>190,761</u>	<u>1,890,724</u>	<u>1,720,060</u>	<u>(170,664)</u>
<i>Net Change in Fund Balance</i>	<u>(676,821)</u>	<u>(420,066)</u>	<u>(426,113)</u>	<u>(6,047)</u>
<i>Fund Balance Beginning of Year</i>	<u>2,466,557</u>	<u>2,466,557</u>	<u>2,466,557</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,789,736</u></u>	<u><u>\$2,046,491</u></u>	<u><u>\$2,040,444</u></u>	<u><u>(\$6,047)</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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$16,373,174	\$13,092,204	\$13,161,699	\$69,495
Tap-In Fees	423,545	338,672	340,470	1,798
General Obligation Notes Issued	0	0	185,000	185,000
Premium on Notes	0	0	1,333	1,333
Miscellaneous	3,281	2,623	2,637	14
<i>Total Revenues</i>	<u>16,800,000</u>	<u>13,433,499</u>	<u>13,691,139</u>	<u>257,640</u>
Expenses				
Personal Services				
Water Administration	296,401	311,401	312,904	(1,503)
Water Distribution	840,226	731,726	708,861	22,865
Total Personal Services	<u>1,136,627</u>	<u>1,043,127</u>	<u>1,021,765</u>	<u>21,362</u>
Other than Personal Services				
Water Administration	240,300	220,300	244,335	(24,035)
Water Distribution	316,120	309,620	266,516	43,104
Water Supply	14,960,638	11,518,536	11,513,760	4,776
Total Other than Personal Services	<u>15,517,058</u>	<u>12,048,456</u>	<u>12,024,611</u>	<u>23,845</u>
Capital Outlay				
Water Administration	1,000	0	0	0
Water Distribution	35,000	33,000	33,000	0
Total Capital Outlay	<u>36,000</u>	<u>33,000</u>	<u>33,000</u>	<u>0</u>
Non-Governmental				
Water Administration	16,350	16,350	14,351	1,999
Water Distribution	15,500	18,000	20,363	(2,363)
Total Non-Governmental	<u>31,850</u>	<u>34,350</u>	<u>34,714</u>	<u>(364)</u>
Debt Service				
Principal Retirement	76,730	261,730	261,729	1
Interest	8,893	11,925	11,925	0
Total Debt Service	<u>85,623</u>	<u>273,655</u>	<u>273,654</u>	<u>1</u>
<i>Total Expenses</i>	<u>\$16,807,158</u>	<u>\$13,432,588</u>	<u>\$13,387,744</u>	<u>\$44,844</u>

(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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<i>Net Change in Fund Equity</i>	(\$7,158)	\$911	\$303,395	\$302,484
<i>Fund Equity Beginning of Year</i>	42,588	42,588	42,588	0
Unexpended Prior Year Encumbrances	689	689	689	0
<i>Fund Equity End of Year</i>	\$36,119	\$44,188	\$346,672	\$302,484

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,623,314	\$1,518,051	\$1,535,455	\$17,404
Miscellaneous	1,686	1,577	1,595	18
<i>Total Revenues</i>	<u>1,625,000</u>	<u>1,519,628</u>	<u>1,537,050</u>	<u>17,422</u>
Expenses				
Personal Services				
Sewer Maintenance	<u>1,007,196</u>	<u>1,009,796</u>	<u>913,561</u>	<u>96,235</u>
Other than Personal Services				
Sewer Maintenance	334,750	435,992	412,158	23,834
Sewer Administration	<u>56,750</u>	<u>56,750</u>	<u>55,340</u>	<u>1,410</u>
Total Other than Personal Services	<u>391,500</u>	<u>492,742</u>	<u>467,498</u>	<u>25,244</u>
Capital Outlay				
Sewer Maintenance	<u>329,500</u>	<u>59,273</u>	<u>40,933</u>	<u>18,340</u>
Debt Service				
Principal Retirement	59,963	59,963	59,962	1
Interest and Fiscal Charges	<u>9,795</u>	<u>9,795</u>	<u>9,795</u>	<u>0</u>
Total Debt Service	<u>69,758</u>	<u>69,758</u>	<u>69,757</u>	<u>1</u>
<i>Total Expenses</i>	<u>1,797,954</u>	<u>1,631,569</u>	<u>1,491,749</u>	<u>121,480</u>
<i>Net Change in Fund Equity</i>	(172,954)	(111,941)	45,301	138,902
<i>Fund Equity Beginning of Year</i>	568,058	568,058	568,058	0
Unexpended Prior Year Encumbrances	<u>981</u>	<u>981</u>	<u>981</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$396,085</u></u>	<u><u>\$457,098</u></u>	<u><u>\$614,340</u></u>	<u><u>\$138,902</u></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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,400,136	\$1,671,412	\$2,028,893	\$357,481
Interest	39	47	57	10
Miscellaneous	199,825	238,541	289,560	51,019
<i>Total Revenues</i>	<u>1,600,000</u>	<u>1,910,000</u>	<u>2,318,510</u>	<u>408,510</u>
Expenditures				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Personal Services	140,250	159,400	148,142	11,258
Other than Personal Services	0	215,427	285,856	(70,429)
Capital Outlay	1,459,750	1,409,787	1,746,223	(336,436)
Total Transportation	1,600,000	1,784,614	2,180,221	(395,607)
Debt Service:				
Principal Retirement	0	115,440	115,440	0
<i>Total Expenditures</i>	<u>1,600,000</u>	<u>1,900,054</u>	<u>2,295,661</u>	<u>(395,607)</u>
<i>Net Change in Fund Balance</i>	0	9,946	22,849	12,903
<i>Fund Balance Beginning of Year</i>	621	621	621	0
Unexpended Prior Year Encumbrances	11,075	11,075	11,075	0
<i>Fund Balance End of Year</i>	<u>\$11,696</u>	<u>\$21,642</u>	<u>\$34,545</u>	<u>\$12,903</u>

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$12,463	\$13,585	\$7,669	(\$5,916)
Expenditures				
Current:				
Community Development:				
Foundation Grants:				
Personal Services	520,000	0	0	0
Other Than Personal Services	0	8,084	5,656	2,428
Capital Outlay	0	560,235	336,761	223,474
<i>Total Expenditures</i>	<u>520,000</u>	<u>568,319</u>	<u>342,417</u>	<u>225,902</u>
<i>Excess of Revenues Under Expenditures</i>	(507,537)	(554,734)	(334,748)	219,986
Other Financing Sources				
Advances In	487,537	531,415	300,000	(231,415)
<i>Net Change in Fund Balance</i>	(20,000)	(23,319)	(34,748)	(11,429)
<i>Fund Balance Beginning of Year</i>	<u>34,748</u>	<u>34,748</u>	<u>34,748</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,748</u></u>	<u><u>\$11,429</u></u>	<u><u>\$0</u></u>	<u><u>(\$11,429)</u></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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$405,563	\$405,563	\$425,726	\$20,163
Miscellaneous	2	2	2	0
<i>Total Revenues</i>	<u>405,565</u>	<u>405,565</u>	<u>425,728</u>	<u>20,163</u>
Expenditures				
Current:				
Public Safety:				
Communications System:				
Personal Services	652,534	652,534	623,166	29,368
Other than Personal Services	130,150	127,150	107,344	19,806
Capital Outlay	45,000	48,000	44,925	3,075
<i>Total Expenditures</i>	<u>827,684</u>	<u>827,684</u>	<u>775,435</u>	<u>52,249</u>
<i>Excess of Revenues Under Expenditures</i>	(422,119)	(422,119)	(349,707)	72,412
Other Financing Sources				
Transfers In	422,119	422,119	349,860	(72,259)
<i>Net Change in Fund Balance</i>	0	0	153	153
<i>Fund Balance Beginning of Year</i>	4,740	4,740	4,740	0
Unexpended Prior Year Encumbrances	1	1	1	0
<i>Fund Balance End of Year</i>	<u>\$4,741</u>	<u>\$4,741</u>	<u>\$4,894</u>	<u>\$153</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$10,366	\$36,280	\$52,770	\$16,490
Intergovernmental	1,634	5,720	8,320	2,600
<i>Total Revenues</i>	<u>12,000</u>	<u>42,000</u>	<u>61,090</u>	<u>19,090</u>
Expenditures				
Current:				
Public Safety:				
Law Enforcement:				
Other than Personal Services	31,397	67,863	61,929	5,934
Capital Outlay	29,934	7,868	5,491	2,377
<i>Total Expenditures</i>	<u>61,331</u>	<u>75,731</u>	<u>67,420</u>	<u>8,311</u>
<i>Excess of Revenues Under Expenditures</i>	(49,331)	(33,731)	(6,330)	27,401
Other Financing Sources				
Sale of Capital Assets	768	2,687	4,175	1,488
<i>Net Change in Fund Balance</i>	(48,563)	(31,044)	(2,155)	28,889
<i>Fund Balance Beginning of Year</i>	61,331	61,331	61,331	0
Prior Year Encumbrances Appropriated	3,950	3,950	3,950	0
<i>Fund Balance End of Year</i>	<u>\$16,718</u>	<u>\$34,237</u>	<u>\$63,126</u>	<u>\$28,889</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$64,733	\$106,809	\$107,673	\$864
Miscellaneous	35,267	58,191	58,661	470
<i>Total Revenues</i>	<u>100,000</u>	<u>165,000</u>	<u>166,334</u>	<u>1,334</u>
Expenditures				
Current:				
Public Safety:				
Drug Law Enforcement:				
Personal Services	35,000	89,819	69,674	20,145
Other than Personal Services	38,000	157,007	144,046	12,961
Capital Outlay	39,868	33,540	27,321	6,219
<i>Total Expenditures</i>	<u>112,868</u>	<u>280,366</u>	<u>241,041</u>	<u>39,325</u>
<i>Excess of Revenues Under Expenditures</i>	(12,868)	(115,366)	(74,707)	40,659
Other Financing Uses				
Transfers Out	0	(15,000)	(15,000)	0
<i>Net Change in Fund Balance</i>	(12,868)	(130,366)	(89,707)	40,659
<i>Fund Balance Beginning of Year</i>	147,506	147,506	147,506	0
Unexpended Prior Year Encumbrances	500	500	500	0
<i>Fund Balance End of Year</i>	<u>\$135,138</u>	<u>\$17,640</u>	<u>\$58,299</u>	<u>\$40,659</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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$2,952,970	\$1,496,125	\$1,242,056	(\$254,069)
Expenditures				
Current:				
Community Development:				
Financial Administration				
Personal Services	10,000	14,737	12,797	1,940
Administrative Contracts				
Other than Personal Services	400,377	138,227	129,832	8,395
Commercial Area Improvements				
Other than Personal Services	21,000	21,000	21,000	0
Water Improvement Projects				
Capital Outlay	300,362	18,407	18,405	2
CDBG - Office on Aging				
Personal Services	42,000	60,715	32,550	28,165
CDBG - Contingency				
Other than Personal Services	67,627	0	0	0
LDC - Economic Development				
Personal Services	65,000	78,451	15,750	62,701
Other than Personal Services	821,641	49,254	47,859	1,395
Total LDC - Economic Development	886,641	127,705	63,609	64,096
CDBG Administration				
Personal Services	85,000	103,945	89,754	14,191
Other than Personal Services	85,000	44,028	41,236	2,792
Capital Outlay	500	12	0	12
Total CDBG Administration	170,500	147,985	130,990	16,995
CDBG - Public Works				
Capital Outlay	457,915	270,843	242,025	28,818
CDBG - Home Repair Resources Center				
Other than Personal Services	172,137	196,793	169,082	27,711
Housing Preservation				
Personal Services	263,885	276,591	231,754	44,837
Other than Personal Services	160,000	160,581	129,502	31,079
Capital Outlay	0	1,750	1,750	0
Total Housing Preservation	\$423,885	\$438,922	\$363,006	\$75,916

(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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
CDBG - Code Enforcement				
Personal Services	\$58,000	\$60,059	\$55,483	\$4,576
CDBG - Neighborhood Relations				
Personal Services	60,000	50,698	43,028	7,670
CDBG - Program Income				
Other than Personal Services	0	96	95	1
<i>Total Expenditures</i>	<u>3,070,444</u>	<u>1,546,187</u>	<u>1,281,902</u>	<u>264,285</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(117,474)</u>	<u>(50,062)</u>	<u>(39,846)</u>	<u>10,216</u>
Other Financing Sources (Uses)				
Advances In	117,474	60,107	50,000	(10,107)
Advances Out	0	(10,045)	(10,044)	1
<i>Total Other Financing Sources (Uses)</i>	<u>117,474</u>	<u>50,062</u>	<u>39,956</u>	<u>(10,106)</u>
<i>Net Change in Fund Balance</i>	0	0	110	110
<i>Fund Balance Beginning of Year</i>	<u>3,737</u>	<u>3,737</u>	<u>3,737</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,737</u>	<u>\$3,737</u>	<u>\$3,847</u>	<u>\$110</u>

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$131,158	\$333,515	\$244,912	(\$88,603)
Expenditures				
Current:				
Community Development:				
Home Administration				
Personal Services	5,000	0	0	0
Other than Personal Services	155,000	440,233	372,069	68,164
Total Home Administration	160,000	440,233	372,069	68,164
Home - Program Income				
Other than Personal Services	15,000	0	0	0
<i>Total Expenditures</i>	175,000	440,233	372,069	68,164
<i>Excess of Revenues Under Expenditures</i>	(43,842)	(106,718)	(127,157)	(20,439)
Other Financing Sources				
Advances In	43,842	111,485	81,867	(29,618)
<i>Net Change in Fund Balance</i>	0	4,767	(45,290)	(50,057)
<i>Fund Balance Beginning of Year</i>	45,290	45,290	45,290	0
<i>Fund Balance End of Year</i>	\$45,290	\$50,057	\$0	(\$50,057)

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$0	\$0	\$598,846	\$598,846
Expenditures				
Current:				
Public Safety:				
FEMA:				
Personal Services	0	0	493,151	(493,151)
<i>Net Change in Fund Balance</i>	0	0	105,695	105,695
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$105,695</u>	<u>\$105,695</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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$688,481	\$621,481	\$615,813	(\$5,668)
Intergovernmental	28,417	25,652	25,418	(234)
Miscellaneous	3,102	2,799	2,774	(25)
<i>Total Revenues</i>	<u>720,000</u>	<u>649,932</u>	<u>644,005</u>	<u>(5,927)</u>
Expenditures				
Current:				
Culture and Recreation:				
Cain Park Recreation				
Personal Services	184,845	140,295	137,306	2,989
Other than Personal Services	551,971	517,471	515,167	2,304
Total Cain Park Recreation	<u>736,816</u>	<u>657,766</u>	<u>652,473</u>	<u>5,293</u>
Cain Park Arts Festival				
Personal Services	18,703	20,270	20,270	0
Other than Personal Services	15,300	15,300	14,990	310
Total Cain Park Arts Festival	<u>34,003</u>	<u>35,570</u>	<u>35,260</u>	<u>310</u>
Cain Park Arts Theater				
Personal Services	5,202	12,617	12,594	23
Other than Personal Services	23,979	23,979	23,475	504
Total Cain Park Arts Theater	<u>29,181</u>	<u>36,596</u>	<u>36,069</u>	<u>527</u>
<i>Total Expenditures</i>	<u>800,000</u>	<u>729,932</u>	<u>723,802</u>	<u>6,130</u>
<i>Excess of Revenues Under Expenditures</i>	(80,000)	(80,000)	(79,797)	203
Other Financing Sources				
Transfers In	80,000	80,000	80,000	0
<i>Net Change in Fund Balance</i>	0	0	203	203
<i>Fund Balance Beginning of Year</i>	<u>189</u>	<u>189</u>	<u>189</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$189</u></u>	<u><u>\$189</u></u>	<u><u>\$392</u></u>	<u><u>\$203</u></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, 2015

	<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	\$10,500	\$10,500	\$999	(\$9,501)
Expenditures				
Current:				
General Government:				
Public Right of Way				
Other than Personal Services	12,000	0	0	0
<i>Net Change in Fund Balance</i>	(1,500)	10,500	999	(9,501)
<i>Fund Balance Beginning of Year</i>	22,789	22,789	22,789	0
<i>Fund Balance End of Year</i>	<u>\$21,289</u>	<u>\$33,289</u>	<u>\$23,788</u>	<u>(\$9,501)</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, 2015

	<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	\$19,704	\$16,704
Expenditures				
Current:				
General Government:				
Indigent DUI Treatment				
Other than Personal Services	14,000	3,000	2,500	500
<i>Net Change in Fund Balance</i>	(11,000)	0	17,204	17,204
<i>Fund Balance Beginning of Year</i>	180,646	180,646	180,646	0
<i>Fund Balance End of Year</i>	<u>\$169,646</u>	<u>\$180,646</u>	<u>\$197,850</u>	<u>\$17,204</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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$120,000	\$120,000	\$77,442	(\$42,558)
Expenditures				
Current:				
General Government:				
Court Computer				
Personal Services	31,500	90,500	84,904	5,596
Other than Personal Services	86,000	86,000	38,726	47,274
Capital Outlay	212,000	142,000	87,907	54,093
<i>Total Expenditures</i>	<u>329,500</u>	<u>318,500</u>	<u>211,537</u>	<u>106,963</u>
<i>Net Change in Fund Balance</i>	(209,500)	(198,500)	(134,095)	64,405
<i>Fund Balance Beginning of Year</i>	287,377	287,377	287,377	0
Unexpended Prior Year Encumbrances	<u>3,960</u>	<u>3,960</u>	<u>3,960</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$81,837</u></u>	<u><u>\$92,837</u></u>	<u><u>\$157,242</u></u>	<u><u>\$64,405</u></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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$4,500	\$4,500	\$9,980	\$5,480
Expenditures				
Current:				
General Government:				
DUI Enforcement Education				
Other than Personal Services	10,000	1,000	0	1,000
<i>Net Change in Fund Balance</i>	(5,500)	3,500	9,980	6,480
<i>Fund Balance Beginning of Year</i>	86,002	86,002	86,002	0
<i>Fund Balance End of Year</i>	<u>\$80,502</u>	<u>\$89,502</u>	<u>\$95,982</u>	<u>\$6,480</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$147,578	\$147,578	\$129,421	(\$18,157)
Miscellaneous	2,422	2,422	2,124	(298)
<i>Total Revenues</i>	<u>150,000</u>	<u>150,000</u>	<u>131,545</u>	<u>(18,455)</u>
Expenditures				
Current:				
General Government:				
Court Special Projects				
Personal Services	40,070	40,070	24,690	15,380
Other than Personal Services	79,000	79,000	22,188	56,812
Capital Outlay	170,000	170,000	52,875	117,125
<i>Total Expenditures</i>	<u>289,070</u>	<u>289,070</u>	<u>99,753</u>	<u>189,317</u>
<i>Net Change in Fund Balance</i>	(139,070)	(139,070)	31,792	170,862
<i>Fund Balance Beginning of Year</i>	1,731,418	1,731,418	1,731,418	0
Unexpended Prior Year Encumbrances	627	627	627	0
<i>Fund Balance End of Year</i>	<u><u>\$1,592,975</u></u>	<u><u>\$1,592,975</u></u>	<u><u>\$1,763,837</u></u>	<u><u>\$170,862</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$155,000	\$330,000	\$321,883	(\$8,117)
Expenditures				
Current:				
Community Development:				
LEAD Safe Cuyahoga				
Personal Services	5,000	21,936	21,935	1
Other than Personal Services	150,000	307,868	307,868	0
<i>Total Expenditures</i>	<u>155,000</u>	<u>329,804</u>	<u>329,803</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	0	196	(7,920)	(8,116)
<i>Fund Balance Beginning of Year</i>	<u>9,796</u>	<u>9,796</u>	<u>9,796</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$9,796</u></u>	<u><u>\$9,992</u></u>	<u><u>\$1,876</u></u>	<u><u>(\$8,116)</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
Community Development:				
Neighborhood Stabilization				
Personal Services	55,000	0	0	0
Other than Personal Services	150,000	150,000	101,800	48,200
Total Expenditures	<u>205,000</u>	<u>150,000</u>	<u>101,800</u>	<u>48,200</u>
<i>Net Change in Fund Balance</i>	(205,000)	(150,000)	(101,800)	48,200
<i>Fund Balance Beginning of Year</i>	<u>224,743</u>	<u>224,743</u>	<u>224,743</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$19,743</u>	<u>\$74,743</u>	<u>\$122,943</u>	<u>\$48,200</u>

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$1,042,500	\$1,040,000	\$1,063,579	\$23,579
Expenditures				
Current:				
Public Safety:				
Street Lighting				
Other than Personal Services	960,000	960,000	956,423	3,577
<i>Excess of Revenues Over Expenditures</i>	82,500	80,000	107,156	27,156
Other Financing Sources				
Transfers In	17,500	20,000	19,130	(870)
<i>Net Change in Fund Balance</i>	100,000	100,000	126,286	26,286
<i>Fund Balance Beginning of Year</i>	453,963	453,963	453,963	0
<i>Fund Balance End of Year</i>	<u>\$553,963</u>	<u>\$553,963</u>	<u>\$580,249</u>	<u>\$26,286</u>

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses, Permits and Fees	\$125	\$125	\$140	\$15
Special Assessments	888,977	888,977	997,047	108,070
Miscellaneous	89,898	89,898	100,827	10,929
<i>Total Revenues</i>	<u>979,000</u>	<u>979,000</u>	<u>1,098,014</u>	<u>119,014</u>
Expenditures				
Current:				
Community Development:				
Tree				
Personal Services	677,499	678,894	639,362	39,532
Other than Personal Services	219,750	162,000	135,916	26,084
Capital Outlay	0	12,300	12,183	117
<i>Total Expenditures</i>	<u>897,249</u>	<u>853,194</u>	<u>787,461</u>	<u>65,733</u>
<i>Excess of Revenues Over Expenditures</i>	<u>81,751</u>	<u>125,806</u>	<u>310,553</u>	<u>184,747</u>
Other Financing Sources (Uses)				
Transfers In	18,500	18,500	15,675	(2,825)
Transfers Out	(3,995)	(3,995)	(3,995)	0
<i>Total Other Financing Sources (Uses)</i>	<u>14,505</u>	<u>14,505</u>	<u>11,680</u>	<u>(2,825)</u>
<i>Net Change in Fund Balance</i>	96,256	140,311	322,233	181,922
<i>Fund Balance Beginning of Year</i>	<u>43,831</u>	<u>43,831</u>	<u>43,831</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$140,087</u>	<u>\$184,142</u>	<u>\$366,064</u>	<u>\$181,922</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$230,722	\$230,722	\$217,126	(\$13,596)
Intergovernmental	37,866	9,979	31,973	21,994
<i>Total Revenues</i>	268,588	240,701	249,099	8,398
Expenditures				
Current:				
Public Safety:				
Police Pension				
Personal Services	1,022,134	1,117,835	1,117,835	0
<i>Excess of Revenues Under Expenditures</i>	(753,546)	(877,134)	(868,736)	8,398
Other Financing Sources				
Transfers In	782,134	877,134	868,736	(8,398)
<i>Net Change in Fund Balance</i>	28,588	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$28,588</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$230,722	\$230,722	\$217,126	(\$13,596)
Intergovernmental	104,481	11,509	31,974	20,465
<i>Total Revenues</i>	335,203	242,231	249,100	6,869
Expenditures				
Current:				
Public Safety:				
Fire Pension				
Personal Services	1,338,519	1,410,750	1,410,718	32
<i>Excess of Revenues Under Expenditures</i>	(1,003,316)	(1,168,519)	(1,161,618)	6,901
Other Financing Sources				
Transfers In	1,098,519	1,168,519	1,161,619	(6,900)
<i>Net Change in Fund Balance</i>	95,203	0	1	1
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$95,203</u>	<u>\$0</u>	<u>\$1</u>	<u>\$1</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
First Suburbs Development Council Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$0	\$32,056	\$32,056
Expenditures				
Current:				
Community Development:				
First Suburbs Development Council				
Personal Services	5,100	13,100	10,147	2,953
<i>Net Change in Fund Balance</i>	(5,100)	(13,100)	21,909	35,009
<i>Fund Balance Beginning of Year</i>	19,603	19,603	19,603	0
<i>Fund Balance End of Year</i>	<u>\$14,503</u>	<u>\$6,503</u>	<u>\$41,512</u>	<u>\$35,009</u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Parking Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$1,443,000	\$1,443,400	\$1,163,527	(\$279,873)
Expenditures				
Current:				
General Government:				
Off-Street Parking				
Personal Services	224,616	231,466	227,792	3,674
Other than Personal Services	874,200	884,785	860,682	24,103
Capital Outlay	299,400	293,570	249,696	43,874
Non-Governmental	4,000	6,993	6,993	0
<i>Total General Government</i>	1,402,216	1,416,814	1,345,163	71,651
Debt Service:				
Principal Retirement	0	46,491	46,491	0
Interest and Fiscal Charges	0	16,815	16,815	0
Bond Issuance Costs	0	5,463	5,463	0
<i>Total Debt Service</i>	0	68,769	68,769	0
<i>Total Expenditures</i>	1,402,216	1,485,583	1,413,932	71,651
<i>Excess of Revenues Over (Under) Expenditures</i>	40,784	(42,183)	(250,405)	(208,222)
Other Financing Sources				
General Obligation Bonds Issued	0	0	295,000	295,000
<i>Net Change in Fund Balance</i>	40,784	(42,183)	44,595	86,778
<i>Fund Balance Beginning of Year</i>	375,611	375,611	375,611	0
Unexpended Prior Year Encumbrances	17,450	17,450	17,450	0
<i>Fund Balance End of Year</i>	\$433,845	\$350,878	\$437,656	\$86,778

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$616,366	\$800,388	\$839,397	\$39,009
Intergovernmental	201,517	261,681	274,435	12,754
Miscellaneous	2,117	2,750	2,884	134
<i>Total Revenues</i>	<u>820,000</u>	<u>1,064,819</u>	<u>1,116,716</u>	<u>51,897</u>
Expenditures				
Current:				
Public Safety:				
Ambulance Services				
Personal Services	230,048	230,048	206,061	23,987
Other than Personal Services	363,350	326,695	307,608	19,087
Capital Outlay	19,721	335,849	320,227	15,622
<i>Total Public Safety</i>	<u>613,119</u>	<u>892,592</u>	<u>833,896</u>	<u>58,696</u>
Debt Service:				
Principal Retirement	67,461	67,461	67,461	0
Interest and Fiscal Charges	17,693	17,693	17,693	0
<i>Total Debt Service</i>	<u>85,154</u>	<u>85,154</u>	<u>85,154</u>	<u>0</u>
<i>Total Expenditures</i>	<u>698,273</u>	<u>977,746</u>	<u>919,050</u>	<u>58,696</u>
<i>Excess of Revenues Over Expenditures</i>	121,727	87,073	197,666	110,593
Other Financing Uses				
Transfers Out	(61,500)	(61,500)	(61,500)	0
<i>Net Change in Fund Balance</i>	60,227	25,573	136,166	110,593
<i>Fund Balance Beginning of Year</i>	529,200	529,200	529,200	0
Unexpended Prior Year Encumbrances	2,340	2,340	2,340	0
<i>Fund Balance End of Year</i>	<u>\$591,767</u>	<u>\$557,113</u>	<u>\$667,706</u>	<u>\$110,593</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses, Permits and Fees	\$0	\$0	\$15	\$15
Contributions and Donations	4,500	5,500	5,585	85
<i>Total Revenues</i>	4,500	5,500	5,600	100
Expenditures				
Current:				
Public Health Services:				
Office on Aging Computer Center				
Other than Personal Services	8,875	8,875	8,326	549
Capital Outlay	0	25,000	25,000	0
Total Office on Aging Computer Center	8,875	33,875	33,326	549
Office on Aging				
Other than Personal Services	2,700	2,700	960	1,740
Capital	3,000	3,000	0	3,000
Total Office on Aging	5,700	5,700	960	4,740
<i>Total Expenditures</i>	14,575	39,575	34,286	5,289
<i>Net Change in Fund Balance</i>	(10,075)	(34,075)	(28,686)	5,389
<i>Fund Balance Beginning of Year</i>	34,521	34,521	34,521	0
<i>Fund Balance End of Year</i>	\$24,446	\$446	\$5,835	\$5,389

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$4,500	\$4,500	\$13,414	\$8,914
Expenditures				
Current:				
General Government:				
Youth Donations				
Other than Personal Services	<u>5,500</u>	<u>5,500</u>	<u>2,580</u>	<u>2,920</u>
<i>Net Change in Fund Balance</i>	(1,000)	(1,000)	10,834	11,834
<i>Fund Balance Beginning of Year</i>	<u>12,007</u>	<u>12,007</u>	<u>12,007</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,007</u></u>	<u><u>\$11,007</u></u>	<u><u>\$22,841</u></u>	<u><u>\$11,834</u></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, 2015

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

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Youth Advisory Commission Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$30	\$30	\$0	(\$30)
Expenditures				
Current:				
General Government:				
Youth Advisory				
Other than Personal Services	<u>100</u>	<u>100</u>	<u>0</u>	<u>100</u>
<i>Net Change in Fund Balance</i>	(70)	(70)	0	70
<i>Fund Balance Beginning of Year</i>	<u>71</u>	<u>71</u>	<u>71</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1</u></u>	<u><u>\$1</u></u>	<u><u>\$71</u></u>	<u><u>\$70</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Juvenile Diversion Program Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$16,000	\$16,000	\$12,000	(\$4,000)
Expenditures				
Current:				
Public Safety:				
Juvenile Diversion Program				
Other than Personal Services	<u>5,000</u>	<u>23,936</u>	<u>16,458</u>	<u>7,478</u>
<i>Net Change in Fund Balance</i>	11,000	(7,936)	(4,458)	3,478
<i>Fund Balance Beginning of Year</i>	<u>7,937</u>	<u>7,937</u>	<u>7,937</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$18,937</u></u>	<u><u>\$1</u></u>	<u><u>\$3,479</u></u>	<u><u>\$3,478</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Miscellaneous	\$21,105	\$58,000	\$52,910	(\$5,090)
Expenditures				
Current:				
General Government:				
Personal Services	245,333	364,641	347,478	17,163
Public Safety:				
Personal Services	212,976	316,545	301,648	14,897
Public Health Services:				
Personal Services	1,819	2,703	2,576	127
Transportation:				
Personal Services	34,512	51,294	48,881	2,413
Community Development:				
Personal Services	150,882	224,256	213,703	10,553
Sanitation:				
Personal Services	51,643	76,757	73,145	3,612
Culture and Recreation:				
Personal Services	32,835	48,804	46,507	2,297
<i>Total Expenditures</i>	<u>730,000</u>	<u>1,085,000</u>	<u>1,033,938</u>	<u>51,062</u>
<i>Excess of Revenues Under Expenditures</i>	(708,895)	(1,027,000)	(981,028)	45,972
Other Financing Sources				
Transfers In	727,995	1,027,000	981,050	(45,950)
<i>Net Change in Fund Balance</i>	19,100	0	22	22
<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>\$19,100</u></u>	<u><u>\$0</u></u>	<u><u>\$22</u></u>	<u><u>\$22</u></u>

City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Budget Stabilization Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	0	0
Other Financing Sources				
Transfers In	0	0	2,100,000	2,100,000
<i>Net Change in Fund Balance</i>	0	0	2,100,000	2,100,000
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$2,100,000	\$2,100,000

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, Permits and Fees	\$24,000	\$24,000	\$34,100	\$10,100
Expenditures				
Current:				
Public Safety:				
Police Facility Improvement				
Other than Personal Services	24,000	25,000	21,158	3,842
Capital Outlay	1,500	16,350	16,206	144
<i>Total Expenditures</i>	<u>25,500</u>	<u>41,350</u>	<u>37,364</u>	<u>3,986</u>
<i>Net Change in Fund Balance</i>	(1,500)	(17,350)	(3,264)	14,086
<i>Fund Balance Beginning of Year</i>	<u>35,745</u>	<u>35,745</u>	<u>35,745</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$34,245</u></u>	<u><u>\$18,395</u></u>	<u><u>\$32,481</u></u>	<u><u>\$14,086</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$469,248	\$469,248	\$506,562	\$37,314
Intergovernmental	69,104	69,104	74,599	5,495
Miscellaneous	0	0	5,000	5,000
<i>Total Revenues</i>	<u>538,352</u>	<u>538,352</u>	<u>586,161</u>	<u>47,809</u>
Expenditures				
Current:				
Culture and Recreation:				
Recreation Facility Improvement				
Other than Personal Services	286,000	286,000	273,652	12,348
Capital Outlay	267,500	145,500	137,257	8,243
<i>Total Expenditures</i>	<u>553,500</u>	<u>431,500</u>	<u>410,909</u>	<u>20,591</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(15,148)	106,852	175,252	68,400
Other Financing Sources				
Transfers Out	(56,500)	(27,465)	(27,465)	0
<i>Net Change in Fund Balance</i>	(71,648)	79,387	147,787	68,400
<i>Fund Balance Beginning of Year</i>	471,639	471,639	471,639	0
Unexpended Prior Year Encumbrances	8,795	8,795	8,795	0
<i>Fund Balance End of Year</i>	<u>\$408,786</u>	<u>\$559,821</u>	<u>\$628,221</u>	<u>\$68,400</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
General Government:				
Capital Improvement				
Other than Personal Services	7,300	12,340	12,278	62
Capital Outlay	1,993,621	1,447,950	1,447,298	652
Debt Service:				
Bond Issuance Costs	<u>0</u>	<u>37,537</u>	<u>37,537</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,000,921</u>	<u>1,497,827</u>	<u>1,497,113</u>	<u>714</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,000,921)	(1,497,827)	(1,497,113)	714
Other Financing Sources				
General Obligation Bonds Issued	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,025,921</u>	<u>25,921</u>
<i>Net Change in Fund Balance</i>	(921)	502,173	528,808	26,635
<i>Fund Balance Beginning of Year</i>	504,766	504,766	504,766	0
Unexpended Prior Year Encumbrances	<u>73,354</u>	<u>73,354</u>	<u>73,354</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$577,199</u></u>	<u><u>\$1,080,293</u></u>	<u><u>\$1,106,928</u></u>	<u><u>\$26,635</u></u>

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Miscellaneous	\$36,000	\$36,000	\$96,106	\$60,106
Expenditures				
Current:				
Community Development:				
Economic Development				
Other than Personal Services	50,000	0	0	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(14,000)	36,000	96,106	60,106
Other Financing Sources				
Sale of Capital Assets	0	0	100	100
<i>Net Change in Fund Balance</i>	(14,000)	36,000	96,206	60,206
<i>Fund Balance Beginning of Year</i>	1,591,840	1,591,840	1,591,840	0
<i>Fund Balance End of Year</i>	<u>\$1,577,840</u>	<u>\$1,627,840</u>	<u>\$1,688,046</u>	<u>\$60,206</u>

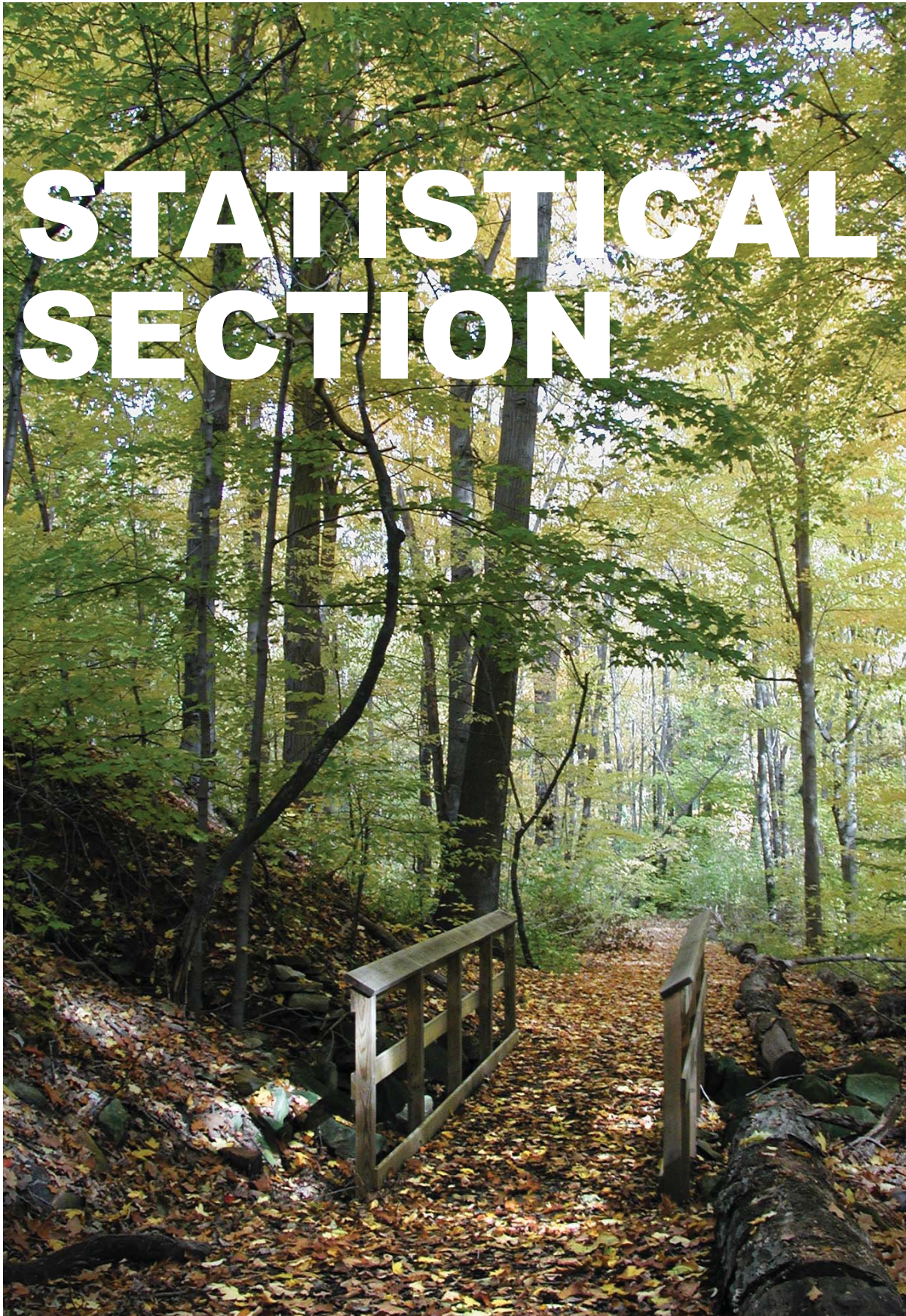
City of Cleveland Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Hall Maintenance Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rentals	\$39,000	\$39,000	\$22,200	(\$16,800)
Expenditures				
Current:				
General Government:				
City Hall Maintenance				
Other than Personal Services	15,000	15,000	11,357	3,643
<i>Net Change in Fund Balance</i>	24,000	24,000	10,843	(13,157)
<i>Fund Balance Beginning of Year</i>	87,287	87,287	87,287	0
<i>Fund Balance End of Year</i>	<u>\$111,287</u>	<u>\$111,287</u>	<u>\$98,130</u>	<u>(\$13,157)</u>

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Miscellaneous	\$3,000	\$3,000	\$0	(\$3,000)
Expenditures				
Current:				
General Government:				
Ring Road Construction				
Other than Personal Services	15,000	0	0	0
Capital Outlay	25,000	225,000	187,340	37,660
<i>Total Expenditures</i>	40,000	225,000	187,340	37,660
<i>Net Change in Fund Balance</i>	(37,000)	(222,000)	(187,340)	34,660
<i>Fund Balance Beginning of Year</i>	222,385	222,385	222,385	0
<i>Fund Balance End of Year</i>	<u>\$185,385</u>	<u>\$385</u>	<u>\$35,045</u>	<u>\$34,660</u>

Cleveland Heights beautiful parks



**The
Nature
Trail
along
Dugway
Brook
at
Forest Hill
Park.**

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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>2015</u>	<u>2014 (2)</u>	<u>2013</u>	<u>2012</u>
Governmental Activities				
Net Investment in Capital Assets	\$63,355,613	\$63,242,503	\$64,402,234	\$66,164,102
Restricted	16,344,332	15,988,947	16,261,342	16,014,581
Unrestricted	<u>(14,732,685)</u>	<u>(20,086,683)</u>	<u>13,108,074</u>	<u>14,583,025</u>
<i>Total Governmental Activities Net Position</i>	<u>64,967,260</u>	<u>59,144,767</u>	<u>93,771,650</u>	<u>96,761,708</u>
Business-Type Activities				
Net Investment in Capital Assets	20,428,734	20,507,524	20,927,544	21,386,384
Unrestricted	<u>2,464,954</u>	<u>(43,529)</u>	<u>2,028,666</u>	<u>2,017,605</u>
<i>Total Business-Type Activities Net Position</i>	<u>22,893,688</u>	<u>20,463,995</u>	<u>22,956,210</u>	<u>23,403,989</u>
Primary government				
Net Investment in Capital Assets	83,784,347	83,750,027	85,329,778	87,550,486
Restricted	16,344,332	15,988,947	16,261,342	16,014,581
Unrestricted	<u>(12,267,731)</u>	<u>(20,130,212)</u>	<u>15,136,740</u>	<u>16,600,630</u>
<i>Total Primary Government Net Position</i>	<u>\$87,860,948</u>	<u>\$79,608,762</u>	<u>\$116,727,860</u>	<u>\$120,165,697</u>

(1) The City implemented GASB Statement No. 54 in 2011, causing the classification of net position to change.

(2) The City reported the impact of GASB Statement No. 68 beginning in 2014.

2011 (1)	2010 (1)	2009	2008	2007	2006
\$61,261,817	\$60,655,783	\$52,671,861	\$49,880,927	\$47,989,231	\$46,423,601
14,783,716	10,212,831	10,039,038	9,455,828	9,333,918	8,445,051
13,789,209	11,467,878	8,480,557	8,228,404	6,636,083	4,855,068
89,834,742	82,336,492	71,191,456	67,565,159	63,959,232	59,723,720
21,461,778	21,995,967	29,105,885	29,365,271	29,324,738	29,185,731
2,882,395	3,647,070	3,246,059	3,309,986	4,224,348	3,345,378
24,344,173	25,643,037	32,351,944	32,675,257	33,549,086	32,531,109
82,723,595	82,651,750	81,777,746	79,246,198	77,313,969	75,609,332
14,783,716	10,212,831	10,039,038	9,455,828	9,333,918	8,445,051
16,671,604	15,114,948	11,726,616	11,538,390	10,860,431	8,200,446
\$114,178,915	\$107,979,529	\$103,543,400	\$100,240,416	\$97,508,318	\$92,254,829

City of Cleveland Heights, Ohio

Changes in Net Position

Last Ten Years (1)

(accrual basis of accounting)

	2015 (2)	2014	2013	2012
Program Revenues				
Governmental Activities:				
Charges for Services and Operating Assessments:				
General Government	\$4,368,875	\$4,406,803	\$4,287,936	\$3,896,511
Public Safety	5,614,727	5,625,274	5,903,861	5,078,988
Public Health Services	75,245	74,658	70,591	61,303
Transportation	660,114	757,961	695,236	589,434
Community Development	508,653	1,684,767	1,667,890	1,320,804
Sanitation	1,037,224	468,649	460,342	429,204
Culture and Recreation	1,486,855	955,160	614,650	981,803
Operating Grants and Contributions	5,136,553	6,296,657	4,337,755	5,657,962
Capital Grants and Contributions	37,300	73,446	74,496	3,877,741
<i>Total Governmental Activities Program Revenues</i>	<u>18,925,546</u>	<u>20,343,375</u>	<u>18,112,757</u>	<u>21,893,750</u>
Business-Type Activities:				
Charges for Services:				
Water	14,282,892	13,045,233	12,424,417	11,466,957
Sewer	1,622,110	1,553,903	1,663,242	1,727,854
Utilities	0	0	0	0
Operating Grants and Contributions	0	0	0	0
Capital Grants and Contributions	0	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	<u>15,905,002</u>	<u>14,599,136</u>	<u>14,087,659</u>	<u>13,194,811</u>
<i>Total Primary Government Program Revenues</i>	<u>34,830,548</u>	<u>34,942,511</u>	<u>32,200,416</u>	<u>35,088,561</u>
Expenses				
Governmental Activities:				
General Government	12,914,350	14,768,680	14,369,538	16,048,638
Public Safety	21,488,717	21,856,257	20,891,754	21,239,342
Public Health Services	332,708	363,067	360,462	363,703
Transportation	7,123,967	8,330,208	10,621,023	5,718,551
Community Development	5,009,520	6,147,040	5,164,372	6,347,777
Sanitation	2,531,508	1,829,229	2,511,148	2,670,357
Culture and Recreation	3,007,590	3,117,836	3,565,494	3,385,120
Interest and Fiscal Charges	498,182	668,496	748,771	798,771
<i>Total Governmental Activities Expenses</i>	<u>52,906,542</u>	<u>57,080,813</u>	<u>58,232,562</u>	<u>56,572,259</u>
Business-Type Activities:				
Water	12,225,265	14,023,023	12,743,834	13,213,185
Sewer	1,539,528	2,045,581	1,790,551	1,787,713
Utilities	0	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>13,764,793</u>	<u>16,068,604</u>	<u>14,534,385</u>	<u>15,000,898</u>
<i>Total Primary Government Expenses</i>	<u>\$66,671,335</u>	<u>\$73,149,417</u>	<u>\$72,766,947</u>	<u>\$71,573,157</u>

2011	2010	2009	2008	2007	2006
\$5,173,902	\$5,899,281	\$5,426,842	\$5,167,813	\$4,347,482	\$4,426,901
4,063,337	2,787,809	641,586	1,117,854	2,913,059	989,133
60,043	1,320	1,140	875	1,580	6,671
575,647	4,324	40,283	0	0	33,259
1,264,852	1,682,112	824,958	1,232,524	2,365,009	588,919
394,745	1,522,649	1,456,358	640,906	978,584	747,719
727,363	1,721,728	1,700,627	1,801,819	2,050,639	2,265,814
4,953,832	2,913,883	2,321,296	2,471,445	3,474,217	1,969,005
0	2,493,496	413,457	506,820	273,750	338,000
17,213,721	19,026,602	12,826,547	12,940,056	16,404,320	11,365,421
10,125,904	0	0	0	0	0
1,584,611	0	0	0	0	0
0	12,746,117	13,772,780	13,039,119	13,389,917	12,442,554
0	0	4,990	0	5,975	149,934
0	547,852	111,469	0	0	0
11,710,515	13,293,969	13,889,239	13,039,119	13,395,892	12,592,488
28,924,236	32,320,571	26,715,786	25,979,175	29,800,212	23,957,909
15,240,828	16,283,136	14,221,696	12,147,129	11,941,290	15,103,153
19,139,951	19,266,592	17,365,410	18,628,409	19,723,818	18,782,355
342,507	360,546	374,224	418,430	426,606	435,206
5,620,385	6,755,636	4,608,968	6,881,110	7,052,660	3,054,535
6,330,335	7,154,037	5,754,860	6,368,068	6,453,726	6,842,251
2,470,427	2,396,825	2,328,083	3,439,963	3,002,530	3,067,667
3,466,238	3,562,465	3,721,292	3,947,966	4,259,479	4,106,053
1,159,987	96,930	635,984	815,057	969,947	753,647
53,770,658	55,876,167	49,010,517	52,646,132	53,830,056	52,144,867
10,800,301	0	0	0	0	0
2,217,378	0	0	0	0	0
0	12,374,470	14,806,270	14,336,588	13,501,152	13,161,806
13,017,679	12,374,470	14,806,270	14,336,588	13,501,152	13,161,806
\$66,788,337	\$68,250,637	\$63,816,787	\$66,982,720	\$67,331,208	\$65,306,673

(continued)

City of Cleveland Heights, Ohio

Changes in Net Position (continued)

Last Ten Years (1)

(accrual basis of accounting)

	2015 (2)	2014	2013	2012
Net (Expense)/Revenue				
Governmental Activities	(\$33,980,996)	(\$36,737,438)	(\$40,119,805)	(\$34,678,509)
Business-Type Activities	2,140,209	(1,469,468)	(446,726)	(1,806,087)
<i>Total Primary Government Net Expense</i>	<u>(31,840,787)</u>	<u>(38,206,906)</u>	<u>(40,566,531)</u>	<u>(36,484,596)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied For:				
General Purposes	7,465,977	6,581,283	6,516,716	6,720,122
Other Purposes	434,668	431,946	449,426	463,456
Debt Service	1,935,505	1,762,903	2,261,326	2,240,041
Capital Outlay	507,033	503,935	524,333	540,700
Municipal Income Taxes Levied For:				
General Purposes	24,221,436	24,035,692	21,620,891	24,772,161
Admissions Taxes	94,087	158,849	101,414	107,516
Grants and Entitlements not Restricted to Specific Programs	2,938,207	3,297,881	3,793,292	4,418,417
Franchise Taxes	560,558	490,496	551,694	588,325
Payment in Lieu of Taxes	0	0	0	1,150,000
Investment Earnings	77,437	70,034	43,610	45,811
Gain (Loss) on Sale of Capital Assets	15,219	0	0	103,497
Miscellaneous	1,838,614	1,259,270	1,244,120	1,318,978
Transfers	(285,252)	16,421	22,925	(863,549)
<i>Total Governmental Activities</i>	<u>39,803,489</u>	<u>38,608,710</u>	<u>37,129,747</u>	<u>41,605,475</u>
Business-Type Activities:				
Investment Earnings	0	0	0	0
Gain (Loss) on Sale of Capital Assets	0	0	0	0
Miscellaneous	4,232	19,361	21,872	2,354
Transfers	285,252	(16,421)	(22,925)	863,549
<i>Total Business-Type Activities</i>	<u>289,484</u>	<u>2,940</u>	<u>(1,053)</u>	<u>865,903</u>
<i>Total Primary Government</i>	<u>40,092,973</u>	<u>38,611,650</u>	<u>37,128,694</u>	<u>42,471,378</u>
Change in Net Position				
Governmental Activities	5,822,493	1,871,272	(2,990,058)	6,926,966
Business-Type Activities	2,429,693	(1,466,528)	(447,779)	(940,184)
<i>Total Primary Government Change in Net Position</i>	<u>\$8,252,186</u>	<u>\$404,744</u>	<u>(\$3,437,837)</u>	<u>\$5,986,782</u>

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

(2) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

2011	2010	2009	2008	2007	2006
(\$36,556,937)	(\$36,849,565)	(\$36,183,970)	(\$39,706,076)	(\$37,425,736)	(\$40,779,446)
(1,307,164)	919,499	(917,031)	(1,297,469)	(105,260)	(569,318)
(37,864,101)	(35,930,066)	(37,101,001)	(41,003,545)	(37,530,996)	(41,348,764)
6,955,676	7,865,388	7,236,862	7,076,452	8,216,507	6,713,918
477,254	482,529	514,132	515,736	531,102	489,038
2,306,722	2,332,232	3,570,713	3,610,165	3,806,226	3,496,022
556,794	485,169	0	0	0	0
24,162,250	20,202,521	19,994,781	21,877,327	21,869,012	23,073,254
273,716	0	0	0	0	0
4,919,000	7,521,076	7,829,289	8,310,262	6,607,694	8,431,052
565,476	0	0	0	0	0
141,241	0	0	0	0	0
127,999	169,445	112,881	416,225	668,428	672,273
0	0	0	0	0	0
1,694,674	1,295,993	1,054,747	1,789,096	717,745	727,929
14,385	0	(503,138)	(283,260)	(755,466)	(590,172)
42,195,187	40,354,353	39,810,267	43,312,003	41,661,248	43,013,314
0	4,085	21,561	86,224	351,419	415,954
0	0	0	0	0	0
22,685	7,757	69,019	54,156	16,352	37,837
(14,385)	0	503,138	283,260	755,466	590,172
8,300	11,842	593,718	423,640	1,123,237	1,043,963
42,203,487	40,366,195	40,403,985	43,735,643	42,784,485	44,057,277
5,638,250	3,504,788	3,626,297	3,605,927	4,235,512	2,233,868
(1,298,864)	931,341	(323,313)	(873,829)	1,017,977	474,645
\$4,339,386	\$4,436,129	\$3,302,984	\$2,732,098	\$5,253,489	\$2,708,513

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

	2015	2014	2013	2012
General Fund				
Reserved	\$0	\$0	\$0	\$0
Unreserved	0	0	0	0
Nonspendable	272,287	653,120	403,831	380,439
Assigned	113,116	36,452	6,535,767	2,960,821
Unassigned	7,880,863	3,975,918	(2,980,886)	3,157,559
<i>Total General Fund</i>	<u>8,266,266</u>	<u>4,665,490</u>	<u>3,958,712</u>	<u>6,498,819</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	75,102	45,930	65,630	65,780
Restricted	9,244,854	7,213,016	7,540,793	8,109,130
Committed	964,170	904,809	949,701	1,186,778
Assigned	3,346,090	2,769,393	1,651,700	1,663,977
Unassigned (Deficit)	(583,989)	(311,850)	(803,088)	(1,338,387)
<i>Total All Other Governmental Funds</i>	<u>13,046,227</u>	<u>10,621,298</u>	<u>9,404,736</u>	<u>9,687,278</u>
<i>Total Governmental Funds</i>	<u>\$21,312,493</u>	<u>\$15,286,788</u>	<u>\$13,363,448</u>	<u>\$16,186,097</u>

(1) During 2011, the City implemented GASB 54.

2011 (1)	2010	2009	2008	2007	2006
\$0	\$0	\$524,144	\$566,116	\$504,536	\$434,892
0	0	5,282,107	3,369,353	3,239,649	4,547,592
282,323	329,078	0	0	0	0
4,978,336	358,103	0	0	0	0
2,764,002	7,740,531	0	0	0	0
8,024,661	8,427,712	5,806,251	3,935,469	3,744,185	4,982,484
0	0	2,135,795	2,315,658	1,830,706	2,063,226
0	0	3,078,106	2,846,750	2,828,052	1,721,695
0	0	3,642,458	3,304,603	2,869,545	2,652,333
0	0	1,764,568	719,201	586,408	571,406
95,526	1,608,483	0	0	0	0
7,363,926	9,003,123	0	0	0	0
1,263,138	1,225,246	0	0	0	0
356,140	1,409,066	0	0	0	0
(987,173)	(2,301,471)	0	0	0	0
8,091,557	10,944,447	10,620,927	9,186,212	8,114,711	7,008,660
\$16,116,218	\$19,372,159	\$16,427,178	\$13,121,681	\$11,858,896	\$11,991,144

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

	2015	2014	2013	2012
Revenues				
Property Taxes	\$10,154,350	\$9,329,219	\$9,476,596	\$9,906,172
Municipal Income Taxes	24,797,290	23,281,969	21,676,288	23,022,254
Admissions Taxes	94,087	158,849	101,414	107,516
Charges for Services	3,831,395	3,819,341	5,541,130	5,156,842
Licenses, Permits and Fees	5,083,144	4,941,868	2,042,386	1,957,712
Fines and Forfeitures	2,437,592	2,596,790	3,215,569	2,937,542
Intergovernmental	8,052,404	9,891,209	7,900,584	10,602,604
Special Assessments	2,207,781	2,158,785	1,944,755	1,982,802
Interest	77,437	70,034	43,610	45,811
Rentals	22,200	50,198	27,932	50,476
Contributions and Donations	30,999	21,902	12,336	12,348
Franchise Taxes	560,558	490,496	551,694	588,325
Payment in Lieu of Taxes	0	0	0	1,150,000
Miscellaneous	1,838,614	1,259,270	1,244,120	1,318,978
<i>Total Revenues</i>	<u>59,187,851</u>	<u>58,069,930</u>	<u>53,778,414</u>	<u>58,839,382</u>
Expenditures				
Current:				
General Government	14,994,218	14,836,528	15,394,711	15,354,284
Public Safety	21,499,555	22,462,442	21,216,050	20,796,144
Public Health Services	382,879	366,334	362,178	362,103
Transportation	4,912,147	6,014,505	5,877,513	5,162,780
Community Development	5,204,623	6,138,590	5,065,872	6,163,082
Sanitation	2,272,075	2,258,106	2,350,856	2,417,960
Culture and Recreation	2,853,367	2,642,396	2,489,045	2,628,806
Capital Outlay	1,887,039	2,630,003	1,778,253	2,330,729
Debt Service:				
Principal Retirement	2,404,860	2,045,393	1,964,862	2,094,509
Interest and Fiscal Charges	397,428	599,873	693,272	748,794
Bond Issuance Costs	117,332	95,463	0	0
<i>Total Expenditures</i>	<u>56,925,523</u>	<u>60,089,633</u>	<u>57,192,612</u>	<u>58,059,191</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,262,328</u>	<u>(2,019,703)</u>	<u>(3,414,198)</u>	<u>780,191</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	15,219	26,477	0	128,697
General Obligation Notes and Bonds Issued	8,477,000	5,635,000	1,590,000	0
General Obligation Notes and Bonds Premium	0	0	9,185	0
Loans Issued	0	0	482,601	24,540
Inception of Capital Lease	0	730,133	0	0
Payment to Refunded Bond Escrow Agent	(4,728,842)	(2,464,988)	(1,513,662)	0
Transfers In	2,550,316	3,325,327	3,998,494	3,982,694
Transfers Out	(2,550,316)	(3,308,906)	(3,975,069)	(4,846,243)
<i>Total Other Financing Sources (Uses)</i>	<u>3,763,377</u>	<u>3,943,043</u>	<u>591,549</u>	<u>(710,312)</u>
<i>Net Change in Fund Balances</i>	<u>\$6,025,705</u>	<u>\$1,923,340</u>	<u>(\$2,822,649)</u>	<u>\$69,879</u>
Debt Service as a Percentage of Noncapital Expenditures	5.4%	4.8%	5.0%	5.2%

2011	2010	2009	2008	2007	2006
\$10,040,053	\$10,576,318	\$11,123,154	\$11,223,599	\$11,634,160	\$10,742,779
19,359,768	20,623,037	20,282,703	21,826,496	22,022,446	22,768,921
273,716	0	0	0	0	0
4,909,865	3,571,709	3,535,575	2,895,109	3,520,404	3,453,756
1,664,970	1,865,516	1,845,466	1,721,725	1,546,256	1,258,928
2,789,862	2,956,629	3,062,880	2,994,955	2,377,640	3,215,637
9,983,844	12,879,753	10,780,543	11,248,160	11,351,954	9,808,274
1,939,289	1,451,905	1,504,940	1,525,849	1,469,507	1,460,640
127,999	169,445	112,881	416,354	657,279	628,230
54,571	0	0	0	0	0
15,880	0	0	0	0	0
565,476	0	0	0	0	0
141,241	0	0	0	0	0
1,694,674	2,530,200	2,533,055	3,551,511	1,978,668	1,738,224
53,561,208	56,624,512	54,781,197	57,403,758	56,558,314	55,075,389
14,645,346	15,815,325	13,832,810	15,579,103	14,907,466	13,289,052
19,736,539	18,400,270	17,132,779	17,469,045	17,607,171	18,343,503
385,716	360,312	386,646	400,213	414,663	423,239
5,057,282	3,069,299	2,970,122	3,673,791	3,819,214	4,522,818
5,944,549	6,302,268	5,255,571	5,785,519	5,909,549	6,456,465
2,248,499	2,134,046	2,119,740	2,598,622	2,618,865	3,081,125
2,477,521	2,767,008	2,933,068	3,037,248	3,460,288	4,007,032
1,276,062	6,274,534	3,555,156	4,965,356	4,353,749	13,676
4,318,896	1,859,529	2,136,867	1,292,366	1,880,646	1,773,221
832,804	627,819	707,451	913,376	1,045,066	1,144,568
0	0	0	214,813	0	0
56,923,214	57,610,410	51,030,210	55,929,452	56,016,677	53,054,699
(3,362,006)	(985,898)	3,750,987	1,474,306	541,637	2,020,690
34,260	24,273	17,796	16,056	14,531	139,500
0	0	0	8,695,000	0	0
0	0	0	228,332	0	0
57,420	191,460	39,852	439,992	67,050	102,359
0	450,000	0	136,000	0	68,840
0	0	0	(9,460,000)	0	0
2,808,707	3,351,610	3,966,923	3,923,161	4,584,852	3,959,609
(2,794,322)	(3,351,610)	(4,470,061)	(4,190,062)	(5,340,318)	(4,549,781)
106,065	665,733	(445,490)	(211,521)	(673,885)	(279,473)
(\$3,255,941)	(\$320,165)	\$3,305,497	\$1,262,785	(\$132,248)	\$1,741,217
9.7%	4.8%	6.0%	4.3%	5.6%	5.9%

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

	2015	2014	2013	2012
Inside Millage				
Operating	\$2.22000	\$2.57000	\$2.57000	\$2.22000
Debt	1.50000	1.15000	1.15000	1.50000
Fire Pension	0.30000	0.30000	0.30000	0.30000
Police Pension	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>
Charter Millage				
1976 Charter/Current Expense	6.48000	6.48000	6.48000	6.48000
1997 Bond (\$15,000,000)	1.50000	1.50000	1.40000	1.50000
2004 Charter/Recreation Improvements	0.70000	0.70000	0.70000	0.70000
2014 Charter/Current Expense	0.92000	0.92000	0.00000	0.00000
<i>Total Voted Millage by Type of Property</i>	<u>9.60000</u>	<u>9.60000</u>	<u>8.58000</u>	<u>8.68000</u>
<i>Total Millage</i>	<u><u>\$13.92000</u></u>	<u><u>\$13.92000</u></u>	<u><u>\$12.90000</u></u>	<u><u>\$13.00000</u></u>
Overlapping Rates by Taxing District				
<i>Cleveland Heights - University Heights</i>				
General Business and Public Utility Personal	\$149.59000	\$149.59000	\$149.59000	\$143.70000
Residential/Agricultural Real	81.30809	80.95140	80.38100	74.30494
Commercial/Industrial and Public Utility Real	98.15769	93.53970	92.77880	87.04456
<i>Cleveland Heights Library</i>				
Operating - continuing				
General Business and Public Utility Personal	10.00000	10.00000	7.80000	7.80000
Residential/Agricultural Real	8.20296	8.17220	5.92320	5.90716
Commercial/Industrial and Public Utility Real	8.88246	8.56850	6.31690	6.32896
<i>Cuyahoga County</i>				
General Business and Public Utility Personal	14.05000	14.05000	14.05000	13.22000
Residential/Agricultural Real	13.86978	14.05000	14.05000	13.22000
Commercial/Industrial and Public Utility Real	14.05000	14.01950	13.94950	12.99676
<i>Special Taxing Districts (1)</i>				
General Business and Public Utility Personal	6.88000	6.88000	5.98000	5.08000
Residential/Agricultural Real	6.76737	6.86430	5.96390	5.06349
Commercial/Industrial and Public Utility Real	6.86755	6.84010	5.88430	4.96214

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

Source: Cuyahoga County, Ohio; County Fiscal Officer

2011	2010	2009	2008	2007	2006
\$2.22000	\$2.22000	\$2.22000	\$0.92000	\$0.92000	\$0.92000
1.50000	1.50000	1.50000	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	0.30000	0.30000
4.32000	4.32000	4.32000	4.32000	4.32000	4.32000
6.48000	6.48000	6.48000	6.48000	6.48000	6.48000
1.40000	1.40000	1.40000	1.40000	1.40000	1.50000
0.70000	0.70000	0.70000	0.70000	0.70000	0.70000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
8.58000	8.58000	8.58000	8.58000	8.58000	8.68000
\$12.90000	\$12.90000	\$12.90000	\$12.90000	\$12.90000	\$13.00000

\$143.70000	\$136.80000	\$136.80000	\$136.70000	\$136.70000	\$129.60000
71.72203	64.31556	64.19275	60.29789	60.15715	53.01462
84.67923	76.56094	77.75290	76.29068	75.86764	68.98623

7.80000	7.80000	7.80000	7.80000	5.90000	5.90000
5.71080	5.67402	5.66510	5.38950	3.47928	3.47619
6.17445	6.07139	6.17273	6.08374	4.15755	4.17039

13.22000	13.32000	13.32000	13.32000	13.42000	13.42000
13.11822	13.18662	13.17889	12.66073	11.86887	11.86549
12.78454	12.84125	12.84570	12.81530	12.45356	12.49410

5.08000	5.08000	4.78000	4.78000	4.78000	4.78000
5.00415	4.98989	4.50688	4.15975	4.15898	4.15762
4.86484	4.84497	4.41194	4.39124	4.37987	4.39621

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
2015	\$686,084,250	\$117,958,640	\$2,297,265,400	\$14,628,530	\$16,623,330
2014	703,127,810	132,585,410	2,387,752,057	14,281,390	16,228,852
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

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 2014 and 2015, 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	\$818,671,420	\$2,313,888,730	35.38 %	\$13.92	
0	0	849,994,610	2,403,980,909	35.36	13.92	
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	

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)
2015	\$11,768,632	\$10,905,320	92.66 %	\$651,266	\$11,556,586	98.20 %
2014	11,056,467	10,003,954	90.48	654,530	10,658,484	96.40
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

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

2015 and 2006

Taxpayer	2015	
	Assessed Valuation	Percentage of Total Assessed Valuation
Kaiser Foundation Health Plan of Ohio	\$11,348,150	1.39%
The Cleveland Electric Illuminating Company	10,634,520	1.30
Severance SPE Lease Co., LLC (SCIT, Inc.)	9,711,730	1.19
American Retirement Corporation	2,724,580	0.33
East Ohio Gas	2,704,690	0.33
Kensington Limited Partnership	2,573,270	0.31
Waldorf Partners Limited Partnership	2,338,500	0.29
Severance SPE FAEECO LLC	2,275,000	0.28
Concord Company	2,163,530	0.26
Lancashire Towers Associates	1,988,250	0.24
Total	\$48,462,220	5.92%
Total Assessed Valuation	\$818,671,420	
	2006	
Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation
Severance SPE Lease Co., LLC (SCIT, Inc.)	\$19,182,600	1.92%
Kaiser Foundation Health Plan of Ohio	11,642,930	1.16
The Cleveland Electric Illuminating Company	6,674,170	0.67
Ohio Bell Telephone Company	3,848,090	0.39
American Retirement Corporation	3,415,590	0.34
Concord Company	2,591,190	0.26
Kensington Limited Partnership	2,415,000	0.24
Waldorf Partners Limited Partnership	2,311,800	0.23
Severance Housing Corporation	2,259,040	0.23
CAS Real Estate Company	1,849,090	0.19
Lancashire Towers Associates	1,542,210	0.15
	\$57,731,710	5.78%
	\$999,298,505	

Source: Cuyahoga County Fiscal Officer

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
2015	2.00 %	\$24,039,748	\$7,471,065	31 %	\$805,444	3 %	\$15,763,239	66 %
2014	2.00	23,161,191	7,870,984	34	928,582	4	14,361,625	62
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

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
2015	46,121	\$2,313,888,730	\$12,971,816	0.56%	\$281.26
2014	46,121	2,403,980,909	12,202,733	0.51	265
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

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
2015	\$12,971,816	\$0	\$2,375,000	\$1,515,000	\$646,918	\$1,461,069
2014	12,202,733	0	2,490,000	0	816,338	1,576,509
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

(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	\$185,000	\$704,720	\$439,386	\$0	\$20,298,909	1.45%	\$440
0	0	801,619	479,178	0	18,366,377	1.32	398
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

City of Cleveland Heights, Ohio

Legal Debt Margin

Last Ten Years

	2015	2014	2013	2012
Total Assessed Property Value	<u>\$818,671,420</u>	<u>\$849,994,610</u>	<u>\$861,088,460</u>	<u>\$865,300,800</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	12,902,000	12,085,000	10,680,000	12,290,000
Special Assessment Bonds	2,375,000	2,490,000	2,505,000	2,595,000
OPWC Loans	1,461,069	1,576,509	1,679,271	1,286,753
Notes	1,752,527	1,976,277	2,193,000	2,126,000
Total Gross Indebtedness	<u>18,490,596</u>	<u>18,127,786</u>	<u>17,057,271</u>	<u>18,297,753</u>
Less:				
Special Assessment Bonds	(2,375,000)	(2,490,000)	(2,505,000)	(2,595,000)
OPWC Loans	(1,461,069)	(1,576,509)	(1,679,271)	(1,286,753)
Notes	(1,752,527)	(1,976,277)	(2,193,000)	(2,126,000)
General Bond Retirement Fund Balance	<u>(277,889)</u>	<u>(482,039)</u>	<u>(1,306,909)</u>	<u>(1,817,733)</u>
Total Net Debt Applicable to Debt Limit	<u>12,624,111</u>	<u>11,602,961</u>	<u>9,373,091</u>	<u>10,472,267</u>
Overall Legal Debt Limit				
10 1/2% of Assessed Valuation	<u>85,960,499</u>	<u>89,249,434</u>	<u>90,414,288</u>	<u>90,856,584</u>
Legal Debt Margin Within 10 1/2% Limitations	<u>\$73,336,388</u>	<u>\$77,646,473</u>	<u>\$81,041,197</u>	<u>\$80,384,317</u>
Legal Debt Margin as a Percentage of the Debt Limit	85.31%	87.00%	89.63%	88.47%
Unvoted Debt Limitation				
5 1/2% of Assessed Valuation	<u>\$45,026,928</u>	<u>\$46,749,704</u>	<u>\$47,359,865</u>	<u>\$47,591,544</u>
Total Gross Indebtedness	18,490,596	18,127,786	17,057,271	18,297,753
Less:				
Special Assessment Bonds	(2,375,000)	(2,490,000)	(2,505,000)	(2,595,000)
OPWC Loans	(1,461,069)	(1,576,509)	(1,679,271)	(1,286,753)
Notes	(1,752,527)	(1,976,277)	(2,193,000)	(2,126,000)
General Bond Retirement Fund Balance	<u>(277,889)</u>	<u>(482,039)</u>	<u>(1,306,909)</u>	<u>(1,817,733)</u>
Net Debt Within 5 1/2% Limitations	<u>12,624,111</u>	<u>11,602,961</u>	<u>9,373,091</u>	<u>10,472,267</u>
Unvoted Legal Debt Margin Within 5 1/2% Limitations	<u>\$32,402,817</u>	<u>\$35,146,743</u>	<u>\$37,986,774</u>	<u>\$37,119,277</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	71.96%	75.18%	80.21%	78.00%

Source: City Financial Records

2011	2010	2009	2008	2007	2006
<u>\$911,825,870</u>	<u>\$924,844,430</u>	<u>\$924,330,040</u>	<u>\$988,511,560</u>	<u>\$995,536,060</u>	<u>\$999,298,505</u>
14,125,000	15,895,000	11,400,000	13,110,000	14,785,000	16,315,000
2,685,000	2,770,000	2,850,000	2,930,000	3,010,000	3,085,000
1,307,256	1,399,070	1,226,097	1,262,887	1,405,583	1,414,179
1,703,000	1,850,000	0	905,000	910,000	1,184,960
<u>19,820,256</u>	<u>21,914,070</u>	<u>15,476,097</u>	<u>18,207,887</u>	<u>20,110,583</u>	<u>21,999,139</u>
(2,685,000)	(2,770,000)	(2,850,000)	(2,930,000)	(3,010,000)	(3,085,000)
(1,307,256)	(1,399,070)	(1,226,097)	(1,262,887)	(1,405,583)	(1,414,179)
(1,703,000)	(1,850,000)	0	(905,000)	(910,000)	(1,184,960)
<u>(3,485,699)</u>	<u>(3,790,860)</u>	<u>(3,642,458)</u>	<u>(3,304,603)</u>	<u>(2,869,545)</u>	<u>(2,652,333)</u>
<u>10,639,301</u>	<u>12,104,140</u>	<u>7,757,542</u>	<u>9,805,397</u>	<u>11,915,455</u>	<u>13,662,667</u>
<u>95,741,716</u>	<u>97,108,665</u>	<u>97,054,654</u>	<u>103,793,714</u>	<u>104,531,286</u>	<u>104,926,343</u>
<u>\$85,102,415</u>	<u>\$85,004,525</u>	<u>\$89,297,112</u>	<u>\$93,988,317</u>	<u>\$92,615,831</u>	<u>\$91,263,676</u>
88.89%	87.54%	92.01%	90.55%	88.60%	86.98%
<u>\$50,150,423</u>	<u>\$50,866,444</u>	<u>\$50,838,152</u>	<u>\$54,368,136</u>	<u>\$54,754,483</u>	<u>\$54,961,418</u>
19,820,256	21,914,070	15,476,097	18,207,887	20,110,583	21,999,139
(2,685,000)	(2,770,000)	(2,850,000)	(2,930,000)	(3,010,000)	(3,085,000)
(1,307,256)	(1,399,070)	(1,226,097)	(1,262,887)	(1,405,583)	(1,414,179)
(1,703,000)	(1,850,000)	0	(905,000)	(910,000)	(1,184,960)
<u>(3,485,699)</u>	<u>(3,790,860)</u>	<u>(3,642,458)</u>	<u>(3,304,603)</u>	<u>(2,869,545)</u>	<u>(2,652,333)</u>
<u>10,639,301</u>	<u>12,104,140</u>	<u>7,757,542</u>	<u>9,805,397</u>	<u>11,915,455</u>	<u>13,662,667</u>
<u>\$39,511,122</u>	<u>\$38,762,304</u>	<u>\$43,080,610</u>	<u>\$44,562,739</u>	<u>\$42,839,028</u>	<u>\$41,298,751</u>
78.79%	76.20%	84.74%	81.96%	78.24%	75.14%

City of Cleveland Heights, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2015

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	\$12,971,816	100.00%	\$12,971,816
Special Assessment Bonds	2,375,000	100.00	2,375,000
OPWC Loans	1,461,069	100.00	1,461,069
Capital Leases	646,918	100.00	646,918
Total Direct Debt	17,454,803		17,454,803
Overlapping Debt:			
Payable from Property Taxes			
Cuyahoga County Bonds	262,455,208	3.40	8,923,477
Regional Transit Authority Bonds	156,082,969	3.40	5,306,821
Cleveland Heights-			
University Heights City School District	168,532,892	75.64	127,478,280
East Cleveland School District	4,208,435	23.8	1,001,608
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	629,675,513	3.40	21,408,967
Cuyahoga County Certificates of Participation	256,864,058	3.40	8,733,378
Cuyahoga County Loans	3,641,944	3.40	123,826
Cuyahoga County Leases	80,440,035	3.40	2,734,961
Cleveland Heights -			
University Heights City School District Leases	139,039	75.64	105,169
Total Overlapping Debt	1,562,040,093		175,816,487
Total	\$1,579,494,896		\$193,271,290

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 Five Years (1)

Year	Operating Revenue	Expenses, Net of Depreciation *	Net Revenue Available for Debt Service	Debt Service Requirement**			Coverage
				Principal	Interest	Total	
2015	\$14,285,529	\$11,923,715	\$2,361,814	\$76,729	\$11,925	\$88,654	26.64
2014	13,054,727	13,639,330	(584,603)	76,306	12,210	88,516	(6.60)
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 and OPWC 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 Five Years (1)

Year	Operating Revenue	Expenses, Net of Depreciation *	Net Revenue Available for Debt Service	Debt Service Requirement**			Coverage
				Principal	Interest	Total	
2015	\$1,623,705	\$1,319,667	\$304,038	\$59,962	\$9,795	\$69,757	4.36
2014	1,563,770	1,824,582	(260,812)	58,824	10,933	69,757	(3.74)
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 and OPWC loans payable solely from net revenues in the sewer enterprise fund.

Source: City Financial Records

City of Cleveland Heights, Ohio

Principal Employers

2015 and 2006

2015

Employer	Employees
Cleveland Heights - University Heights City School District	1,069
City of Cleveland Heights	793
Cuyahoga County Fiscal Office	306
Toyota on the Heights	114
Cleveland Heights University Heights Public Library	146
Motorcars Honda Inc.	102
Total	2,530
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	0.79
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

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
2015	46,121	\$1,395,621,460	\$30,260	\$47,529	35.2	93.7
2014	46,121	1,395,621,460	30,260	47,529	35.2	93.7
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

(a) Source: U. S. Census, Census of population
 2010- 2015: 2010 Federal Census
 2006-2009: 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)
5,393	0.0 %	n/a	\$818,671,420
5,693	5.3	n/a	849,994,610
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

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

<u>Function/program</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Government:					
Mangement/Council	6.0	7.2	7.1	6.1	7.0
Finance	6.0	6.5	6.6	6.6	7.5
Off-Street Parking	3.0	3.0	3.0	3.0	3.0
Planning/Community					
Development	12.0	12.0	11.9	11.1	12.0
Building/Inspectional	15.0	16.1	15.0	17.4	16.5
Municipal Court	29.0	26.3	25.4	24.9	29.0
Other	14.5	18.0	20.2	18.4	19.0
Public Safety:					
Police					
Officers	115.8	114.6	113.8	113.1	113.0
Civilians/Crossing Guards	5.0	4.0	5.0	8.0	4.0
Fire					
Firefighters and officers	73.0	78.0	69.0	75.0	71.0
Civilians/Dispatch	8.0	10.3	8.6	9.9	10.5
Culture and Recreation:					
	55.0	55.9	58.6	57.0	56.5
Sanitation:					
	28.0	27.3	30.0	27.9	30.0
Transportation:					
	20.0	22.0	22.0	20.0	19.0
Other Public Works Departments					
	22.0	22.0	23.0	23.0	21.0
Public Utilities:					
Water	14.0	14.0	15.0	17.0	18.0
Wastewater	12.0	12.0	13.0	13.0	10.0
Totals:	<u>438.3</u>	<u>449.2</u>	<u>447.2</u>	<u>451.3</u>	<u>447.0</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.

2010	2009	2008	2007	2006
7.0	7.0	8.0	8.0	8.0
17.5	19.0	19.5	18.0	22.0
3.0	3.0	3.0	3.0	2.0
12.0	12.0	14.0	13.5	13.0
15.0	15.5	18.0	20.0	22.0
26.0	23.5	23.0	26.0	24.0
18.5	18.5	21.0	25.0	27.0
111.0	111.0	118.0	115.5	108.0
4.0	4.0	4.0	4.0	12.0
72.0	75.0	78.0	79.0	79.0
10.0	9.0	9.0	9.0	8.0
59.5	59.0	65.0	72.0	70.0
29.0	29.0	31.0	32.0	33.0
21.0	28.0	22.0	26.0	23.0
23.0	23.0	23.0	24.0	24.5
18.0	17.0	17.0	19.0	20.0
10.0	10.0	11.0	10.0	10.0
456.5	463.5	484.5	504.0	505.5

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

Function/program	2015	2014	2013	2012
General Government				
Council and Clerk				
Number of ordinances passed	29	36	68	47
Number of resolutions passed	115	102	143	142
Number of Planning Commission docket items	38	34	52	27
Number of Board of Zoning Appeals docket items	31	22	36	25
Finance Department				
Number of checks/ accounts payable vouchers issued	5,881	5,984	6,498	6,752
Amount of checks written	\$34,186,263	\$30,936,718	\$29,020,478	\$30,468,399
Interest earnings for fiscal year (cash basis)	\$78,721	\$71,505	\$77,695	\$93,503
Number of journal entries issued	499	526	501	438
Agency Ratings - Moody's Financial Services	Aa2	Aa2	Aa2	Aa2
Income Tax Department				
Number of refund checks/vouchers issued	*	*	*	*
Amount of checks written	*	*	*	*
Number of individual returns	*	*	*	*
Number of business returns	*	*	*	*
Number of business withholding returns	*	*	*	*
Amount of penalties and interest collected	*	*	*	*
Annual number of corporate withholding forms processed	*	*	*	*
Annual number of balance due statements processed	*	*	*	*
Annual number of estimated payment forms processed	*	*	*	*
Annual number of reconciliations of withholdings processed	*	*	*	*
Municipal Court				
Number of civil cases	1,075	1,559	1,511	1,365
Number of criminal cases	2,642	3,020	3,359	2,685
Public Safety				
Fire				
EMS calls	4,934	4,559	4,733	4,817
Fire calls	1,288	1,387	1,399	1,296
Fires with loss	59	50	62	64
Fire safety inspections/re-inspections	2,137	980	957	1000+
Number of times mutual aid given to Fire and EMS	98	99	110	101
Number of times mutual aid received from Fire and EMS	78	60	82	128
Civil Service				
Number of police entry tests administered	0	0	1	0
Number of fire entry tests administered	67	0	1	0
Number of fire promotional tests administered	0	3	2	2
Number of hires of police officers from certified lists	5	4	2	2
Number of hires of fire/medics from certified lists	0	13	2	8
Number of promotions from fire certified lists	0	5	4	3
Number of promotions from police certified lists	8	3	0	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	\$37,829	\$39,914	\$0	\$60,962
Swimming pools receipts	\$99,904	\$105,963	\$97,222	\$108,284
Ice program receipts	\$49,129	\$36,747	\$36,356	\$46,901
General recreation program receipts	\$60,356	\$99,785	\$94,312	\$90,404
Child care/summer program receipts (a)	\$0	\$0	\$0	\$0
Sports programs receipts	\$201,040	\$171,016	\$183,743	\$197,133
Community center program receipts	\$655,843	\$640,367	\$587,822	\$584,432
Cain park program receipts	\$644,005	\$603,585	\$564,682	\$689,853

2011	2010	2009	2008	2007	2006
52	51	32	72	42	45
112	117	95	111	116	98
22	27	17	16	23	25
28	30	31	33	26	24
6,363	6,327	6,191	6,842	7,090	7,252
\$27,736,616	\$34,223,380	\$26,202,955	\$27,805,150	\$32,223,691	\$26,767,750
\$98,115	\$150,034	\$311,695	\$458,811	\$1,026,304	\$987,192
415	331	352	335	371	278
Aa3	Aa3	Aa3	Aa3	Aa3	Aa3
*	1,146	1,065	1,100	1,247	1,332
*	\$361,142	\$335,724	\$384,020	\$362,176	\$307,635
*	16,197	15,483	15,660	17,797	18,569
*	1,899	1,931	1,331	1,881	1,912
*	10,610	10,654	10,343	1,386	1,760
*	\$124,498	\$64,601	\$49,630	\$91,867	\$271,651
*	10,670	10,654	10,343	1,760	1,760
*	46,769	47,806	48,909	58,087	58,087
*	46,769	47,806	48,909	58,087	58,087
*	1,731	2,073	1,495	1,348	1,837
1,126	1,532	1,778	1,864	2,014	2,700
2,287	3,162	3,449	3,047	3,582	3,408
4,631	4,374	4,098	4,113	4,047	3,984
1,211	1,136	1,119	1,247	1,304	1,261
54	60	48	57	51	55
1000+	1000+	1000+	1000+	1000+	1000+
76	72	45	71	90	103
91	51	66	65	82	42
1	0	0	1	0	0
1	0	0	0	1	0
3	0	0	0	0	0
7	8	4	0	2	0
6	0	0	0	0	1
4	0	0	0	0	1
2	2	3	0	0	0
0	0	0	0	0	177
0	0	0	0	0	646
0	0	0	0	0	650
\$57,911	\$51,818	\$56,039	\$54,521	\$46,198	\$47,239
\$98,739	\$97,618	\$87,468	\$95,385	\$103,788	\$97,851
\$53,505	\$56,607	\$49,967	\$50,456	\$52,876	\$83,050
\$96,470	\$97,908	\$143,470	\$69,056	\$71,849	\$76,648
\$0	\$0	\$0	\$157,639	\$211,603	\$202,417
\$208,882	\$202,654	\$194,513	\$204,718	\$224,013	\$222,546
\$627,573	\$658,871	\$606,401	\$706,337	\$708,994	\$737,836
\$428,296	\$425,099	\$492,280	\$419,008	\$583,553	\$732,301

(continued)

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

Function/program	2015	2014	2013	2012
Community Development				
Building Department				
Construction permits issued - residential	110	1,010	807	906
Construction permits issued - commercial	92	125	105	95
Estimated value of construction - residential	\$11,042,945	\$12,536,148	\$9,610,449	\$10,674,213
Estimated value of construction - commercial	\$8,749,163	\$14,159,210	\$8,644,284	\$5,656,276
Number of permits issued	3,364	3,234	3,185	3,291
Amount of revenue generated from permits	\$604,164	\$389,340	\$365,424	\$314,110
Amount of revenue generated from fees/contractors licenses	\$247,495	\$262,655	\$113,318	\$120,724
Number of contractor registrations issued	965	1,111	1,080	1,134
Number of inspections performed	1,533	5,721	7,843	7,090
Community Development				
Annual entitled grant award	\$1,461,454	\$1,476,666	\$1,496,443	\$1,446,726
Program income received	\$253,078	\$192,129	\$283,408	\$208,548
CDBG-recovery and reinvestment award	\$0	\$0	\$0	\$0
Neighborhood stabilization program	\$0	\$0	\$0	\$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.)	9,000	6,750	11,153	6,761
Street repair (curb, aprons, berms, asphalt) (hours)	8,640	5,520	2,880	5,520
Line striping (hours)	n/a	1,432	2,152	1,736
Street Sweeping (hours)	2,960	3,300	2,800	2,960
Cold Patch (hours)	4,800	5,440	4,960	5,440
Snow and ice removal - regular hours	6,832	6,384	8,400	3,360
Snow and ice removal - overtime hours	1,169	4,434	3,488	3,002
Landscaping Stump-Chipper Service (hours)	5,716	5,716	5,716	5,500
Leaf collection - fall (hours)	12,168	17,744	13,332	11,433
Equipment repair/body shop (hours)	16,640	14,560	15,680	16,818
Number of trees planted per year	203	263	246	273
Tons of snow melting salt purchased	4,001	13,077	7,225	4,977
Cost of snow/calcium chloride purchased	\$0	\$424,383	\$237,629	\$226,927
Skunk removals	n/a	n/a	n/a	n/a
Water Department				
Water rates per 1,000 cu ft of water used	70.0	70.0	70.0	56.6
Average number of water accounts billed monthly (cu ft)	15,536	15,476	15,487	15,460
Total water collections annually (including P&I)	\$17,757,000	\$17,063,701	\$16,154,339	\$11,083,365
Payments to Cleveland for bulk water purchases	\$12,217,352	\$10,752,942	\$10,314,487	\$8,993,685
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	535	350	350	318

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.

2011	2010	2009	2008	2007	2006
792	964	928	1,307	1,741	1,499
92	108	97	110	171	137
\$10,638,000	\$11,304,000	\$7,369,000	\$9,392,000	\$12,902,000	\$15,055,000
\$9,091,000	\$4,803,000	\$4,563,000	\$8,490,000	\$27,378,000	\$18,528,000
3,172	3,599	3,406	3,813	4,563	4,103
\$311,809	\$383,576	\$211,663	\$227,462	\$309,977	\$426,412
\$113,420	\$117,625	\$349,193	\$348,592	\$568,550	\$426,650
853	1,407	1,151	1,078	1,269	1,187
8,193	9,004	8,190	7,385	9,150	9,458
\$1,601,941	\$1,909,731	\$1,757,055	\$1,723,214	\$1,778,281	\$1,773,674
\$506,829	\$344,680	\$308,859	\$409,675	\$373,184	\$440,590
\$0	\$0	\$467,840	\$0	\$0	\$0
\$250,000	\$0	\$2,351,526	\$0	\$0	\$0
\$0	\$0	\$715,677	\$0	\$0	\$0
n/a	n/a	n/a	n/a	n/a	n/a
5,065	7,155	5,145	12,000	12,000	15,000
5,520	5,520	5,972	6,240	8,000	8,320
1,792	1,848	1,704	2,024	700	643
2,960	2,960	8,255	1,867	2,400	2,712
5,760	5,440	3,723	3,120	3,916	4,160
6,720	7,840	2,688	7,840	5,107	3,456
3,191	4,257	2,856	6,441	4,476	2,356
5,668	5,200	4,610	4,972	5,198	4,128
11,047	10,828	10,613	12,647	17,875	16,695
16,640	16,640	16,640	16,173	19,720	21,500
250	309	145	369	270	278
4,469	5,443	3,418	14,128	13,403	6,910
\$210,907	\$238,918	\$144,305	\$492,377	\$438,970	\$221,946
n/a	n/a	n/a	n/a	165	101
56.6	56.6	56.6	48.8	46.7	41.7
15,419	15,439	15,500	15,876	15,920	15,915
\$10,050,111	\$10,628,905	\$12,676,221	\$9,621,815	\$9,429,481	\$8,802,440
\$779,438	\$9,332,522	\$7,673,574	\$7,656,758	\$7,355,075	\$7,509,876
11.1	11.1	10.2	10.1	10.1	10.1
326	360	1,400	515	526	549

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

Function/program	2015	2014	2013	2012
General Government				
Square Footage Occupied	68,000	68,000	68,000	68,000
Administrative Vehicles	10	9	9	14
Inspectional Vehicles	15	18	18	14
Municipal Court Vehicles	3	3	3	2
Land and Building Vehicles	5	21	21	14
Police				
Stations	1	1	1	1
Square Footage of Building	18,877	18,877	18,877	18,877
Vehicles	92	99	99	100
Fire				
Stations	2	2	2	2
Square Footage of Building	24,068	24,068	24,068	24,068
Vehicles	19	18	18	19
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	5	7	7	12
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	129	105	105	105
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

2011	2010	2009	2008	2007	2006
68,000	68,000	68,000	68,000	68,000	68,000
14	16	18	22	16	17
14	22	17	18	18	17
2	2	2	2	2	2
14	22	21	16	16	22
1	1	1	1	1	1
18,877	18,877	18,877	18,877	18,877	18,877
100	106	120	153	118	107
2	2	2	2	2	2
24,068	24,068	24,068	24,068	24,068	24,068
19	18	20	20	19	20
6	6	6	6	6	6
1	1	1	1	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
12	27	10	34	13	17
137	137	137	137	137	137
249	249	249	249	249	249
42,244	42,244	42,244	42,244	42,244	42,244
105	125	132	153	145	117
150	150	150	150	150	150
150	150	150	150	150	150



Cleveland Heights, Ohio beautiful parks

**On the cover:
Dugway Brook at Forest Hill Park; Cain Park Sledding Hill;
The Schoolhouse at Cumberland Park; Tennis at Denison Park.**



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
NOVEMBER 17, 2016**