

# CITY OF WARRENSVILLE HEIGHTS

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## 2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Honorable Members of City Council  
City of Warrensville Heights  
4743 Richmond Road  
Warrensville Heights, Ohio 44128

We have reviewed the *Independent Auditor's Report* of the City of Warrensville Heights, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2021 through December 31, 2021. 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 Warrensville Heights is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 25, 2022

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2021**

**Prepared by:**

**Karen Howse, Director of Finance**

**and Department of Finance**

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## **INTRODUCTORY SECTION**





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 ANNUAL COMPREHENSIVE FINANCIAL REPORT  
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**Bradley D. Sellers**  
Mayor

# City of Warrensville Heights

4301 Warrensville Center Road  
Warrensville Heights, Ohio 44128  
Direct (216) 587-1043 • Fax (216) 587-6591

**Karen A. Howse**  
Finance Director

June 17, 2022

Honorable Members of City Council  
and Citizens of Warrensville Heights  
Warrensville Heights, Ohio 44128

We are pleased to submit the *Annual Comprehensive Financial Report of the City of Warrensville Heights* for the year end of December 31, 2021. This report enables the City to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis. It is also in compliance with the Ohio Revised Code Section 117.38, which requires the cities that are reporting on a GAAP basis to file unaudited basic financial statements with the Auditor of State. This report is submitted to satisfy that requirement.

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

James G. Zupka, C.P.A., Inc., a CPA firm, has issued an unmodified (“clean”) opinion on the City of Warrensville Heights’ financial statements for the year end of December 31, 2021. The *Independent Auditor’s Report* is located at the front of the financial section of this report.

*Management’s Discussion and Analysis (MD&A)* immediately follows the *Independent Auditor’s Report* and provides a narrative introduction, overview, and analysis of the basic financial statements. The *MD&A* complements this letter of transmittal, and should be read in conjunction with it as a document of reference.

## **The City and Form of Government**

The City of Warrensville Heights, Ohio is located in the southeast portion of Cuyahoga County, eight miles from downtown Cleveland. The City was incorporated as a village in 1927, and became a city in 1960. The City has 13,542 residents (10.4% less than 2000 data) according to the 2010 data from the United States Census Bureau.

The City is in the Cleveland Primary Metropolitan Statistical Area, which is comprised of the six counties of Ashtabula, Cuyahoga, Geauga, Lake, Lorain, and Medina. The City is also in the Cleveland-Akron-Lorain Consolidated Metropolitan Statistical Area, which is the 11th most populous in the country.

The City operates under, and is governed by, its Charter which was adopted in 1958 by its voters, and was last amended in 2010. The City is also subject to certain general laws applicable to all Ohio cities. Under the Ohio Constitution, the City may exercise all local self-government and police powers to the extent that none are in conflict with applicable general laws.

The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven-member Council. Formerly, the seven Council members were elected-at-large every two years, and served staggered terms so that no more than four members of Council would be elected at any biennial election. At the municipal election in November 2002, the electors of the City voted to amend the City Charter to require the election of members of Council by specified wards for terms of four years. Thus, at the municipal election in November 2003, the voters of the City elected seven members of Council by wards---each to serve for a term of four years.

The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to the City's services: including tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The Council President is elected by a majority of the Council for a one-year term. The Charter establishes certain administrative departments. The Council may establish divisions of those departments and additional departments.

The City's chief executive and administrative officer is the Mayor who is elected by the voters for a four-year term and serves in a part-time capacity. The Mayor also serves as the City's Safety Director. The Mayor presides over all Council meetings, and may veto any legislation passed by Council. A two-third vote of all members of Council is required to override a veto.

The Mayor appoints, subject to the approval of Council, the directors of the City's departments, the Chiefs of Police and Fire, as well as police and fire personnel after competitive civil service examinations. Additionally, the Mayor appoints members to a number of boards and commissions and, in accordance with civil service requirements, may remove all appointed officials and employees - except Council officers and employees.

The City provides basic services to its residents, including police and fire protection, planning, zoning, street maintenance and repair, rubbish collection, and general administrative services. The City's residents receive water services from the City of Cleveland and sewer services from the Northeast Ohio Regional Sewer District and the City of Bedford Heights. The City is a member of the Northeast Ohio Public Energy Council (NOPEC) and participates in a program for natural gas and electricity for further benefits to the residents.

In addition to the basic services, the City makes available to its resident recreational activities through the YMCA of Greater Cleveland. The City constructed the 40,000 square foot facility in 2012 and engaged the services of the YMCA to manage and operate the facility as a branch for a period of twenty years. The annual membership fees are discounted for the residential and business communities.

The Bedford Municipal Court provides judicial services for the City of Warrensville Heights. The jurisdiction of the court, as established by the Ohio Revised Code, handles cases from fourteen different municipalities.

The annual operating budgets serve as the basis for the City's financial planning and control. The City's Charter requires the Mayor, with the assistance of the Finance Director, to submit a draft of the following year's proposed budget not less than forty-five days (November 16) prior to the end of each fiscal year. The Finance Director is responsible for preparing the budget based upon information submitted by each Department director. Council is required to adopt either an annual budget for the ensuing year or a temporary budget covering the first ninety days of the ensuing year by no later than December 31 of the current year. If a temporary budget is adopted, a permanent budget must be adopted by no later than the ninetieth (90) day of the budget year, normally March 31. In recent years, Council has adopted an annual budget prior to December 31 of the preceding year.

The appropriated budget is prepared by fund, department, and category (personal services and all other expenditures). Council must authorize transfers between departments and between categories within departments and transfers or advances of moneys between funds.

Operating budgets expire on December 31. Budget-to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

### **Economic Condition and Outlook**

The City is an inner-ring suburb of the City of Cleveland and is primarily a residential community of beautifully maintained neighborhoods, as well as a thriving and robust business community. The City is home to one of the most technologically advanced hospitals in Northeast Ohio, South Pointe Hospital, and an affiliate of Cleveland Clinic that provides quality health care to the City's residents as well as the neighboring communities. The City is diverse and has a growing local economy that maintains a solid tax base through a thriving commercial sector.

The following industries continues to be vital to the City's financial condition and contribute to the stable economic condition of the City: Sherwin-Williams Automotive Finishes Corporation's Research and Development facility and training center; Heinens, Incorporated, a retail food chain, headquarters and warehouse facility; Henkel Corporation manufactures and markets a broad range of high-performance adhesives, sealants and coatings; and Marcus Thomas, a leading advertising firm. All of these have their corporate headquarters in our friendly City. In addition, Harvard Park features Cleveland Marriott East and numerous retail businesses and high-end restaurants. The top ten employers have over 4,200 employees working in the City. (A list of the ten largest employers is featured in the Statistical section.)

Sherwin-Williams Automotive Finishes Corporation's Research and Development facility and training center is a dynamic business to the City. However, in 2020 the City learned that Sherwin will be relocating to another community in Cuyahoga County in within three to five years. The loss will have a financial impact to the City and the City School District. Sherwin-Williams is a vital business base to the City of Warrensville Heights community so, they will be sorely missed.

The City has consistently enjoyed the benefits of a strong commercial employment base that has provided for a consistent level of withholding tax collection. However, the City was impacted by the Coronavirus causing a slight drop in the City's revenues. Despite the ongoing challenges the City faced in 2020 and 2021 due to the pandemic, the administration continues to strive to make significant progress in its efforts to strengthen its economic base and community development.

Each day, approximately 13,500 people come to work in the City and are responsible for approximately 80% of the City's revenue through income tax withholding in 2021. Property tax revenues for 2021 represented 7 % and 13% of the revenue balance makes up fines, permits, services and other miscellaneous revenue sources. The City's gross income tax revenues collected was \$17.1 million. In comparison to year 2020, the collections for 2021 reflected a marginal increase.

## **Economic Highlights**

The City Administration continues to work on the following community and economic opportunities:

Hub District (adjacent parcels to the Library and YMCA) that would have the following features:

- Intergenerational living, socialization, dining and entertainment
- Neighborhood concept unique to the city offering apartments, townhomes, senior living, retail and park

Sherwin Williams

- Discussion continue about potential opportunities

Silverpoint

- Former Little Sisters of the Poor site
- Working on agreement that would serve as outline for future development

## **Current Year Challenges/Issues**

The mission of the City of Warrensville Heights, its mayor, council, and employees, is to enhance the quality of life for all residents by providing the highest level of service in an efficient and cost effective manner. However, in 2021 the nation and around the world continues to be impacted by the Coronavirus Pandemic. However, due to federal grants such as the C.A.R.E.S Act and American Rescue Plan Act of 2021, the City services where not compromised.

The City Administration does not know exactly how the pandemic effected the residents and the business basis of the community but, the City of Warrensville Heights local income tax collection remains somewhat flat. Paid social events are still relative low but did show a slight uptick as the State of Ohio began opening back up. Fortunately, the hotel/motel tax seem to reflect collection levels close to previous years.. Sadly, some retail businesses in the City were impacted significantly were they had to close their doors permanently.

## **Other Challenges**

Due to the Coronavirus Pandemic—for another year the City canceled all City sponsored events and programs. They City made continue to make adjustments to connect with the community by conducting business through technology and virtual communications such as ZOOM.

Public Safety in the field had complex decontamination practices, expanded challenges with target hazards in the first-due response areas. The essential department's personnel were at much higher personal risk, increase emergency calls, and roles were expanded to cover staffing shortfalls.

Similar to 2020, in 2021 several retirements and resignations occurred in various departments causing staff shortage and an increase in workload until staff replacement occurred.

## **2021 Highlights**

### **CARES Act and American Rescue Plan Act of 2021**

The City of Warrensville Heights was a recipient of Coronavirus Aid, Relief, and Economic Security Act (CARES ACT) in the amount of \$1,227,168 in 2019 and had a carryover balance in 2021 to use. In 2021, the City was also awarded a federal grant called the American Rescue Plan Act of 2021. The City benefited greatly from the funding and helped financially by offsetting revenue loss due to the Coronavirus Pandemic.



The City used the funds in the following manner:

- Public Safety salaries and wages
- Safety security equipment
- APR Filters, Plexiglas for public barrier for COVID protection, Mask Signage
- Personal Protective Equipment (PPE), gloves, thermometer stands, thermal temperature screeners
- Installation of touchless restroom fixtures, toilets and paper towel dispensers throughout the City's public buildings, automatic light sensors, automatic front entrance door openers
- Chest compression Lucas Devices
- Masks for all City employees and residents
- Disinfectant cleaning products and antibacterial soap

## **Fire Department**

### 2021 Man Power and New Hires

The Fire Department hired 2 new Firefighter/paramedic in 2021. These firefighters helped replaced 1 of 4 2020 fire fighters that retired in 2020. Also two fire fighters that transferred to other departments in 2021. This will leave a void for hiring 2-3 more firefighters in 2022.

At the end of 2021 work year the department had 2 day personnel and 26 shift employees.

## **Highlights**

### 2021 Equipment

1. A new rescue squad was placed in service.
2. Air bags were purchased for vehicle stabilization in motor vehicle accidents.
3. Power cot and load assembly for the rescue squad was purchased.
4. Lucas CPR compression device.

## **Police Department**

The Warrensville Heights Police Department continues striving to give the residents and business community the best police service possible. To ensure proper staffing, the department hired three police officers, two dispatchers and three administrative employees. One of the goals of the department is to be at full staffing in 2022. Although the Department continues to be met with hiring challenges, protecting and serving the community has not been compromised.

In 2021, the Police Department received 17,780 total calls with 10,520 of them being 911 calls. Due to the COVID-19 pandemic, the amount of citations issued for moving violations was 855. That number is considerably low compared to years prior to the pandemic. The number of parking citations issued was 1,369. The agency responded to 1,260 residential/commercial alarms and maintained a response time of 3-5 minutes

## **Highlights**

The Department incorporated the latest technology to enhance the safety in the community.

Mid-year of 2021, the Police Department entered into a contract with Flock Safety. Flock Safety is a stationary device that scans motor vehicle license plates. Currently, we are on the final stages of implementing equipment and software. This technology will assist with investigations and monitor all vehicle traffic within the city and surrounding cities.

Another safety equipment enhancement purchased in 2021 is called Shot Spotter. Shot Spotter detects any firearms discharged within the City limits. This state of the art technology will assist the Warrensville Heights Police Department with advance notice and the precise location where the firearm discharged occurred within the City limits. The implementation shall be complete in 2022.

To ensure the Police Department vehicles are in excellent condition—the City entered into a Master Lease agreement allowing the department to rotate out old police vehicles with high miles to new vehicles. Under this new leasing program, the department was able to purchase three new additional vehicles to the fleet. Three more new vehicles will be purchased in 2022.

### **Building Department**

Our Building and Housing Department is a State Certified Department recognized by the Board of Building Standards. One of our main purposes is to ensure that residential and commercial structures are constructed to safeguard the health, safety, property, and public welfare of the community. We manage all construction activities within the City through review and approval of all residential and commercial plans for new construction, additions/alterations to existing structures. Inspections will be conducted through permit approval for Building, Electrical Plumbing, and HVAC work by State Certified Inspectors

This year we updated our entire Building and Housing Code Ordinances with the intent to bring our department into compliance with the current practices in the code compliance field, to remove obsolete provisions, and to add provisions to cover items that had not been previously addressed.

### **Highlights**

The Building and Housing Department spent 2021 building our new code enforcement and permitting software system Citizenserve. Some of the highlights of the system is listed below.

- Code Enforcement technology to perform inspections and do reporting digitally in the field
- Inspectors will be able to view real-time applications and permits submitted
- Online Customer Portal will give residents and business owners the ability to submit permit applications, payments, apply for inspections, file complaints, and view inspection reports
- Residents and business owners will be able to submit construction drawings, applications and payments for review
- Contractors will have the ability to submit registration applications and payments
- Rental Registration that will give property owners the ability to submit registration applications and payments through the online portal

Our 2021 Community Impact for the Building and Housing Department:

- 202 Permits Issued
- \$83,655,846.79 in permit applications valuations
- 51 Projects came through Plan Review for new construction, additions/alterations
- 68 Point of Sale Inspections performed
- 728 Rental Occupancy Inspections performed

## **The Civic & Senior Center**

The Civic & Senior Center is a municipal facility whose primary mission is to provide services and activities for the senior and adult community of Warrensville Heights. The Center currently offers a variety of activities and classes. There are opportunities for seniors to go on group outings to the Cleveland Playhouse, Karamu Theater, and other locations, depending on interest.

The Center also serves as an Emergency Crisis Center. The Crisis Centers serves as a confidential support, referral and crisis evaluation with the support of Red Cross and other local agencies during a time of crisis within the City of Warrensville Heights.

The Center offers a variety of room rental needs not only at the Center, but at the Chateaux of Emery Woods Clubhouse as well. The rooms can be rented by the residents of the City for adult events.

## **Highlights**

**Due to COVID-19 the Warrensville Heights Civic & Senior Center was CLOSED to the public. Re-opening scheduled for Fall 2021.**

- **Mind Challenge**

The Northeast Ohio (NEO) Mind Challenge for the New Majority is a senior friendly trivia competition between approximately 36 local municipalities and Senior Centers in NEO. Cash prizes (and bragging rights) will be awarded to the winning municipality and team members. **Mind Challenge** participants continued to meet via Zoom, the actual completion was cancelled until 2022!

- **Health Fair**

The Health Fair was postponed due to COVID until 2022.

- **The Center's Funding Sources**

- ❖ AARP offers two programs, tax preparation and fraud watch. AARP Foundation Tax-Aide offers free tax preparation assistance Feb. 1 through April 15. Tax preparation is provided free of charge to anyone make an appointment via Zoom.

- **Transportation**

Due to COVID-19, the bus was limited to three (3) passengers per transport. Temperatures are checked daily and masks are **REQUIRED** to be worn the entire time on the bus.

- Masks are required to be worn by all passengers from their pick-up to their drop off location.
- Our bus drivers are required to wear masks on during that time as well.
- All passengers' temperature will be taken at the time of pick-up. If the resident has a temperature of 99.6 degrees or higher, they will not be transported.

Before anyone could be transported, the resident must confirm that they do not have COVID-19 symptoms, has not been diagnosed with COVID-19 and has not had close contact with a person diagnosed as having COVID-19 in the last 14 days.

We followed the states guidelines on determining if passengers were allowed to ride the bus.

## **Mayor's Initiatives**

The Mayor's major initiative and focus will continue to be "Growth through Development and Innovation". Through several strategic programs, partnerships and initiatives, the goal is to move the City toward an ultimate objective of continued economic growth through sustainable development and innovation. The Mayor and the Administration have been working on this mission through a three-pronged approach for several years now. They are as follows:

1. Implementation and Retention of Vital City Programs
2. Continued Technological Advances
3. Housing Initiatives.

The City's vision continues to be the redevelopment of areas that have been demolished for mix-use commercial, residential development and park setting. As you drive around the City it will notice the vision is moving towards reality. It is exciting times for the City of Warrensville Heights and more is sure to come.

## **Long-Term Financial Planning**

The Northfield Road Corridor is an area most in need of enhancements according to the City's Master Plan. The Plan recommends improvements between Clarkwood Parkway and Emery Road. In an effort to follow the Master Plan, the City proved its commitment by purchasing two buildings on the corridor that remained vacant for many years. The buildings purchased were once the home of a new and used auto dealership that sat on approximately 5.7 acres.

To strengthen the City's reserve balance for years to come, the City plans to adopt a formal minimum fund balance policy for the General Fund in 2022. It has always been the City's goal to maintain fund balances that would finance at least a minimum of three months (25 percent) of operations. The Finance Department reviews all transactions on an on-going basis, balances bank accounts daily, and works diligently to manage and monitor revenues and expenditures to ensure that adequate fund balances are maintained.

## **Awards and Acknowledgements**

The City takes great pride in committing itself to financial excellence. This is evident in the City receiving once again a Certificate of Achievement for Excellence in Financial Report consecutively since 2003 from the Government Finance Officers Association (GFOA). City of Warrensville Heights will continue to make strong financial strides for many years to come.

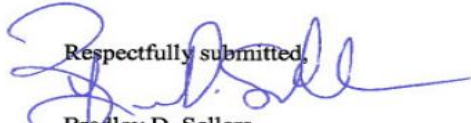
**Award---**The Government Finance Officers Association of the United States and Canada (GFOA) awarded a '**Certificate of Achievement for Excellence in Financial Reporting**' to the City of Warrensville Heights for its Comprehensive Annual Financial Report for the year end December 31, 2020.


The criteria established to be awarded a '**Certificate of Achievement for Excellence in Financial Reporting**', a government unit must publish a reader friendly and efficiently organized Comprehensive Annual Financial Report which satisfies all program standards. Such a report must also conform to generally accepted accounting principles and must satisfy all applicable legal requirements respective to the reporting entity.

We believe that our financial report for year-end of December 31, 2021 will continue to meet the standards of the yearly Award. Therefore, we are submitting it to GFOA at this time.

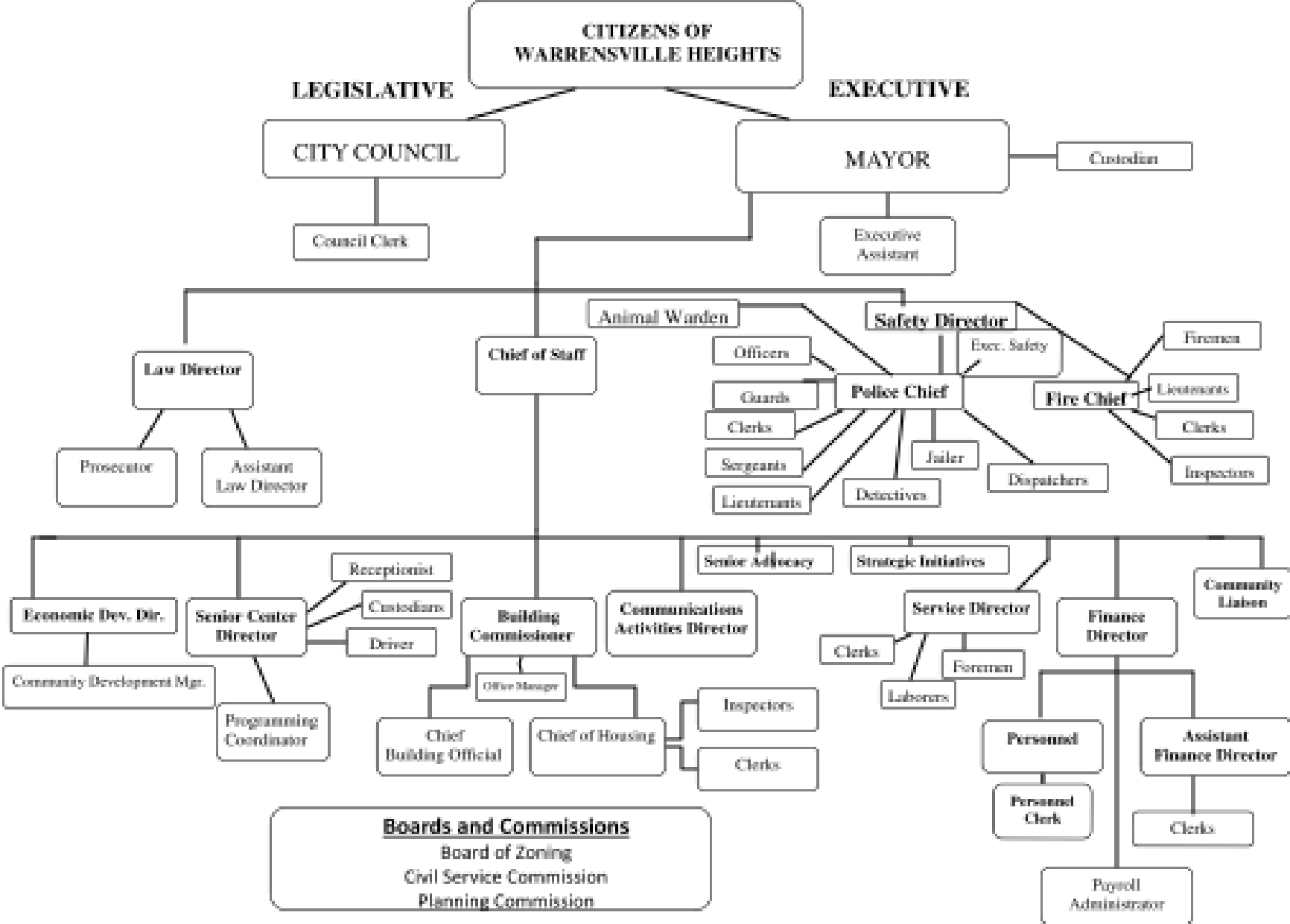
## *Acknowledgments*

This Annual Comprehensive Financial Report (CAFR) was prepared by the Finance Department with the efficient and dedicated services of its entire staff. Sincere gratitude goes to City Council for its enthusiastic support and its granting of funds for this project. Appreciation is also expressed to all City Hall Department Heads for their cooperation and assistance.

Respectfully submitted,  
  
Bradley D. Sellers  
Mayor

  
Karen A. Howse  
Director of Finance

# CITY OF WARRENSVILLE HEIGHTS ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Warrensville Heights  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morill*

Executive Director/CEO

CITY OF WARRENSVILLE HEIGHTS  
ELECTED AND APPOINTED CITY OFFICIALS

**HONORABLE MAYOR BRADLEY D. SELLERS**

CITY COUNCIL

Dorise Hagwood, Ward 1

Andrea Mitchell, Ward 2

Elona C. White, Ward 3

Walter Stewart, Ward 4

Matthew Howard, Ward 5

Stanley Anderson, Ward 6

Kimberly Hodge-Edwards, Ward 7

APPOINTED OFFICIALS

Kelli Wilson, Chief of Staff

Teresa Metcalf Beasley, Director of Law

Karen Howse, Director of Finance

Ted Sims, Director of Service

Wesley Haynes, Chief of Police

Herb Waugh, Chief of Fire

Laura Cline, Personnel Director

Ben Brown, Building Commissioner

Jennifer Lastery, Director of Civic and Senior Center

GPD Associates, City Engineer



## **FINANCIAL SECTION**



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

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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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 Warrensville Heights  
Warrensville Heights, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

**Report on the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights as of December 31, 2021, and the respective changes in financial position 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.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Emphasis of Matter***

As discussed in Note 23 to the basic financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. Our opinion is not modified with respect to this matter.

### ***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 and Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are 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 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.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2022, on our consideration of the City'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 solely 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 the effectiveness of the City's 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's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James G. Zupka, CPA, Inc." The signature is written in a cursive style.

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

June 17, 2022

**CITY OF WARRENSVILLE HEIGHTS  
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The discussion and analysis of the City of Warrensville Heights' (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to consider information presented here in conjunction with the additional information contained in the transmittal letter, as well as the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

- The liabilities and deferred inflows of the City exceeded assets and deferred outflows at December 31, 2021 by \$3,799,786.
- Total assets increased by \$3,101,904 and deferred outflows of resources decreased by \$1,038,510 in 2021. The largest increase was in cash and cash equivalents and net OPEB asset. The decrease in deferred outflows of resources and increase in net OPEB asset was related to the pension and OPEB plans.
- Total liabilities decreased by \$7,179,958 and deferred inflows of resources increased by \$1,952,142 in 2021. The main fluctuations in liabilities are related to net pension and the inception of a lease liability in the prior year. The increase in deferred inflows of resources was related to the pension and OPEB plans.
- Net position in total increased by \$7,291,210 during 2021.

***Using this Comprehensive Annual Financial Report***

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of Warrensville Heights as a financial whole or as an entire operating entity. The statements proceed to provide an increasingly detailed look at our specific financial condition.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City. They provide both an aggregate view of the City's finances in addition to 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 look at the City's most significant funds with all other nonmajor funds presented in total in one column.

***The City as a Whole***

***Statement of Net Position and the Statement of Activities***

The Statement of Net Position presents information, excluding fiduciary funds, on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. This change is important because it serves as a useful indicator of whether the City's financial position is improving or diminishing. However, in evaluating the overall

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position of the City, non-financial information such as changes in the City's tax base, change in the tax law, and the condition of capital assets should also be considered.

In the Statement of Net Position and the Statement of Activities, all of the City's activities are reported as governmental activities, which include all of the City's services including police, fire, administration, and all other departments. The City does not operate any business-type activities and has no component units. Both the Statement of Net Position and the Statement of Activities use the accrual basis of accounting similar to the accounting methods used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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 (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program revenues and expenses
- General revenues
- Net position beginning of year and year-end

***Reporting the City's Most Significant Funds***

*Fund Financial Statements*

The analysis of the City's major funds begins on page 11. Fund financial reports provide detailed information about the City's major funds. The City has established many funds that account for the multitude of services, facilities, and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Warrensville Heights, the major governmental funds are the General Fund, General Obligation Bond Retirement Fund, and Street Improvements Fund.

*Governmental Funds*

The governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of available resources, as well as on balances of resources available at the end of the year.

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



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Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds.

***Government-wide Financial Analysis – The City as a Whole***

As noted earlier, the Statement of Net Position looks at the City as a whole and can be used as an indicator of the City's financial position. Table 1 provides a summary of the City's net position for 2021 compared to 2020.

**Table 1 – Net Position**

	2021	2020
<b>ASSETS</b>		
Current and other assets	\$ 22,446,674	\$ 20,237,429
Capital assets, net	42,043,347	41,635,955
Net OPEB asset	485,267	-
<b>Total Assets</b>	<b>64,975,288</b>	<b>61,873,384</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	2,856,145	3,427,503
OPEB	1,560,521	2,027,673
<b>Total Deferred Outflows of Resources</b>	<b>4,416,666</b>	<b>5,455,176</b>
<b>LIABILITIES</b>		
Current and other liabilities	5,674,481	5,931,231
Long-term liabilities:		
Due within one year	2,094,838	2,418,417
Due in more than one year		
Net pension liability	18,851,687	21,099,009
Net OPEB liability	2,256,816	6,196,033
Other amounts	35,353,613	35,766,703
<b>Total Liabilities</b>	<b>64,231,435</b>	<b>71,411,393</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes	1,540,083	1,447,793
Pension	4,361,386	3,498,237
OPEB	3,058,836	2,062,133
<b>Total Deferred Inflows of Resources</b>	<b>8,960,305</b>	<b>7,008,163</b>
<b>NET POSITION</b>		
Net investment in capital assets	3,418,298	5,597,454
Restricted	6,731,375	3,690,940
Unrestricted	(13,949,459)	(20,379,390)
<b>Total Net Position</b>	<b>\$ (3,799,786)</b>	<b>\$ (11,090,996)</b>

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The net pension liability (NPL) is reported pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The City has previously adopted GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, 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 OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio’s statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the City’s proportionate share of each plan’s collective:

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

GASB notes that pension and OPEB 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 and other postemployment benefits. GASB noted that the unfunded portion of this 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 these liabilities. 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 Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *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 retirement system is responsible for the administration of the pension and OPEB plans.

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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 or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, 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 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

The largest portion of the City's net position reflects its restricted funds available to pay down the City's debt. At December 31, 2021, total net position had a deficit of \$3,799,786. The deficit net position was due to the recording of the net pension and net OPEB liability. Total assets increased by \$3,101,904 from 2020 to 2021. Of that increase, the most significant changes were in cash and cash equivalents and net OPEB asset. Total liabilities decreased by \$7,179,958 in 2021. The decrease is mainly due to the decrease in net pension and OPEB liability. The changes in net pension liability, net OPEB liability, net OPEB asset, deferred outflows and inflows in resources is due to the recording of GASB Statement No. 68 and 75.

The implementation of GASB Statement No. 68 and 75 requires the reader to perform additional calculations to determine the City's Total Net Position at December 31, 2021 without the implementation of GASB Statement No. 68 and 75. This is an important exercise, as the State Pension Systems (OPERS & OP&F) collect, hold, invest, and distribute pensions to our employees, not the City of Warrensville Heights. These calculations are as follows:

	<b>Governmental Activities</b>
Total Net Position at December 31, 2021 (with GASB 68 and 75)	\$ (3,799,786)
GASB 68 Calculations:	
Add:	
Deferred Inflows related to Pension	4,361,386
Deferred Inflows related to OPEB	3,058,836
Net Pension Liability	18,851,687
Net OPEB Liability	2,256,816
Less:	
Net OPEB Asset	(485,267)
Deferred Outflows related to Pension	(2,856,145)
Deferred Outflows related to OPEB	(1,560,521)
Total Net Position (without GASB 68 and 75)	\$ 19,827,006

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Table 2 shows the change in net position for the year ended December 31, 2021 compared to 2020.

**Table 2 – Statement of Activities**

	2021	2020
<b>REVENUES</b>		
Program Revenues:		
Charges for services	\$ 1,736,616	\$ 876,548
Operating grants and contributions	1,418,219	1,595,717
Capital grants and contributions	517,787	348,445
Total Program Revenues	3,672,622	2,820,710
General Revenues:		
Property taxes	1,550,814	1,537,016
Municipal income taxes	19,244,124	17,201,265
Other Taxes	389,132	338,557
Grants and entitlements	1,771,496	1,829,896
Investment income	5,590	57,390
All other revenues	1,089,965	2,072,587
Total General Revenues	24,051,121	23,036,711
<b>Total Revenues</b>	<b>27,723,743</b>	<b>25,857,421</b>
<b>EXPENSES</b>		
Program Expenses:		
Security of persons and property	10,137,813	11,573,873
General government	5,224,634	7,303,586
Public works	2,086,500	3,810,021
Leisure time activities	376,687	459,579
Transportation	627,539	970,145
Community development	475,483	1,130,627
Public health and welfare	73,804	73,804
Interest and fiscal charges	1,430,073	1,034,594
<b>Total Expenses</b>	<b>20,432,533</b>	<b>26,356,229</b>
Change in Net Position	7,291,210	(498,808)
Net Position - Beginning of Year	(11,090,996)	(10,592,188)
<b>Net Position - End of Year</b>	<b>\$ (3,799,786)</b>	<b>\$ (11,090,996)</b>

***Governmental Activities***

Several revenue sources mainly fund the governmental activities with the City municipal income tax being the largest contributor. Under the accrual basis of accounting, the City's municipal income tax accounted for \$19,244,124 or 69.41 percent of total revenues. The municipal income tax rate is 2.60 percent.

Property taxes of \$1,550,814 accounted for 5.59 percent of total revenues. Other taxes of \$389,132 accounted for 1.40 percent of total revenues. Charges for services of \$1,736,616 accounted for 6.26 percent of total revenue. Operating grants and contributions of \$1,418,219 accounted for 5.12 percent of total revenue. Grants and entitlements of \$1,771,496 accounted for 6.39 percent of total revenues. All other revenue sources of \$1,613,342 accounted for the remaining 5.82 percent of the City's 2021 revenue. The City monitors its sources of revenue very closely for fluctuations throughout the year, especially municipal income taxes.

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Charges for services increased due the City discontinued social activities in 2020 due to the COVID-19 Pandemic. Property taxes increased due to an increase in collections. All other revenues decreased in 2021 due to multiple refunds in 2020 from Bureau of Workers Compensation (BWC).

The provisions of GASB Statements 68 and 75 required the City to recognize a pension/OPEB adjustment that reduced expenses in the amount of \$3,773,444 in 2021 and increased expenses in the amount of \$1,707,400 in 2020. As a result, it is difficult to ascertain the true operational cost of services and the changes in the cost of services from year to year. The table below shows the total cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed.

<b>EXPENSES</b>	<u>2021</u>	<u>2020</u>
Program Expenses:		
Security of persons and property	\$ 10,317,779	\$ 10,883,294
General government	6,497,688	6,954,206
Public works	3,716,237	3,350,770
Leisure time activities	619,395	390,594
Transportation	627,539	970,145
Community development	923,462	991,422
Public health and welfare	73,804	73,804
Interest and fiscal charges	1,430,073	1,034,594
<b>Total Expenses</b>	<u>\$ 24,205,977</u>	<u>\$ 24,648,829</u>

Using, the table above, Security of persons and property, including the Police and Fire departments, accounted for program expenses of \$10,317,779, which is 42.62 percent of total City expenses for 2021 and experienced a decrease in expenses in 2021 in part due to the 2020 costs associated with PPE and safety cost applicable to the pandemic. The general government expenses accounted for \$6,497,688, or 26.84 percent of total expenses. General Government expenses decreased due to the 2020 expenses related to the City moving buildings. The public works expenses, primarily the Service Department, accounted for \$3,716,237, or 15.35 percent of total expenses.

The Police and Fire departments continue to provide the public with informative programs in a professional manner. The departments will continue to look for ways to expand our services and develop new public education programs for the community.

***The City’s Funds***

Information about the City’s major funds starts on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had revenues of \$28,032,891 and expenditures of \$26,428,002 (not including other financing sources and uses). The most significant fund is the General Fund with a fund balance at year-end of \$11,095,588. In 2021, the fund balance of the General Fund increased by \$4,435,714. This increase in fund balance is due to the increase in property tax collections.

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The City's other major fund is the General Obligation Bond Retirement Fund. The General Obligation Bond Retirement Fund is used to pay the City's outstanding general obligation debt and also accounts for property tax and special assessment revenues which help to make it a major fund. The General Obligation Bond Retirement Fund's fund balance decreased \$1,741,412 from 2020, with a deficit fund balance of \$3,240,811 at December 31, 2021. The decrease is due to a transfer out in 2021 for the purpose of paying debt obligations that come due for maturity in 2021.

The City's third major fund is the Street Improvement Fund. The Street Improvement Fund is used to accounts for loan proceeds from the Ohio Department of Transportation for rehabilitation of local roads. The Street Improvement Fund's fund balance decreased by \$315,187 from 2020, with a fund balance of \$441,674 at December 31, 2021. The fund balance decreased due to the decrease in revenues due to the issuance of an OPWC loan in 2020, which was offset by an increase in expenditures in 2021.

***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. An annual appropriation budget is legally required to be prepared for all funds of the City other than agency funds.

City Council is provided with a detailed line item budget for all departments and after a discussion at a Finance Committee meeting, which is open to the public, the budget is adopted by City Council at a regularly held City Council meeting at the object level for all other funds. The Finance Director has been authorized to allocate appropriations within the object level within each fund.

The General Fund supports many of our major activities including the police department, fire department, and most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

Both the original revenue and expenditure budget is designed to be very conservative, requiring additional spending requests to be approved by City Council throughout the year. During the course of 2021, the City amended its General Fund budget in response to departmental needs. The original and final budgeted revenue, amounted to \$23,498,923 and \$25,056,205, respectively. Actual revenues of \$23,984,417 were \$1,071,788 less than the final budgeted revenues. This decrease is mainly due to a lesser amount of intergovernmental revenue received than budgeted.

The original and final budgeted expenditures amounted to \$23,344,382 and \$25,125,908, respectively. Actual expenditures of \$23,032,904 were \$2,093,004 less than the final budgeted expenditures mainly due to attrition and shortage in staffing.

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*Capital Assets and Debt Administration*

*Capital Assets*

At the end of 2021, the City had \$42,043,347 invested in land, buildings, land improvements, machinery and equipment, vehicles, furniture and fixtures, and infrastructure. Table 3 shows 2021 balances of capital assets as compared to 2020.

**Table 3 – Capital Assets at December 31 (Net of Depreciation)**

	2021	2020
Land	\$ 4,636,810	\$ 4,636,810
Construction in progress	633,441	697,999
Buildings	26,657,011	27,275,808
Land Improvements	98,310	115,896
Machinery and Equipment	536,219	285,372
Vehicles	1,004,442	691,893
Infrastructure:		
Roads	6,860,507	6,248,774
Sanitary Sewers	756,309	790,755
Storm Sewers	860,298	892,648
Total Capital Assets	\$ 42,043,347	\$ 41,635,955

Capital assets increased by \$407,392 in 2021. The main reason for the increase due to the purchase of vehicles, which was offset by the current year depreciation expense.

The City Engineer maintains a comprehensive listing of all the roads, sanitary sewers, and storm sewers within the City. Each spring, this inventory is updated with current conditions and recommendations made for repair or replacement. The City has taken an aggressive approach in pursuing funding to assist in the financing of infrastructure projects. See Notes 2 and 11 of the basic financial statements for additional information on capital assets.

*Long-Term Obligations*

At December 31, 2021, the City had \$58,556,954 in outstanding long-term obligations. Table 4 summarizes the long-term obligations outstanding.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 MANAGEMENT’S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (UNAUDITED)**

**Table 4 – Outstanding Long-Term Obligations at December 31**

	2021	2020
General Obligation Bonds	\$ 6,693,696	\$ 7,453,257
Certificate of Participation	8,625,126	9,024,196
Loans Payable	1,904,868	2,297,741
Compensated Absences	2,242,552	2,141,096
Claims Payable	2,352	5,523
Capital Leases	17,979,857	17,263,307
Net Pension Liability	18,851,687	21,099,009
Net OPEB Liability	2,256,816	6,196,033
Total outstanding long term liabilities	<u>\$ 58,556,954</u>	<u>\$ 65,480,162</u>

In 2021, the City entered into a master lease agreement for equipment and vehicles.

The City’s overall legal debt margin was \$19,044,412 with an unvoted legal debt margin of \$6,788,170 on December 31, 2021. For more information about the City’s long-term obligations and short-term note activity, see Notes 12, 13, 14, 17, and 18 to the basic financial statements.

**Current Financial Related Activities**

The year 2021 was another challenging and difficult year for the City of Warrensville Height. The COVID-19 pandemic continued to challenge the Nation. However, despite the challenges the City continues striving to be proactive in the face of it all. The City managed to have a healthy year-end balance. If the City had not received federal grant funding such as C.A.R.E.S Act and the American Rescue Plan Act of 2021-2022, the City may have experienced some financial stress. Fortunately, Warrensville Heights ended the year with a strong reserve balance allowing the City the ability to fund infrastructure projects, capital improvements, and enhancements for Public Safety and Public Works Division. Furthermore, the federal funding strengthen the City’s financial ability to act on emergencies and unforeseen expenditure in the future. The City will continue to assess cost savings measures while addressing the needs of the community.

The finances are closely monitored monthly by the Mayor, Administration and City Council ensuring the City is operating fiscally responsibly. Warrensville Heights continues to carry a favorable credit rating of an A-2 assigned by Moody’s Investors Services.

***Contacting the City of Warrensville Heights’ Financial Management***

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director Karen Howse, at the City of Warrensville Heights, 4301 Warrensville Center Road, Warrensville Heights, Ohio 44128, (216) 587-1135, or e-mail to [khowse@cityofwarrensville.com](mailto:khowse@cityofwarrensville.com).



**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

	Governmental Activities
<b>ASSETS</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 11,422,268
Cash and Cash Equivalents:	
In Segregated Accounts	32,284
With Escrow Agents	589,760
Materials and Supplies Inventory	134,779
Accounts Receivable	443,027
Intergovernmental Receivable	819,896
Prepaid Items	187,079
Municipal Income Taxes Receivable	4,199,961
Property Taxes Receivable	1,903,931
Special Assessments Receivable	2,713,689
Nondepreciable Capital Assets	5,270,251
Depreciable Capital Assets	36,773,096
Net OPEB Asset	485,267
<b>Total Assets</b>	<b>64,975,288</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension	2,856,145
OPEB	1,560,521
<b>Total Deferred Outflows of Resources</b>	<b>4,416,666</b>
<b>LIABILITIES</b>	
Accounts Payable	425,257
Contracts Payable	71,283
Accrued Wages and Benefits	287,024
Intergovernmental Payable	195,209
Matured Compensated Absences Payable	2,063
Accrued Interest Payable	205,403
Retainage Payable	47,407
Unearned Revenue	1,202,415
Notes Payable	3,238,420
Long-term Liabilities:	
Due within one year	2,094,838
Due in more than one year:	
Net Pension Liability	18,851,687
Net OPEB Liability	2,256,816
Other amounts due in more than one year	35,353,613
<b>Total Liabilities</b>	<b>64,231,435</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	1,540,083
Pension	4,361,386
OPEB	3,058,836
<b>Total Deferred Inflows of Resources</b>	<b>8,960,305</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	3,418,298
Restricted for:	
Debt Services	2,839,277
Capital Projects	1,309,536
Streets	1,042,959
Building Levy	333,919
Police and Fire	290,373
Residential Demolition	206,878
SIB Loan Repayment	583,284
Other Purpose	125,149
Unrestricted	(13,949,459)
<b>Total Net Position</b>	<b>\$ (3,799,786)</b>

See accompanying notes to the basic financial statements

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
Security of Persons and Property				
Police and Others	\$ 5,802,654	\$ 104,678	\$ 162,475	\$ -
Fire	4,335,159	477,001	162,475	-
Public Health and Welfare	73,804	-	-	-
Leisure Time Activities	376,687	16,913	-	-
Community Development	475,483	829,877	2,146	-
Public Works	2,086,500	-	-	-
Transportation	627,539	-	797,766	409,127
General Government	5,224,634	308,147	293,357	108,660
Interest and Fiscal Charges	1,430,073	-	-	-
<b>Total Governmental activities</b>	<u>\$ 20,432,533</u>	<u>\$ 1,736,616</u>	<u>\$ 1,418,219</u>	<u>\$ 517,787</u>
<b>General Revenues:</b>				
Property Taxes levied for:				
General Purposes				463,565
Debt Service Purpose				461,724
Other Purposes				625,525
Municipal Income Taxes levied for:				
General Purposes				19,244,124
Other Taxes				389,132
Grants & Entitlements not restricted to specific programs				1,771,496
Investment Income				5,590
Gain on Sale of Capital Assets				412,495
All Other Revenues				677,470
Total General Revenues				<u>24,051,121</u>
Change in Net Position				7,291,210
Net Position - Beginning of Year				(11,090,996)
<b>Net Position - End of Year</b>				<u>\$ (3,799,786)</u>

See accompanying notes to the basic financial statements

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	<b>General Fund</b>	<b>General Obligation Bond Retirement</b>	<b>Street Improvement Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 7,706,588	\$ 55,808	\$ 560,364	\$ 3,099,508	\$ 11,422,268
Cash and Cash Equivalents:			-		
In Segregated Accounts	32,284	-	-	-	32,284
With Escrow Agents	-	-	-	589,760	589,760
Materials and Supplies Inventory	132,634	-	-	2,145	134,779
Accounts Receivable	425,866	-	-	17,161	443,027
Interfund Receivable	716,216	-	-	-	716,216
Intergovernmental Receivable	375,458	17,611	-	426,827	819,896
Prepaid Items	187,079	-	-	-	187,079
Municipal Income Taxes Receivable	4,199,961	-	-	-	4,199,961
Property Taxes Receivable	563,458	596,026	-	744,447	1,903,931
Special Assessments Receivable	-	2,713,689	-	-	2,713,689
<b>Total Assets</b>	<b>\$ 14,339,544</b>	<b>\$ 3,383,134</b>	<b>\$ 560,364</b>	<b>\$ 4,879,848</b>	<b>\$ 23,162,890</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 389,158	\$ -	\$ -	\$ 36,099	\$ 425,257
Accrued Wages and Benefits	287,024	-	-	-	287,024
Contracts Payable	-	-	71,283	-	71,283
Intergovernmental Payable	195,209	-	-	-	195,209
Matured Compensated Absences Payable	2,063	-	-	-	2,063
Accrued Interest Payable	-	11,245	-	-	11,245
Retainage Payable	-	-	47,407	-	47,407
Interfund Payable	-	46,954	-	669,262	716,216
Unearned Revenue	557,252	-	-	645,163	1,202,415
Notes Payable	-	3,238,420	-	-	3,238,420
<b>Total Liabilities</b>	<b>1,430,706</b>	<b>3,296,619</b>	<b>118,690</b>	<b>1,350,524</b>	<b>6,196,539</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	456,122	481,991	-	601,970	1,540,083
Unavailable Revenue - Delinquent Property Taxes	107,336	114,035	-	142,477	363,848
Unavailable Revenue - Income Taxes	829,102	-	-	-	829,102
Unavailable Revenue - Other	420,690	2,731,300	-	310,871	3,462,861
<b>Total Deferred Inflows of Resources</b>	<b>1,813,250</b>	<b>3,327,326</b>	<b>-</b>	<b>1,055,318</b>	<b>6,195,894</b>
<b>Fund Balances:</b>					
Nonspendable	1,049,634	-	-	2,145	1,051,779
Restricted	-	-	441,674	2,886,642	3,328,316
Committed	-	-	-	246,392	246,392
Assigned	816,363	-	-	-	816,363
Unassigned (Deficit)	9,229,591	(3,240,811)	-	(661,173)	5,327,607
<b>Total Fund Balances (Deficit)</b>	<b>11,095,588</b>	<b>(3,240,811)</b>	<b>441,674</b>	<b>2,474,006</b>	<b>10,770,457</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 14,339,544</b>	<b>\$ 3,383,134</b>	<b>\$ 560,364</b>	<b>\$ 4,879,848</b>	<b>\$ 23,162,890</b>

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF  
GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2021**

<b>Total Governmental Funds Balance</b>		\$ 10,770,457
<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		42,043,347
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenues in the funds:		
Delinquent property taxes	363,848	
Municipal income taxes	829,102	
Special assessments	2,713,689	
Intergovernmental	518,048	
Charges for services	231,124	
Total	4,655,811	4,655,811
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due.		(194,158)
The net pension liability and net OPEB liability are not due and payable in the current period; and net OPEB asset is not available for spending in the current period; therefore, the liability, asset, and related deferred inflows/outflows are not reported in governmental funds:		
Net OPEB Asset	485,267	
Deferred Outflows - Pension	2,856,145	
Deferred Inflows - Pension	(4,361,386)	
Net Pension Liability	(18,851,687)	
Deferred Outflows - OPEB	1,560,521	
Deferred Inflows - OPEB	(3,058,836)	
Net OPEB Liability	(2,256,816)	
Total	(23,626,792)	(23,626,792)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
General obligation bonds	(6,460,000)	
Loans Payable	(1,904,868)	
Certificate of Participation	(8,560,000)	
Unamortized bond and note premiums	(298,822)	
Claims Payable	(2,352)	
Capital leases	(17,979,857)	
Accrued compensated absences	(2,242,552)	
Total	(37,448,451)	(37,448,451)
<b>Net Position of Governmental Activities</b>		<b>\$ (3,799,786)</b>

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund	General Obligation Bond Retirement	Street Improvement Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property Taxes	\$ 462,411	\$ 461,724	\$ -	\$ 618,607	\$ 1,542,742
Municipal Income Taxes	19,698,733	-	-	-	19,698,733
Hotel Taxes	-	-	-	233,000	233,000
Franchise Taxes	156,132	-	-	-	156,132
Intergovernmental	1,626,449	35,222	250,000	1,481,677	3,393,348
Interest	5,590	-	-	-	5,590
Licenses and Permits	664,233	-	-	-	664,233
Fines and Forfeitures	119,837	-	-	8,750	128,587
Rentals	471,900	-	-	-	471,900
Charges for Services	544,818	-	-	3,842	548,660
Special Assessments	-	512,496	-	-	512,496
All Other Revenues	650,495	26,885	-	90	677,470
<b>Total Revenues</b>	<u>24,400,598</u>	<u>1,036,327</u>	<u>250,000</u>	<u>2,345,966</u>	<u>28,032,891</u>
<b>EXPENDITURES</b>					
Security of Persons and Property:					
Police and Others	5,322,753	-	-	484,708	5,807,461
Fire	4,054,260	-	-	180,625	4,234,885
Public Health and Welfare	73,804	-	-	-	73,804
Leisure Time Activities	356,672	-	-	-	356,672
Community Development	851,438	-	-	71,145	922,583
Public Works	3,531,077	-	-	-	3,531,077
Transportation	-	-	-	492,795	492,795
General Government	5,315,634	5,061	-	101,030	5,421,725
Capital Outlay	104,917	-	865,187	1,300,489	2,270,593
Debt Service:					
Principal Retirement	471,382	1,175,000	-	347,873	1,994,255
Interest and Fiscal Charges	616,679	625,630	-	57,795	1,300,104
Bond Issuance Costs	-	22,048	-	-	22,048
<b>Total Expenditures</b>	<u>20,698,616</u>	<u>1,827,739</u>	<u>865,187</u>	<u>3,036,460</u>	<u>26,428,002</u>
Excess of Revenues (Under) Expenditures	<u>3,701,982</u>	<u>(791,412)</u>	<u>(615,187)</u>	<u>(690,494)</u>	<u>1,604,889</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of Capital Assets	412,495	-	-	-	412,495
Inception of Capital Lease	27,237	-	-	1,160,695	1,187,932
Transfers In	1,900,000	950,000	300,000	356,000	3,506,000
Transfers Out	(1,606,000)	(1,900,000)	-	-	(3,506,000)
<b>Total Other Financing Sources (Uses)</b>	<u>733,732</u>	<u>(950,000)</u>	<u>300,000</u>	<u>1,516,695</u>	<u>1,600,427</u>
Net Change in Fund Balances	4,435,714	(1,741,412)	(315,187)	826,201	3,205,316
Fund Balances (Deficits) - Beginning of Year	6,659,874	(1,499,399)	756,861	1,647,805	7,565,141
<b>Fund Balances (Deficits) - End of Year</b>	<u>\$ 11,095,588</u>	<u>\$ (3,240,811)</u>	<u>\$ 441,674</u>	<u>\$ 2,474,006</u>	<u>\$ 10,770,457</u>

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, 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, 2021**

**Net Change in Fund Balances-Total Governmental Funds** \$ 3,205,316

*Amounts reported for Governmental Activities in the Statement of Activities are different because:*

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

Capital Outlay	\$ 1,583,361	
Depreciation	(1,175,969)	
Total		407,392

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

Delinquent property taxes	8,072	
Municipal income taxes	(454,609)	
Special assessments	(353,369)	
Intergovernmental	82,006	
Charges for services	22,841	
Total		(695,059)

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the issuance of a capital lease. (1,187,932)

Repayment of bond and loan principal and capital leases are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 1,994,255

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows

Pension		1,720,170
OPEB		26,713

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability and net OPEB asset are reported as pension/OPEB expense in the statement of activities.

Pension		(907,356)
OPEB		2,933,917

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.

Claims Payable	3,171	
Compensated Absences	(101,456)	
Amortization of Premium	28,631	
Accrued Interest On Bonds	(136,552)	
Total		(206,206)

**Change in Net Position of Governmental Activities** \$ 7,291,210

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET (NON-GAAP BASIS) AND ACTUAL –  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 470,000	\$ 470,000	\$ 462,411	\$ (7,589)
Income Taxes	18,291,254	18,951,000	18,950,747	(253)
Other Taxes	150,694	210,000	156,132	(53,868)
Intergovernmental	1,826,272	2,027,860	1,611,766	(416,094)
Interest	18,524	72,000	19,192	(52,808)
Licenses and Permits	566,568	680,250	587,012	(93,238)
Fines and Forfeitures	100,869	123,000	104,509	(18,491)
Rentals	438,339	435,695	454,156	18,461
Charges for Services	517,226	566,200	535,889	(30,311)
All Other Revenues	663,177	1,064,200	690,108	(374,092)
<b>Total Revenues</b>	<u>23,042,923</u>	<u>24,600,205</u>	<u>23,571,922</u>	<u>(1,028,283)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	9,017,299	9,881,681	9,587,783	293,898
Public Health and Welfare	75,000	75,000	73,804	1,196
Leisure Time Activities	375,201	540,457	514,015	26,442
Community Development	940,047	907,695	849,130	58,565
Public Works	3,782,426	3,977,642	3,672,477	305,165
General Government	7,522,409	8,111,433	6,719,695	1,391,738
<b>Total Expenditures</b>	<u>21,712,382</u>	<u>23,493,908</u>	<u>21,416,904</u>	<u>2,077,004</u>
Excess of Revenues Over (Under) Expenditures	1,330,541	1,106,297	2,155,018	1,048,721
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	456,000	456,000	412,495	(43,505)
Transfers Out	(1,632,000)	(1,632,000)	(1,616,000)	16,000
<b>Total Other Financing Sources (Uses)</b>	<u>(1,176,000)</u>	<u>(1,176,000)</u>	<u>(1,203,505)</u>	<u>(27,505)</u>
Net Change in Fund Balance	154,541	(69,703)	951,513	1,021,216
Fund Balance - Beginning of Year	4,053,600	4,053,600	4,053,600	-
Prior Year Encumbrances	919,774	919,774	919,774	-
<b>Fund Balance - End of Year</b>	<u>\$ 5,127,915</u>	<u>\$ 4,903,671</u>	<u>\$ 5,924,887</u>	<u>\$ 1,021,216</u>

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 DECEMBER 31, 2021**

	<b>Custodial Fund</b>
<b>ASSETS</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 398,265
Receivables:	
Taxes for Other Governments	380,161
<b>Total Assets</b>	<b>778,426</b>
<b>LIABILITIES</b>	
Due to External Parties	778,426
<b>Total Liabilities</b>	<b>778,426</b>
<b>NET POSITION</b>	
Restricted For:	
Individuals, Organizations, and Other Governments	-
<b>Total Net Position</b>	<b>\$ -</b>

See accompanying notes to the basic financial statements.



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Income Tax Collections for External Parties	\$ 767,366
Miscellaneous	10,000
<b>Total Additions</b>	<b>777,366</b>
<b>DEDUCTIONS</b>	
Distributions to External Parties	777,366
<b>Total Deductions</b>	<b>777,366</b>
Net Increase (Decrease) in Fiduciary Net Position	-
Net Position - Beginning of Year	-
<b>Net Position - End of Year</b>	<b>\$ -</b>

See accompanying notes to the basic financial statements.

## Notes to the Basic Financial Statements

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**NOTE 1: DESCRIPTION OF THE CITY AND REPORTING ENTITY**

The City of Warrensville Heights (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was adopted May 6, 1958. Legislative authority is vested in a seven member City Council. City Council members are elected for a four year term. The Mayor is elected for a four year term and serves as the City’s chief executive and administrative officer.

**Reporting Entity**

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 primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City, this includes the agencies and departments that provide the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, and general administrative services. The City’s departments include a Public Safety Department, a Public Service Department, a Street Maintenance Department, a Parks and Recreation Department, a Planning and Zoning Department, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operations of each of these activities and entities are directly controlled by the City Council through the budgetary process.

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; or 3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City is associated with four jointly governed organizations. These organizations are the First Suburbs Consortium of Northeast Ohio Council of Governments, the Northeast Ohio Public Energy Council (NOPEC), Chagrin/Southeast Council of Government, and Valley Enforcement Regional Council of Government. These organizations are presented in Note 20 to the basic financial statements.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial reporting practices of the City conform to generally accepted accounting principles as applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City’s accounting policies are described below.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **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 statements usually distinguish between those activities that are governmental and those that are considered business-type; the City, however, has no business-type activities.

The Statement of Net Position presents the financial condition of the governmental activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or 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 fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. **Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The City's funds are classified as either governmental or fiduciary.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. **Fund Accounting** (Continued)

**Governmental Funds**

Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities 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 all financial resources except those required to be accounted for in another fund. The General Fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

*General Obligation Bond Retirement Fund* – The General Obligation Bond Retirement Debt Service Fund accounts for property tax collections and special assessments revenue which are used to pay the voted general obligation refunding bonds and special assessment bonds principal, interest, and related costs.

*Street Improvement Fund* - The Street Improvement Capital Projects Fund accounts for grant monies and note proceeds used for the improvement of streets and curbs within the City.

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

**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, investments trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are custodial funds. The custodial fund of the City is the Tax Incentive Fund.

C. **Measurement Focus**

**Government-Wide Financial Statements**

The government-wide financial statements are prepared using a flow of economic resources measurement focus.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Measurement Focus** (Continued)

All assets and deferred outflows of resources and all 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., revenue) 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 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 reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. **Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statement for the fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows of resources, and in the presentation of expenses versus expenditures.

**Revenues – Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the 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 60 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include municipal income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from municipal income taxes is recognized in the year in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Basis of Accounting** (Continued)

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 non-exchange 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: municipal income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), licenses and permits, fines and forfeitures, interest, grants, and rentals.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**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 represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 17 and 18.

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 assets that applies to future periods and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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 taxes, special assessments, intergovernmental grants and entitlements, and charges for services. 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 Balances to Net Position of Governmental Activities fund on page 18. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 17 and 18).

**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.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Basis of Accounting** (Continued)

Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. **Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents.”

Cash held for the City by a bank to purchase capital assets from a capital lease is included on the financial statements as “cash and cash equivalents with escrow agents”.

During the year, the City’s investments were limited to STAR Ohio and money market mutual funds.

During fiscal year 2021, the City invested in STAR Ohio, and money market mutual funds. STAR Ohio (the State Treasury Asset Reserve of 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 has adopted Governmental Accounting Standards Board (GASB), Statement No. 79 “Certain External Investment Pools and Pool Participants.” The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2021, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following the Charter and Codified Ordinances of the City as well as Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2021 amounted to \$5,590, which includes \$2,004 assigned from other City funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating certificates of deposits, which are reported at cost.



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

F. **Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

G. **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.

H. **Capital Assets**

The City's only capital assets are general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the governmental-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The 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 the appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The City's capitalization threshold is 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.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	50 years
Land improvements	30 years
Machinery and equipment	5 to 15 years
Furniture and fixtures	7 years
Vehicles	3 to 15 years
Infrastructure	75 years

The City's infrastructure consists of roads, sanitary sewers, waterlines, storm sewers, and includes infrastructure acquired prior to December 31, 1980.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**I. Interfund Balances**

On the fund financial statements, receivables and payables resulting from transactions between funds for services provided or goods received and from short-term interfund loans are classified as “Interfund Receivables/Payables.” Interfund loans which do not represent available expendable resources should have an equal offset which would be included in nonspendable fund balance unless the proceeds from their collection are restricted, committed, or assigned. Interfund balance amounts between governmental funds are eliminated in the Statement of Net Position.

**J. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee’s rights to receive compensation are attributable to services already rendered and are 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. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the City’s termination policy. The City records a liability for accumulated unused sick leave for all employees after five years of service.

**K. Pensions/Other Postemployment Benefits (OPEB)**

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

**L. Payables, Accrued Liabilities, and Long-Term Obligations**

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

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

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**M. 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 classification includes amounts that cannot be spent because they are not spendable in 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 the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or 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, laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City Council's resolutions). 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 a formal action (ordinance) 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) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by City Council.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

M. **Fund Balance** (Continued)

*Unassigned* – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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.

N. **Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

O. **Internal Activity**

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

P. **Bond Premiums and Discounts**

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums are reported in the year the bonds are issued.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Q. Extraordinary and Special Items**

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

**R. 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.

**S. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. 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 ordinance 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 City Council at the object level. 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 amounts on the certificate of estimated resources when the original and final appropriations were enacted by City Council.

The appropriation ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance 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 the year.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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**NOTE 3: CHANGES IN ACCOUNTING PRINCIPLES**

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. These changes were incorporated in the City's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The implementation of this Statement did not have an effect on the financial statements of the City.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*. The objective of this Statement is to establish the term *annual comprehensive financial report* and its acronym *ACFR*. These changes were incorporated in the City's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Implementation Guide 2019-1, *Update*. These changes were incorporated in the City's financial statements; however, there was no effect on the beginning net position/fund balance.

**NOTE 4: ACCOUNTABILITY**

The following funds had deficit fund balances as of December 31, 2021:

<b><u>Major Funds</u></b>	
General Obligation Bond Retirement Fund	\$ 3,240,811
<b><u>Nonmajor Funds</u></b>	
Special Revenue Funds:	
Street Lighting	2,902
Community Development and Building Grant	27,867
COPS Grant	16,748
2007 Nature Works Grant	19,589
Ohio Department of Transportation State Infrastructure Bank Loan Fund	594,067

The deficits in the nonmajor special revenue funds are caused by the recognition of expenditures on the modified accrual basis of accounting. The General Fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit in the General Obligation Bond Retirement Fund is the result of the issuance of anticipation notes which are used to finance projects until bonds are issued. Once the notes are retired or the bonds are issued, the deficits will be eliminated.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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**NOTE 5: BUDGETARY BASIS OF ACCOUNTING**

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

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP);
2. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP);
3. Encumbrances are treated as expenditures (budgetary) rather than as a part of restricted, committed, and assigned fund balances (GAAP);
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
5. Other funds are included in the General Fund (GAAP basis), but have a separate legally adopted budget (budget basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budgetary basis for the General Fund are as follows:

Net Change in Fund Balance	
	General Fund
GAAP Basis	\$ 4,435,714
Increase (Decrease) Due to:	
Revenue Accruals	(2,733,507)
Expenditure Accruals	(46,765)
Funds with Separate Legally Adopted Budgets	20,682
Net Impact of Encumbrances	(724,611)
Budgetary Basis	\$ 951,513

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

**NOTE 6: 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 governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

	General	General Bond Retirement	Street Improvement Fund	Other Governmental Funds	Total
<i>Nonspendable</i>					
Prepaid Items	\$ 187,079	\$ -	\$ -	\$ -	\$ 187,079
Inventories	132,634	-	-	2,145	134,779
Interfund Balance	716,216	-	-	-	716,216
Unclaimed Funds	13,705	-	-	-	13,705
<i>Total Nonspendable</i>	<u>1,049,634</u>	<u>-</u>	<u>-</u>	<u>2,145</u>	<u>1,051,779</u>
<i>Restricted</i>					
Fire Pension	-	-	-	22,895	22,895
Police Pension	-	-	-	25,009	25,009
Police and Fire Services	-	-	-	119,083	119,083
Other Law Enforcement	-	-	-	52,303	52,303
Master Plan Grant	-	-	-	25,353	25,353
BJA Grant	-	-	-	1,332	1,332
Great Grant	-	-	-	29,342	29,342
Streets and Highways	-	-	441,674	701,816	1,143,490
Building Levy	-	-	-	314,803	314,803
Residential Demolition	-	-	-	206,878	206,878
Community	-	-	-	34,205	34,205
SIB Loan	-	-	-	590,783	590,783
Capital Improvements	-	-	-	749,172	749,172
Other Purposes	-	-	-	13,668	13,668
<i>Total Restricted</i>	<u>-</u>	<u>-</u>	<u>441,674</u>	<u>2,886,642</u>	<u>3,328,316</u>
<i>Committed</i>					
CRA monitoring fees	-	-	-	173,275	173,275
Economic development	-	-	-	28,150	28,150
Occupancy Program	-	-	-	44,967	44,967
<i>Total Committed</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>246,392</u>	<u>246,392</u>
<i>Assigned</i>					
Fiscal Year 2022 Appropriations	204,003	-	-	-	204,003
Purchases on Order:					
Police Programs and services	67,627	-	-	-	67,627
Fire Programs and services	42,266	-	-	-	42,266
Community and Leisure Time Activities	165,653	-	-	-	165,653
Streets and Public Works	210,922	-	-	-	210,922
General Government	125,892	-	-	-	125,892
<i>Total Assigned</i>	<u>816,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>816,363</u>
<i>Unassigned (Deficit)</i>	<u>9,229,591</u>	<u>(3,240,811)</u>	<u>-</u>	<u>(661,173)</u>	<u>5,327,607</u>
<b>Total Fund Balances (Deficit)</b>	<u><b>\$ 11,095,588</b></u>	<u><b>\$ (3,240,811)</b></u>	<u><b>\$ 441,674</b></u>	<u><b>\$ 2,474,006</b></u>	<u><b>\$ 10,770,457</b></u>



**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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**NOTE 7: DEPOSITS AND INVESTMENTS**

The City follows State statute and classifies held monies into three categories.

Active monies are public monies 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 or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

Interim monies 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 principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations.; and
6. The State Treasurer's investment pool (STAR Ohio).

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

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

1. Bonds of the State of Ohio;
2. Bond of any municipal corporation, village, county, township or other political subdivision of this state, as to which there is not of principal, interest, or coupon; and,
3. Obligations of the City.

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. Investments may only be made through specified dealers and institutions.

**Cash on Hand**

At year-end, the City had \$600 in undeposited cash on hand, which is included on the balance sheet of the City as part of equity in pooled cash and cash equivalents.

**Deposits**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party.

At December 31, 2021, the carrying amount of the City's deposits was \$6,215,497 (not including \$32,284 in cash in segregated accounts and \$589,760 cash with escrow agent). Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of December 31, 2021, \$710,483 of the City's bank balance of \$7,378,458 was covered by Federal Depository Insurance and \$4,256,676 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name, and \$2,411,299 was uninsured and uncollateralized. The City's financial institutions were approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System, resulting in the uninsured and uncollateralized balance.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. The City's financial institution had enrolled in OPCS as of December 31, 2021.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

**Investments**

As of December 31, 2021, the City had the following investments:

<u>Investment Type</u>	<u>Measurement Value</u>	<u>Level Input</u>	<u>Credit Rating (*)</u>	<u>Investment Maturities (in Years)</u>
Money Market Mutual Funds	\$ 3,185,925	N/A	AA+	\$ 3,185,925
STAR Ohio	2,418,511	N/A	AAAm	2,418,511
Total Investments	<u>5,604,436</u>			<u>\$ 5,604,436</u>
Carrying Amount of Deposits	6,215,497			
Petty Cash	600			
Total Cash and Investments	<u>\$ 11,820,533</u>			

\* Credit Ratings were obtained from Standard & Poor's, respectively, for all investments.

Star Ohio is measured at net asset value per share while all other investments are measured at fair value. The City has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All other investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs). The above chart identifies the City's recurring fair value measurements as of December 31, 2021. As previously discussed, Star Ohio is reported at its net asset value.

**Interest Rate Risk** – The City has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity. Repurchase agreements are limited to 30 days and the fair value of the securities must exceed the principal value of the agreement by at least two percent and be marked to market daily.

**Credit Risk** – STAROhio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The credit ratings for the money market mutual fund were AA+ by Standard and Poor's. The City has no investment policy that would further limit its investment choices.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

**Investments** (Continued)

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Securities backed by a federal government agency or instrumentality are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the City’s name. At the year end, the City’s investments in negotiable certificates of deposit was fully covered by the FDIC. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

NOTE 8: **RECEIVABLES**

A. **Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2021 for real and public utility property taxes represents collections for 2020 taxes. Property tax payments received during 2021 for tangible personal property, except for public utility property, are for prior year unpaid tangible personal property taxes.

Real property taxes (other than public utility property) are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by the County Auditor at 35 percent of the appraised market value, and reappraisal of all property is required every six years with a triennial update. The last reappraisal was completed for tax year 2021.

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31, if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Taxes not paid become delinquent after December 31 of the year in which payable. Under certain circumstances, state statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. Public utility real and tangible personal property taxes collected during the calendar year were levied in the preceding calendar year based on assessed values as of January 1 of that preceding year, the lien date.

Real and public utility 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 30. Under certain circumstances, state statute permits earlier or later payment dates to be established.

Public utility tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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NOTE 8: **RECEIVABLES** (Continued)

A. **Property Taxes** (Continued)

The Cuyahoga County Fiscal Officer collects property tax on behalf of all taxing districts within the County. The Cuyahoga County Fiscal Officer periodically remits to the taxing districts their portions of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 2021, was \$9.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 234,135,560
Public Property	10,989,280
<b>Total</b>	<b>\$ 245,124,840</b>

Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2021 and for which there is an enforceable legal claim. In the General Fund, the General Obligation Bond Retirement Fund, the Police Salary and Equipment, the Fire Salary and Equipment, the Street Lighting, the Building Levy, the Fire Pension, and the Police Pension special revenue funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2021 operations and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred inflows of resources.

B. **Municipal Income Taxes**

The City levies a municipal income tax of 2.60 percent on income earned within the City. Residents of the City who work and pay taxes in another community receive a fifty percent credit of their Warrensville Heights City income tax. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the Regional Income Tax Agency (RITA) at least quarterly. Corporations and other individual taxpayers are also required to pay estimated tax quarterly and file a return annually. Taxes collected by CCA in one month are remitted to the City on the tenth of the following month. Municipal income tax revenue is credited entirely to the General Fund.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

NOTE 8: **RECEIVABLES** (Continued)

C. **Intergovernmental Receivables**

A summary of intergovernmental receivables follows:

Revenue Description	Amount
Local Government	\$ 259,798
Cents Per Gallon and Excise Tax	402,469
Homestead and Rollback	55,086
Permissive Tax	2,236
JEDD	100,307
Total Intergovernmental Receivable	\$ 819,896

NOTE 9: **INTERFUND TRANSFERS**

The transfers among City funds were made to provide additional resources for current operations and for the payment of debt. The following transfers were made during the year ended December 31, 2021:

Transfer To	Transfer From		Total
	General Fund	General Obligation Bond Retirement	
General Fund	\$ -	\$ 1,900,000	\$ 1,900,000
General Obligation Bond Retirement	950,000	-	950,000
Street Improvement Fund	300,000	-	300,000
Non-Major Governmental Funds	356,000	-	356,000
Total	\$ 1,606,000	\$ 1,900,000	\$ 3,506,000

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; distribute unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money approved by council to the fund from which it was originally provided once a project is completed. During 2021, a GAAP transfer from the General Obligation Bond Retirement Fund to the General Fund was required to reflect the pay down of Bond Anticipation Notes. This transfer was necessary to record the retirement in the proper governmental funds.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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NOTE 10: **INTERFUND BALANCES**

Interfund balances at December 31, 2021, consist of the following interfund receivable and payables:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>
	<u>General Fund</u>
Major Governmental Funds:	
General Obligation Bond Retirement Fund	\$ 46,954
Nonmajor Governmental Funds:	
Bereau of Justice Grant	148
Community Development Block Grant	27,919
COPS Grant	21,566
2007 Nature Works Grant	19,589
Town Center Project Fund	5,973
State Infrastructure Bank Loan Fund	594,067
Total	<u>\$ 716,216</u>

The loans to the other major and other governmental funds from the General Fund were made to cover expenditures until reimbursements are received.

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**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

**NOTE 11: CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balances 12/31/2020	Additions	Disposals	Balances 12/31/2021
<b>Governmental Activities</b>				
Nondepreciable Assets:				
Land	\$ 4,636,810	\$ -	\$ -	\$ 4,636,810
Construction in progress	697,999	690,850	(755,408)	633,441
Total Nondepreciable Assets	<u>5,334,809</u>	<u>690,850</u>	<u>(755,408)</u>	<u>5,270,251</u>
Depreciable Assets:				
Land Improvements	351,728	-	-	351,728
Buildings	30,597,071	-	-	30,597,071
Machinery and Equipment	517,917	345,525	-	863,442
Vehicles	1,707,029	546,986	-	2,254,015
Infrastructure:				
Roads	10,775,602	755,408	-	11,531,010
Sanitary Sewers	2,583,416	-	-	2,583,416
Storm Sewers	2,426,227	-	-	2,426,227
Total Depreciable Assets	<u>48,958,990</u>	<u>1,647,919</u>	<u>-</u>	<u>50,606,909</u>
Less Accumulated Depreciation				
Land Improvements	(235,832)	(17,586)	-	(253,418)
Buildings	(3,321,263)	(618,797)	-	(3,940,060)
Machinery and Equipment	(232,545)	(94,678)	-	(327,223)
Vehicles	(1,015,136)	(234,437)	-	(1,249,573)
Infrastructure:				
Roads	(4,526,828)	(143,675)	-	(4,670,503)
Sanitary Sewers	(1,792,661)	(34,446)	-	(1,827,107)
Storm Sewers	(1,533,579)	(32,350)	-	(1,565,929)
Total Accumulated Depreciation	<u>(12,657,844)</u>	<u>(1,175,969)</u>	<u>-</u>	<u>(13,833,813)</u>
Total Depreciable Assets, Net	<u>36,301,146</u>	<u>471,950</u>	<u>-</u>	<u>36,773,096</u>
Governmental Activities Capital Assets, Net	<u>\$ 41,635,955</u>	<u>\$ 1,162,800</u>	<u>\$ (755,408)</u>	<u>\$ 42,043,347</u>

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

Security of Persons and Property:	
Police and Others	\$ 58,122
Fire	139,141
Leisure Time Activities	261,412
Public Works	160,622
Transportation	143,675
General Government	412,997
Total Depreciation Expense	<u>\$ 1,175,969</u>



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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**NOTE 12: LONG-TERM OBLIGATIONS**

Original issuance amounts and interest rates of the City's debt issues are as follows:

Debt Issue	Interest Rate	Original Issue	Year of Maturity
General obligation bonds:			
2013 Various purpose improvement refunding bonds	2.00%-3.125%	9,055,000	2032
2013 Various purpose improvement refunding bonds	2.00%-4.00%	1,725,000	2029
Unamortized Premium	n/a	304,219	2032
2014 Cinema Park improvement bonds	1.500% - 4.00%	2,095,000	2030
Unamortized Premium	n/a	142,163	2030
Certificates of participation:			
2013 Certificates of participation	3.125%-4.50%	9,800,000	2037
Unamortized premiums	n/a	145,419	2013-2037
Loans payable:			
State Infrastructure Bank Loan	3.00%	2,529,893	2025
OPWC Loan	n/a	450,000	2030

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**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

**NOTE 12: LONG-TERM OBLIGATIONS** (Continued)

	Balances 12/31/2020	Issued	Retired	Balances 12/31/2021	Amounts Due in One Year
<b>General Obligation Bonds:</b>					
Various Purpose Bonds					
Series 2013-1	\$ 4,475,000	\$ -	\$ (495,000)	\$ 3,980,000	\$ 510,000
Various Purpose Bonds					
Series 2013-2	935,000	-	(90,000)	845,000	95,000
Cinema Park Improvement					
Bond Series 2014	1,785,000	-	(150,000)	1,635,000	155,000
Unamortized Premium	258,257	-	(24,561)	233,696	-
Total General Obligation Bonds	<u>7,453,257</u>	<u>-</u>	<u>(759,561)</u>	<u>6,693,696</u>	<u>760,000</u>
<b>Certificates of Participation - Direct Placement:</b>					
2013 Certificates of Participation	8,955,000	-	(395,000)	8,560,000	-
Unamortized Premium	69,196	-	(4,070)	65,126	-
Total Certificates of Participation:	<u>9,024,196</u>	<u>-</u>	<u>(399,070)</u>	<u>8,625,126</u>	<u>-</u>
<b>Loans Payable - Direct Borrowings:</b>					
OPWC	450,000	-	(45,000)	405,000	45,000
State Infrastructure Bank Loan	1,847,741	-	(347,873)	1,499,868	358,388
Total Loans Payable:	<u>2,297,741</u>	<u>-</u>	<u>(392,873)</u>	<u>1,904,868</u>	<u>403,388</u>
<b>Other Long-Term Obligations:</b>					
Compensated Absences	2,141,096	520,250	(418,794)	2,242,552	301,762
Claims Payable	5,523	10,884	(14,055)	2,352	2,197
Capital Leases	17,263,307	1,187,932	(471,382)	17,979,857	627,491
Net Pension Liability:					
OPERS	6,153,253	-	(1,822,261)	4,330,992	-
OP&F	14,945,756	-	(425,061)	14,520,695	-
Total Net Pension Liability	<u>21,099,009</u>	<u>-</u>	<u>(2,247,322)</u>	<u>18,851,687</u>	<u>-</u>
Net OPEB Liability:					
OPERS	4,004,548	-	(4,004,548)	-	-
OP&F	2,191,485	65,331	-	2,256,816	-
Total Net OPEB Liability	<u>6,196,033</u>	<u>65,331</u>	<u>(4,004,548)</u>	<u>2,256,816</u>	<u>-</u>
Total Other Long-Term Obligations:	<u>46,704,968</u>	<u>1,784,397</u>	<u>(7,156,101)</u>	<u>41,333,264</u>	<u>931,450</u>
Total Governmental Activities	<u>\$ 65,480,162</u>	<u>\$ 1,784,397</u>	<u>\$ (8,707,605)</u>	<u>\$ 58,556,954</u>	<u>\$ 2,094,838</u>

The voted general obligation, special assessment refunding bonds for various purpose improvements and the street improvement general obligation bonds, and the certificate of participation will be paid with property tax revenue and special assessment revenue from the General Obligation Bond Retirement Fund.

Compensated absences, employer pension contributions, claims payable, and capital leases (see Notes 14 and 16 for additional detail on capital leases and claims payable) will be paid from the General Fund. There is no repayment schedule for the net pension liability. See Notes 17 and 18 for further information regarding net pension liability and net OPEB liability.

As of December 31, 2021, the City's overall legal debt margin was \$18,198,891 and the unvoted legal debt margin was \$6,788,170.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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 (CONTINUED)**

**NOTE 12: LONG-TERM OBLIGATIONS** (Continued)

The City’s total direct borrowing from OPWC contains a provision that in an event of default the amount of such default shall bear interest thereafter at the rate of 8 percent per annum until the date of payment, and outstanding amounts become immediately due. Also, OPWC may direct the county treasurer to pay the outstanding amount from the portion of the local government fund that would otherwise be remitted to the City.

The City’s total direct borrowing from ODOT for the State Infrastructure Bank Loan contains provisions that in an event of default any of the following may apply: (a) the entire unpaid balance of the indebtedness is immediately due and payable (b) ODOT may inspect, examine and copy the books, records and financial data of the City (c) ODOT may pursue all remedies to collect all amounts due.

The City’s total direct placement of from Certificates or Participation contains provisions that in the event of default the Trustee may pursue any available remedy to enforce the payment of Certificate payments. However, the Trustee may not declare any lease payment not then past due or in default to be immediately due and payable.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2021 are as follows:

Year	General Obligation Bonds		Governmental Activities Certificates of Participation		State Infrastructure Bank Loan		OPWC Loan
	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2022	\$ 760,000	\$ 215,900	\$ -	\$ 327,062	\$ 358,388	\$ 42,328	\$ 45,000
2023	720,000	192,506	-	314,250	369,221	31,496	45,000
2024	645,000	168,862	1,270,000	300,969	380,380	20,335	45,000
2025	650,000	147,387	450,000	287,375	391,879	8,839	45,000
2026	675,000	125,481	465,000	273,200	-	-	45,000
2027-2031	2,725,000	296,775	975,000	1,117,856	-	-	180,000
2032-2036	285,000	8,906	2,755,000	578,500	-	-	-
2037	-	-	2,645,000	31,725	-	-	-
Total	<u>\$ 6,460,000</u>	<u>\$ 1,155,817</u>	<u>\$ 8,560,000</u>	<u>\$ 3,230,937</u>	<u>\$ 1,499,868</u>	<u>\$ 102,998</u>	<u>\$ 405,000</u>

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**NOTE 13: NOTES PAYABLE**

	Balances 12/31/2020	Issued	Retired	Balances 12/31/2021
2020 Bond Anticipation Notes				
Emery Woods Improvements	\$ 415,000	\$ -	\$ (415,000)	\$ -
2020 Emery Woods General Obligation Notes				
Series 2020-1	580,000	-	(580,000)	-
2020 Certificates of Participation				
Series 2020-1	900,000	-	(900,000)	-
2020 Bond Anticipation Notes				
City Hall	1,900,000	-	(1,900,000)	-
2021 Capital Facilities Note				
Series 2021-1	-	800,000	-	800,000
2021 Bond Anticipation Notes				
Emery Woods Improvements, Series 2021-2	-	530,000	-	530,000
2021 Bond Anticipation Notes				
City's Traffic Control System, Series 2021-2	-	300,000	-	300,000
2021 Bond Anticipation Notes				
City Hall, Series 2021-2	-	1,600,000	-	1,600,000
Note Premium	-	16,840	(8,420)	8,420
Total Governmental Activities	<u>\$ 3,795,000</u>	<u>\$ 3,246,840</u>	<u>\$ (3,803,420)</u>	<u>\$ 3,238,420</u>

The City issued \$800,000 in Capital Facilities Notes, Series 2021 on December 9, 2021 at 0.85 percent and maturing June 28, 2022 for the YMCA.

The City issued \$2,430,000 in Various Purpose, Series 2021 bond anticipation notes on June 8, 2021 at 0.875 percent and maturing June 28, 2022 for project cost overruns applicable to the new municipal building, technology, and the purchase and installation of two new traffic lights located in front of the new municipal building on 4743 Richmond Road, Warrensville Heights, Ohio.

All the notes are backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the funds which received the proceeds. The notes will be paid off from the debt service funds.

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NOTE 14: **LEASES**

**Capital Leases**

In 2021, the City entered into a master lease agreement for equipment and vehicles. In the prior year, the City has entered into a lease agreement in the amount of \$17,450,000 with Hemingway at Richmond III, LLC for the leasehold interest in the land, building and all other improvements located at 4743 Richmond Road, Warrensville Heights, Ohio 44128. This property will be the new location of city hall, police, and building department. The fire department will remain at the old City Hall. Also, in previous years, the City had entered into a lease agreements for a fire engine. These lease agreements qualify as capital leases for accounting purposes and therefore, have been recorded at the present value of their minimum lease payments as of inception date and are secured by the above-mentioned property.

	Governmental Activities
Capital Leases, being depreciated	
Buildings	\$ 16,454,600
Vehicles	954,018
Total Capital Leases, being depreciated	17,408,618
Less: Accumulated Depreciation	(791,790)
Capital Leases, Net	\$ 16,616,828

In the event of default for the City Hall lease, the lessor may declare all amounts due under this lease agreement to become immediately due and payable, may declare the term of this lease ended and enter into the possession of the premises and sue for and recover all damages arising of such default.

For all other leases, in the event of a default the lender may require the City, at the City's cost, to promptly deliver possession of the collateral to the lender, and may recover all expenses and collection costs which the lender has incurred.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and present value of the minimum lease payments is as follows:

<u>Year</u>	<u>Payment</u>
2022	\$ 1,271,137
2023	1,271,138
2024	1,271,138
2025	1,271,137
2026	1,246,350
Thereafter	20,230,200
	26,561,100
Less Interest	(8,581,243)
Future Minimum Lease	\$ 17,979,857

Capital lease payments have been presented as part of the General Fund's program expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balances, and principal payments reduce liabilities rather than being an expense on the statement of activities.

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**NOTE 15: CONTINGENCIES**

**A. Litigation**

The City is party to legal proceedings. The City management is of the opinion that the ultimate disposition of these claims and legal proceedings are still in litigation and unable to state at this time if they will have a material effect, if any, on the financial condition of the City.

**B. Grants**

The City received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are 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 adverse effect on the overall financial position of the City at December 31, 2021.

**NOTE 16: RISK MANAGEMENT**

**A. Property and Liability**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. During 2021, the City contracted with U.S. Specialty Insurance Company for various types of insurance as follows:

<u>Company</u>	<u>Coverage</u>	<u>Amount</u>
U.S. Specialty Insurance Co.	General Liability (per occurrence/aggregate)	\$1,000,000/\$3,000,000
	Damage to Premises Rented to You	1,000,000
	Premises Medical Payments (per person)	10,000
	Employee Benefits Liability (per occurrence/aggregate)	1,000,000/3,000,000
	Ohio Stop Gap Liability	1,000,000
	Employment Practice Liability	1,000,00/1,000,000
	Automobile Liability and Physical Damage Coverage:	
	Combined Bodily Injury and Property Damage	1,000,000
	Medical Payments	5,000
	Law Enforcement Liability (per occurrence/aggregate)	1,000,000/3,000,000
	Public Officials Liability (per occurrence/aggregate)	1,000,00/1,000,000
	Sexual Abuse Liability	1,000,00/1,000,000
	Crime:	
	Forgery and Alterations	250,000
	Computer Fraud	250,000
	Theft, Disappearance, and Destruction	25,000
	Employee Dishonesty	500,000
	Flood	500,000
	Earthquake	500,000
	Property (Building and Contents) Coverage	27,655,943
Inland Marine Coverage	2,588,698	
Umbrella Liability	5,000,000	

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 (CONTINUED)**

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NOTE 16: **RISK MANAGEMENT** (Continued)

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

**B. Workers' Compensation**

The City participates in the State Workers' Compensation Retrospective Rating and Payment Plan. This Plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for injured employees. The balance of claims payable at December 31, 2021, represents an estimate of the liability for unpaid claims costs provided by Bureau of Workers' Compensation. The claims liability for the Workers' Compensation retrospective rating and payment system at December 31, 2021, was \$2,352. All of the claims are paid from the General Fund.

The claims liability reported at December 31, 2021 for workers' compensation is based on the requirements of Governmental Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated adjustment expenses.

Changes in claims activity for the last three years are as follows:

	<u>Beginning of Year</u>	<u>Claims</u>	<u>Payments</u>	<u>End of Year</u>
2019	26,450	11,735	10,431	27,754
2020	27,754	1,225	23,456	5,523
2021	5,523	10,884	14,055	2,352

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**NOTE 17: DEFINED BENEFIT PENSION PLAN**

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.

**A. Plan Description – Ohio Public Employees Retirement System (OPERS)**

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 basis of accounting.



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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

A. **Plan Description – Ohio Public Employees Retirement System (OPERS)** (Continued)

Plan Description - City employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administer 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. City 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' Comprehensive Annual Financial Report referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
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
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 62 with 60 months of service credit or Age 57 with 25 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 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. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

A. **Plan Description – Ohio Public Employees Retirement System (OPERS)** (Continued)

When a traditional plan 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.

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

The OPERS Board of Trustees approved a proposal at its October 2019 meeting to create a new tier of membership in the OPERS traditional pension plan. OPERS currently splits its non-retired membership into Group A, B or C depending on age and service criteria. Retirement Group D would consist of OPERS contributing members hired in 2022 and beyond. Group D will have its own eligibility standards, benefit structure and unique member features designed to meet the changing needs of Ohio public workers. It also will help OPERS address expected investment market volatility and adjust to the lack of available funding for health care. The date of implementation will be determined when finalized changes are approved.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the combined plan will be considered under the traditional plan (defined benefit plan) and the combined plan will no longer be available to new hires beginning in 2022.

**CITY OF WARRENSVILLE HEIGHTS  
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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

A. **Plan Description – Ohio Public Employees Retirement System (OPERS)** (Continued)

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

	State and Local
<b>2021 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
 <b>2021 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0
Total Employer	14.0 %
 Employee	 10.0 %

- \* Member contributions within combined plan are not used to fund the defined benefit retirement allowance
- \*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer’s contribution allocated to health care was 0% for 2021 for the Traditional and Combined plans. The portion of the employer’s contribution allocated to health care was 4% for the Member-Directed plan for 2021. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contributions was \$584,670 for fiscal year ending December 31, 2021. Of this amount, \$59,485 is reported as an intergovernmental payable.

B. **Plan Description – Ohio Police & Fire Pension Fund (OP&F)**

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

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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

**B. Plan Description – Ohio Police & Fire Pension Fund (OP&F)** (Continued)

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F 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 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 OP&F 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. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the members’ base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

	Police	Firefighters
<b>2021 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 <b>2021 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
 Employee	 12.25 %	 12.25 %

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**NOTE 17: DEFINED BENEFIT PENSION PLAN** (Continued)

**B. Plan Description – Ohio Police & Fire Pension Fund (OP&F)** (Continued)

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$1,135,500 for 2021. Of this amount, \$124,807 is reported as an intergovernmental payable.

**C. Pension Liabilities, Pension Assets, 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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. 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 Traditional Pension Plan</u>	<u>OP&amp;F Police</u>	<u>OP&amp;F Fire</u>	<u>Total</u>
Proportion of the Net Pension Liability Prior Measurement Date	0.013113%	0.1037371%	0.1181241%	
Proportion of the Net Pension Liability Current Measurement Date	<u>0.029248%</u>	<u>0.1003003%</u>	<u>0.1127040%</u>	
Change in Proportionate Share	<u>0.016135%</u>	<u>-0.0034368%</u>	<u>-0.0054201%</u>	
Proportionate Share of the Net Pension Liability	\$ 4,330,992	\$ 6,837,559	\$ 7,683,136	\$ 18,851,687
Pension Expense	\$ (11,058)	\$ 402,844	\$ 515,570	\$ 907,356

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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

**C. Pension Liabilities, Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F Police</u>	<u>OP&amp;F Fire</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$ -	\$ 285,838	\$ 321,181	\$ 607,019
Changes of assumptions	-	114,668	128,851	243,519
Changes in proportion and differences between City contributions and proportionate share of contributions	36,702	110,234	138,501	285,437
City contributions subsequent to the measurement date	<u>584,670</u>	<u>506,748</u>	<u>628,752</u>	<u>1,720,170</u>
Total Deferred Outflows of Resources	<u>\$ 621,372</u>	<u>\$ 1,017,488</u>	<u>\$ 1,217,285</u>	<u>\$ 2,856,145</u>
<b>Deferred Inflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	\$ 1,688,097	\$ 331,666	\$ 372,682	\$ 2,392,445
Differences between expected and actual experience	181,168	266,370	299,310	746,848
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>258,232</u>	<u>480,482</u>	<u>483,379</u>	<u>1,222,093</u>
Total Deferred Inflows of Resources	<u>\$ 2,127,497</u>	<u>\$ 1,078,518</u>	<u>\$ 1,155,371</u>	<u>\$ 4,361,386</u>

\$1,720,170 reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F Police</u>	<u>OP&amp;F Fire</u>	<u>Total</u>
Year Ending December 31:				
2022	(\$847,203)	(\$155,705)	(\$126,222)	(\$1,129,130)
2023	(325,234)	(11,929)	50,187	(\$286,976)
2024	(688,126)	(332,138)	(380,194)	(\$1,400,458)
2025	(230,232)	(60,315)	(75,663)	(\$366,210)
2026	<u>-</u>	<u>(7,691)</u>	<u>(34,946)</u>	<u>(42,637)</u>
Total	<u>(\$2,090,795)</u>	<u>(\$567,778)</u>	<u>(\$566,838)</u>	<u>(\$3,225,411)</u>

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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

**D. 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, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 0.50 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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.

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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

D. **Actuarial Assumptions – OPERS** (Continued)

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care 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. 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 annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 11.7 percent for 2020.

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 2020 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	<u>9.00</u>	4.75
Total	<u>100.00 %</u>	5.43 %

**Discount Rate** The discount rate used to measure the total pension liability was 7.2 percent, post-experience study results. 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 contractually required rates, as actuarially determined. 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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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

D. **Actuarial Assumptions – OPERS** (Continued)

*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 7.2 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$ 8,261,390	\$ 4,330,992	\$ 1,062,872

***Changes Between Measurement Date and Report Date***

Cost-of living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

E. **Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’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. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2020, are presented on the next page:

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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

E. **Actuarial Assumptions – OP&F** (Continued)

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple, 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Mortality rates for active members were based on the RP2014 Total employee and Healthy Annuitant Mortality Tables rolled back to 2006, and projected with the Conduent Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed December 31, 2016.

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.

**CITY OF WARRENSVILLE HEIGHTS  
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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

E. **Actuarial Assumptions – OP&F** (Continued)

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 OP&F’s target asset allocation as of December 31, 2020 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 year Expected Real Rate of Return **</u>
Cash and Cash Equivalents	21.00 %	5.40 %
Domestic Equity	14.00	5.80
International Equity	23.00	2.70
Core Fixed Income *	17.00	2.50
U.S. Inflation Linked Bonds *	7.00	4.70
High Yield Fixed Income	12.00	6.40
Private Real Estate	8.00	8.00
Private Markets	5.00	6.60
Midstream Energy Infrastructure	5.00	5.50
Private Credit	8.00	7.40
Real Assets	5.00	1.90
<b>Total</b>	<b><u>125.00 %</u></b>	

Note: Assumptions are geometric  
 \* levered 2x

OP&F’s Board of Trustees has incorporated the “risk parity” concept into OP&F’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 8.00 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 8.00 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.

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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

E. **Actuarial Assumptions – OP&F** (Continued)

*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 8.00 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 (7.00 percent), or one percentage point higher (9.00 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	\$ 20,214,668	\$ 14,520,695	\$ 9,755,415

NOTE 18: **DEFINED BENEFIT OPEB PLANS**

A. **Net OPEB Liability/Asset**

The net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability/asset represents the City's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability/asset 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 these estimates annually.

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

GASB 75 assumes that any liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

**CITY OF WARRENSVILLE HEIGHTS  
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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

A. **Net OPEB Liability** (Continued)

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

B. **Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

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 75. See OPERS' Comprehensive Annual Financial Report 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.

**CITY OF WARRENSVILLE HEIGHTS  
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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

**B. Plan Description – Ohio Public Employees Retirement System (OPERS)** (Continued)

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. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan. The OPERS 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 into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2021.

**C. Plan Description – Ohio Police & Fire Pension Fund (OP&F)**

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) ) a cost-sharing, multiple-employer defined post-employment healthcare plan that provides various levels of health care to retired, disabled and beneficiaries, as well as their dependents. On January 1, 2019, OP&F changed the way it supports retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. As a result of this change, it is expected that the solvency of the Health Care Stabilization Fund (HCSF) will be extended allowing OP&F to provide stipends to eligible participants.

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

C. **Plan Description – Ohio Police & Fire Pension Fund (OP&F)** (Continued)

OP&F 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 OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

OP&F 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 OP&F website at [www.op-f.org](http://www.op-f.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 OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The City's contractually required contribution to OP&F was \$26,713 for 2021.

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

D. **OPEB Liabilities/asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net OPEB Liability			
Prior Measurement Date	0.028992%	0.2218612%	
Proportion of the Net OPEB Liability/(Asset)			
Current Measurement Date	<u>0.027238%</u>	<u>0.2130043%</u>	
Change in Proportionate Share	<u>-0.001754%</u>	<u>-0.0088569%</u>	
Proportionate Share of the Net OPEB			
Liability/(Asset)	\$ (485,267)	\$ 2,256,816	\$ 1,771,549
OPEB Expense	\$ (2,997,751)	\$ 63,834	\$ (2,933,917)



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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

D. **OPEB Liabilities/asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Changes of assumptions	\$ 238,563	\$ 1,246,770	\$ 1,485,333
Changes in proportion and differences between City contributions and proportionate share of contributions	19,558	28,917	48,475
City contributions subsequent to the measurement date	-	26,713	26,713
Total Deferred Outflows of Resources	<u>\$ 258,121</u>	<u>\$ 1,302,400</u>	<u>\$ 1,560,521</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ 437,951	\$ 372,253	\$ 810,204
Changes of assumptions	786,277	359,780	1,146,057
Net difference between projected and actual earnings on OPEB plan investments	258,459	83,897	342,356
Changes in proportion and differences between City contributions and proportionate share of contributions	152,054	608,165	760,219
Total Deferred Inflows of Resources	<u>\$ 1,634,741</u>	<u>\$ 1,424,095</u>	<u>\$ 3,058,836</u>

\$26,713 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2022	(\$723,029)	(\$55,240)	(\$778,269)
2023	(510,823)	(35,378)	(546,201)
2024	(112,315)	(66,692)	(179,007)
2025	(30,453)	(43,301)	(73,754)
2026	-	29,730	29,730
Thereafter	-	22,504	22,504
Total	<u>(\$1,376,620)</u>	<u>(\$148,377)</u>	<u>(\$1,524,997)</u>

**CITY OF WARRENSVILLE HEIGHTS  
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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

**E. 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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior Measurement date	3.16 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.00 percent
Prior Measurement date	2.75 percent
Health Care Cost Trend Rate:	
Current measurement date	8.5 percent, initial 3.50 percent, ultimate in 2035
Prior Measurement date	10.5 percent, initial 3.50 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

E. **Actuarial Assumptions – OPERS** (Continued)

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term expected rate of return on health care 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.

During 2020, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 10.50 percent for 2020.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	<u>100.00 %</u>	4.43 %

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

E. **Actuarial Assumptions – OPERS** (Continued)

**Discount Rate** A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 2.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City’s Proportionate Share of the Net OPEB asset to Changes in the Discount Rate**  
 The following table presents the City’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the City’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB asset	(\$120,664)	(\$485,267)	(\$784,999)

**Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate** Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

E. **Actuarial Assumptions – OPERS** (Continued)

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	(\$497,094)	(\$485,267)	(\$472,035)

F. **Actuarial Assumptions – OP&F**

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, 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.

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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

F. **Actuarial Assumptions – OP&F** (Continued)

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	2.96 percent
Prior measurement date	3.56 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

F. **Actuarial Assumptions – OP&F** (Continued)

The long-term expected rate of return on OPEB 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 expected. 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 OP&F’s target asset allocation as of December 31, 2020, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
Domestic Equity	21.00 %	5.40 %
Non-US Equity	14.00	5.80
Core Fixed Income *	23.00	2.70
U.S. Inflation Linked Bonds *	17.00	2.50
High Yield Fixed Income	7.00	4.70
Private Real Estate	12.00	6.40
Private Markets	8.00	8.00
Midstream Energy Infrastructure	5.00	6.60
Private Credit	5.00	5.50
Real Assets	8.00	7.40
Gold	5.00	1.90
<b>Total</b>	<b><u>125.00 %</u></b>	

Note: Assumptions are geometric  
 \* levered 2x

OP&F’s Board of Trustees has incorporated the risk parity concept into OP&F’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 the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes in core fixed income and U.S. inflation linked bonds and the implementation approach for gold.

**Discount Rate** The total OPEB liability was calculated using the discount rate of 2.96 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

F. **Actuarial Assumptions – OP&F** (Continued)

Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

	1% Decrease (1.96%)	Current Discount Rate (2.96%)	1% Increase (3.96%)
City's proportionate share of the net OPEB liability	\$2,814,120	\$2,256,816	\$1,797,105

***Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** Net OPEB liability is sensitive to changes in the health care cost trend rate because it is based on a medical benefit that is a flat dollar amount.

NOTE 19: **COMPENSATED ABSENCES**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. All City employees earn vacation ranging from two to six weeks based upon length of service.

General administration employees not covered by a collective bargaining agreement earn sick leave of 120 hours annually, without limit on the amount they can accumulate. General administration employees may carry forward a maximum of 336 hours of vacation leave unless the employee’s department head certifies to the Mayor that the employee has exceeded the maximum vacation hours allowed as a result of the employee’s inability to use vacation leave due to staffing requirements. Upon separation from the City, a maximum of 25 percent of accumulated sick leave up to 240 hours and up to 336 hours of vacation leave shall be paid.

Fire department employees earn 168 hours of sick leave annually and may carry forward an unlimited amount. Upon separation from the City, fire department employees will be paid for 37.5 percent of their accumulated sick balance up to 1,080 hours and up to 120 hours of vacation leave shall be paid. The maximum amount of vacation leave that may be carried forward annually is 120 hours.



**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 19: **COMPENSATED ABSENCES** (Continued)

Police officers earn 120 hours of sick leave per year and may carry forward an unlimited amount of sick leave annually. However, only 480 hours of vacation time may be carried forward annually. Police officers separating from employment will be paid for any unused vacation balance with a maximum of 480 hours. Police officers with at least ten years of continuous City service will be paid 30 percent of their accumulated sick leave balance upon separation from the City, with a maximum of 400 hours.

Police dispatchers earn 120 hours of sick leave annually and may carry forward an unlimited amount; the maximum amount of vacation leave that may be carried forward is 336 hours. Upon separation from employment, dispatchers may be paid for all accumulated vacation leave up to 336 hours; however they are only paid for accumulated sick leave at 30 percent of total or a maximum of 232 hours if separation is by retirement and with at least ten years of continuous service with the City.

NOTE 20: **JOINTLY GOVERNED ORGANIZATIONS**

**First Suburbs Consortium of Northeast Ohio Council of Governments**

The City is a member of the First Suburbs Consortium of Northeast Ohio Council of Government (“Council”). The Council is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. The Council is currently comprised of 19 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 Governing 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 Governing Board.

The City did not contribute to the Council during 2021. Financial information can be obtained by contacting First Suburbs Consortium of Northeast Ohio Council of Governments, 40 Severance Circle, Cleveland Heights, Ohio 44118.

**Northeast Ohio Public Energy Council**

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of energy. NOPEC is currently comprised of members of 240 communities in 174 communities in 10 counties who have been authorized by ballot to purchase energy on behalf of their citizens. The intent of NOPEC is to provide energy at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide energy to the citizens of its member communities.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 20:     **JOINTLY GOVERNED ORGANIZATIONS** (Continued)

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board of Directors oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board of Directors.

The City of Warrensville Heights did not contribute to NOPEC during 2021. Financial information can be obtained by contacting NOPEC, 31320 Solon Rd, Suite 20, Solon, Ohio 44139.

**Chagrin/Southeast Council of Government**

The Chagrin/Southeast Council of Government operates the Chagrin/Southeast HazMat Response Team. The team was formed in 1990 to assist local fire departments in responding to incidents involving industrial chemicals. The Council of Government has established two subsidiary organizations, the West Shore Hazardous Materials Committee which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team. During 2021, the City contributed \$3,500 to the organization. The Chagrin/Southeast Council of Government financial statements may be obtained by contacting the Finance Director of the Village of Glenwillow, 29555 Pettibone Road, Glenwillow, Ohio 44139.

**Valley Enforcement Regional Council of Government**

The City is a member of Valley Enforcement Regional Council of Government (“VERCOG”), a jointly governed organization. VERCOG is a regional council of government formed under Chapter 167 of the Ohio Revised Code. VERCOG was formed to continue to foster cooperation among political subdivisions through sharing of facilities for their common benefit. It includes the supervision and control of the Valley Enforcement Group (“VEG”), which has been a mutual aid organization providing the mutual interchange and sharing of police personnel and police equipment.

VERCOG is comprised of communities located within the Chagrin Valley which exercise law enforcement authority under Ohio law and whose law enforcement agency consists of four or more full-time, sworn law enforcement officers. VERCOG is authorized to acquire and own police equipment and other property, to be used by all participating members, and may do any other thing permitted by law to accomplish its general purposes. During 2021, the City paid \$17,050 to VERCOG. Financial information can be obtained by contacting the City of Pepper Pike, 28000 Shaker Boulevard, Pepper Pike, Ohio 44124.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (CONTINUED)**

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**NOTE 21: OTHER SIGNIFICANT COMMITMENTS**

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:

	<u>Encumbrances</u>
General Fund	\$ 616,028
Street Improvement Fund	1,000
Nonmajor Governmental Funds	217,714
<b>Total Encumbrances-Governmental Funds</b>	<b>\$ 834,742</b>

**NOTE 22: TAX ABATEMENT DISCLOSURE**

**Income tax abatement program**

As of December 31, 2021, the City of Warrensville Heights continues to pursue new and efficient economic development strategies that are fiscally responsible, support the creation of new jobs, and grow the City’s economic tax base.

The Warrensville Heights Occupancy Program (W.H.O.P.) provides a monetary grant to businesses occupying or looking to occupy, whether buying or leasing, existing vacant industrial and/or commercial property within the City of Warrensville Heights, where such occupancy results in new jobs in the City of Warrensville Heights. The grant is an annual payment from the City’s non-tax revenues, which is equal to a percentage of the businesses total annual payroll. Retail and food service businesses are not eligible program participants.

The business must currently employ at least twenty-five (25) full time or full-time equivalent employees with a current payroll, excluding benefits, exceeding \$500,000 and is creating at least ten (10) new jobs that will result in at least \$320,000 in new annual payroll within a three (3) year period beginning at the commencement date of the agreement.

An eligible grant recipient will receive an annual grant payment equal to no more than fifty percent (50%) of the total annual payroll taxes paid to the City of Warrensville Heights for the duration of the W.H.O.P. agreement. The duration of the agreement may not exceed the lease term if the benefiting business is leasing space.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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**NOTE 22: TAX ABATEMENT DISCLOSURE (Continued)**

**Real Estate Tax abatement**

The City of Warrensville Heights Community Reinvestment Areas was created in 1977. The program underwent major revisions in 1994. In fact, there are two types of CRAs – those created prior to July 1, 1994 and those after. The City Council passed legislative authority with designated area determined the size, the number of areas as well as the term and extent of the real property exemptions. Designations includes Northeast, Southeast and West boundaries of the City of Warrensville Heights.

The City's Reinvestment Area program is an economic development tool administered by City of Warrensville Heights and county government that provides real property tax exemptions for property owners who renovate existing or construct new buildings. For residential property, a tax exemption on the increase in the assessed valuation resulting from improvements. Residential application must be filed with the Housing Officer no later than six months after construction completion.

- A. Ten (10) years, for the remodeling of dwellings containing not more than two housing units and upon which the cost of remodeling is at least \$2,500;
- B. Twelve (12) years for remodeling of existing residential dwelling containing more than two housing units and upon which the cost of remodeling is at least \$5,000;
- C. Fifteen (15) years for new residential, commercial, and industrial facilities shall be negotiated on a case-by-case basis in advance of construction occurring.

Warrensville Heights Tax Increment Financing (TIF) is another economic development mechanism used by the city to apply payments derived from the increased assessed value of improvements to real property beyond that amount are directed towards a separate fund to finance the construction of infrastructure defined within the TIF legislation.

The City Council designate a Housing Officer to review applications and serve as the program lead. The city created a Tax Incentive Review Council (TIRC) to review performance of all agreements and projects.

**City Council's incentive criteria for decision making**

The City of Warrensville Heights has offered Community Reinvestment Area abatement and tax incentives programs to businesses based upon substantial investment into the City. All projects requires an application to the Office of Community and Economic Development, Mayoral review, Council approval and is filed with the County.

The City's Health Neighborhood Initiative housing development projects continues to rehabilitate areas of the city needing improvement. In 2021, we have continued to see increases in real estate values, particularly since the triannual appraisal occurred.

The total amount of tax abated for tax year 2020/collection year 2021 is \$52,044.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(CONTINUED)**

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NOTE 23: **COVID 19**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The investments of the pension and other employee benefit plan in which the City participates fluctuate with market conditions, and due to market volatility, the amounts of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact of the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 24: **SUBSEQUENT EVENTS**

On May 18, 2022, Council approved the issuance of notes in the amounts of \$2,930,000.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN  
 LAST EIGHT FISCAL YEARS (1)**

<b>Traditional Plan</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
City's Proportion of the Net Pension Liability	0.029248%	0.031131%	0.030344%
City's Proportionate Share of the Net Pension Liability	\$ 4,330,992	\$ 6,153,253	\$ 8,310,606
City's Covered Payroll	\$ 4,140,786	\$ 4,379,136	\$ 4,100,364
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	104.59%	140.51%	202.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

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<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.030069%	0.029823%	0.028017%	0.027299%	0.027299%
\$ 4,717,243	\$ 6,772,296	\$ 4,852,897	\$ 3,292,564	\$ 3,218,196
\$ 3,973,692	\$ 3,865,858	\$ 3,533,442	\$ 3,375,283	\$ 3,507,777
118.71%	175.18%	137.34%	97.55%	91.74%
84.66%	77.25%	81.08%	86.45%	86.36%

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 OHIO POLICE AND FIRE PENSION FUND  
 LAST EIGHT FISCAL YEARS (1)**

<b>Police</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
City's Proportion of the Net Pension Liability	0.1003003%	0.1037371%	0.1012100%
City's Proportionate Share of the Net Pension Liability	\$ 6,837,559	\$ 6,988,286	\$ 8,261,410
City's Covered Payroll	\$ 2,852,063	\$ 2,735,316	\$ 2,552,432
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	239.74%	255.48%	323.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%
<b>Fire</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
City's Proportion of the Net Pension Liability	0.1127040%	0.1181241%	0.1148660%
City's Proportionate Share of the Net Pension Liability	\$ 7,683,136	\$ 7,957,470	\$ 9,376,101
City's Covered Payroll	\$ 2,491,685	\$ 2,524,681	\$ 2,347,915
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	308.35%	315.19%	399.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information



<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.1097825%	0.1142500%	0.1144450%	0.1145327%	0.1145327%
\$ 6,737,849	\$ 7,236,487	\$ 7,362,327	\$ 5,933,271	\$ 5,578,102
\$ 2,749,674	\$ 2,970,400	\$ 2,690,837	\$ 2,523,995	\$ 3,093,713
245.04%	243.62%	273.61%	235.07%	180.30%
70.91%	68.36%	66.77%	71.71%	73.00%
<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.1152646%	0.1229520%	0.1252940%	0.1232648%	0.1232648%
\$ 7,074,311	\$ 7,787,669	\$ 8,060,251	\$ 6,385,631	\$ 6,003,382
\$ 2,366,579	\$ 2,557,613	\$ 2,296,545	\$ 2,199,736	\$ 2,627,736
298.93%	304.49%	350.97%	290.29%	228.46%
70.91%	68.36%	66.77%	71.71%	73.00%

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - PENSION  
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN  
 LAST NINE FISCAL YEARS (1)**

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	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually Required Contributions	\$ 584,670	\$ 579,710	\$ 613,079
Contributions in Relation to the Contractually Required Contribution	(584,670)	(579,710)	(613,079)
Contribution Deficiency / (Excess)	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 4,176,214	\$ 4,140,786	\$ 4,379,136
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%

(1) Information prior to 2013 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 574,051	\$ 516,580	\$ 463,903	\$ 424,013	\$ 405,034	\$ 456,011
<u>(574,051)</u>	<u>(516,580)</u>	<u>(463,903)</u>	<u>(424,013)</u>	<u>(405,034)</u>	<u>(456,011)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,100,364	\$ 3,973,692	\$ 3,865,858	\$ 3,533,442	\$ 3,375,283	\$ 3,507,777
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - PENSION  
 OHIO POLICE AND FIRE PENSION FUND  
 LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Contractually Required Contributions</u>				
Police	\$ 506,748	\$ 541,892	\$ 519,710	\$ 484,962
Fire	<u>628,752</u>	<u>585,546</u>	<u>593,300</u>	<u>551,760</u>
Total Required Contributions	\$ 1,135,500	\$ 1,127,438	\$ 1,113,010	\$ 1,036,722
Contributions in Relation to the Contractually Required Contribution	<u>(1,135,500)</u>	<u>(1,127,438)</u>	<u>(1,113,010)</u>	<u>(1,036,722)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll				
Police	\$ 2,667,095	\$ 2,852,063	\$ 2,735,316	\$ 2,552,432
Fire	\$ 2,675,540	\$ 2,491,685	\$ 2,524,681	\$ 2,347,915
<u>Pension Contributions as a Percentage of Covered Payroll</u>				
Police	19.00%	19.00%	19.00%	19.00%
Fire	23.50%	23.50%	23.50%	23.50%

[1] – The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively.

See accompanying notes to the required supplementary information

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$ 522,438	\$ 564,376	\$ 511,259	\$ 479,559	\$ 486,641	\$ 332,201
<u>556,146</u>	<u>601,039</u>	<u>539,688</u>	<u>516,938</u>	<u>531,591</u>	<u>399,714</u>
\$ 1,078,584	\$ 1,165,415	\$ 1,050,947	\$ 996,497	\$ 1,018,232	\$ 731,915
<u>(1,078,584)</u>	<u>(1,165,415)</u>	<u>(1,050,947)</u>	<u>(996,497)</u>	<u>(1,018,232)</u>	<u>(731,915)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,749,674	\$ 2,970,400	\$ 2,690,837	\$ 2,523,995	\$ 3,093,713	\$ 2,605,498
\$ 2,366,579	\$ 2,557,613	\$ 2,296,545	\$ 2,199,736	\$ 2,627,736	\$ 2,317,183
19.00%	19.00%	19.00%	19.00%	[1]	12.75%
23.50%	23.50%	23.50%	23.50%	[1]	17.25%

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 LAST FIVE FISCAL YEARS (1)**

	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability/Asset	0.027238%	0.028992%	0.028303%	0.028150%	0.027990%
City's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (485,267)	\$ 4,004,548	\$ 3,690,043	\$ 3,056,883	\$ 2,827,085
City's Covered Payroll	\$4,140,783	\$4,379,135	\$4,107,257	\$3,847,733	\$3,810,666
City's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-11.72%	91.45%	89.84%	79.45%	74.19%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	115.57%	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 OHIO POLICE AND FIRE PENSION FUND  
 LAST FIVE FISCAL YEARS (1)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.2130043%	0.2218612%	0.2160758%	0.2250472%	0.2372000%
City's Proportionate Share of the Net OPEB Liability	\$ 2,256,816	\$ 2,191,485	\$ 1,967,702	\$ 12,750,857	\$ 11,259,351
City's Covered Payroll	\$ 5,343,748	\$ 5,259,997	\$ 4,900,347	\$ 5,116,253	\$ 5,528,013
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.23%	41.66%	40.15%	249.22%	203.68%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.42%	47.08%	46.57%	14.13%	15.96%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - OPEB  
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 LAST SEVEN FISCAL YEARS (1)**

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ 276	\$ 40,298	\$ 79,192	\$ 71,970
Contributions in Relation to the Contractually Required Contribution	-	-	-	(276)	(40,298)	(79,192)	(71,970)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 4,176,214	\$ 4,140,783	\$ 4,379,135	\$ 4,107,257	\$ 3,847,733	\$ 3,810,666	\$ 3,789,838
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.01%	1.05%	2.08%	1.90%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information



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**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - OPEB  
 OHIO POLICE AND FIRE PENSION FUND  
 LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 26,713	\$ 26,718	\$ 26,333	\$ 24,502
Contributions in Relation to the Contractually Required Contribution	<u>(26,713)</u>	<u>(26,718)</u>	<u>(26,333)</u>	<u>(24,502)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 5,342,635	\$ 5,343,748	\$ 5,259,997	\$ 4,900,347
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

See accompanying notes to the required supplementary information

2017	2016	2015	2014	2013	2012
\$ 25,581	\$ 25,580	\$ 26,425	\$ 23,846	\$ 170,997	\$ 331,969
(25,581)	(25,580)	(26,425)	(23,846)	(170,997)	(331,969)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,116,253	\$ 5,528,013	\$ 4,987,382	\$ 4,723,731	\$ 5,721,449	\$ 4,922,681
0.50%	0.50%	0.50%	0.50%	3.62%	6.75%

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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***OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)***

***Net Pension Liability***

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2014-2021.

*Changes in assumptions:* There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple.

***Net OPEB Liability***

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2018-2021.

*Changes in assumptions:* For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**OHIO POLICE AND FIRE (OP&F) PENSION FUND**

*Net Pension Liability*

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2014-2021.

*Changes in assumptions:* There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the investment rate of return was reduced from 8.25 percent to 8.00 percent (b) the projected salary increases was reduced from 4.25% to 3.75% (c) the payroll increases was reduced from 3.75% to 3.25% (d) the inflation assumptions was reduced from 3.25% to 2.75% (e) the cost of living adjustments was reduced from 2.60% to 2.20% (f) rates of withdrawal, disability and service retirement were updated to reflect recent experience (g) mortality rates were updated to the RP-2014 Total Employee and Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2016 (h) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2016. For 2019-2021, there have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date.

*Net OPEB Liability*

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2018 and 2020-2021. For 2019, see below regarding changes to stipend-based model.

*Changes in assumptions:* For 2018, the single discount rate changed from 3.79 percent to 3.24 percent. For 2019, the changes of assumptions were: (a) beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend-based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years (b) beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5% (c) the single discount rate changed from 3.24 percent to 4.66 percent. For 2020, the single discount rate changed from 4.66 to 3.56. For 2021, the single discount rate changed from 3.56 to 2.96.

## **Combining and Individual Fund Statements and Schedule**

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

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**Nonmajor Special Revenue Funds**

Special revenue funds are established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. A description of the City's special revenue funds follows:

*Street Construction, Maintenance, and Repair Fund*

The Street Construction, Maintenance and Repair Fund accounts for ninety-two and one half percent (92.5%) of the state gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

*State Highway Fund*

The State Highway Fund accounts for seven and one half percent (7.5%) of the state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of state highways within the City.

*Police Levy Fund*

The Police Salary and Equipment Fund accounts for property tax revenue levied for the payment of salaries and for the purchase of equipment in the police department.

*Fire Levy Fund*

The Fire Salary and Equipment Fund accounts for property tax revenue levied for the payment of salaries and for the purchase of equipment in the fire department.

*Street Lighting Fund*

The Street Lighting Fund accounts for property tax revenue levied to provide street lighting within the City.

*Building Levy Fund*

The Building Levy Fund accounts for property tax revenue levied for the payment of repairs to City owned buildings.

*Fire Pension Fund*

The Fire Pension Fund accounts for the accumulation of property taxes levied for the payment of employer's pension contributions.

*Police Pension Fund*

The Police Pension Fund accounts for the accumulation of property taxes levied for the payment of employer's pension contributions.

*DARE Grant Fund*

The DARE Grant Fund accounts for grant monies received which are used to educate the public regarding drug abuse and drug abuse prevention. This fund did not have any activity or a budget in 2021 and therefore no budgetary schedule has been provided.

*Master Plan Grant Fund*

The Master Plan Grant Fund accounts for revenues received from the Cuyahoga County Department of Development to be used for maintaining the City's master plan which is a plan to create and maintain a quality way of life for the City's residents and businesses in both the immediate and longer-term future.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

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*Bureau of Justice Grant Fund*

The Bureau of Justice Grant Fund accounts for monies to be expended for safety equipment in the police department.

*Community Development Block Grant Fund*

The Community Development Block Grant Fund accounts for revenues received from the federal government and City matching funds and expenditures as prescribed under the Community Development Block Grant Program.

*Law Enforcement Trust Fund*

The Law Enforcement Trust Fund accounts for confiscated monies from criminals that are restricted, by state statute, for expenditures that would enhance the police department.

*Juvenile Diversion Program Fund*

The Juvenile Diversion Program Fund accounts for monies received from Cuyahoga County to be used to establish or expand community policing programs.

*EMS Computer Grant Fund*

The EMS Computer Grant Fund accounts for monies from the state to be used for the purchase of equipment, computer software, and other costs associated with EMS mobile computing.

*Local Law Enforcement Block Grant Fund*

The Local Law Enforcement Block Grant Fund accounts for monies used for the purchase of equipment in the police department. This fund did not have any activity or a budget in 2021 and therefore no budgetary schedule has been provided.

*CDBG Sidewalk Fund*

The CDBG Sidewalk Fund accounts for monies received from the Cuyahoga County Community Development department for the inspection and improvement of sidewalks within the City.

*COPS Grant Fund*

The COPS Grant Fund accounts for monies from the federal government to be used for the purchase of equipment, computer software, and other costs associated with police mobile computing.

*FEMA Grant Fund*

The FEMA Grant Fund accounts for monies received from the Federal Emergency Management Agency to be expended on personal protective equipment for use by the fire department.

*CRA Monitoring Fee Fund*

The CRA Monitoring Fee Fund accounts for monies received from companies that have a Community Reinvestment Agreement with the City. Funds are to be used exclusively for the purpose of complying with Section 3735.671 (D) of the Ohio Revised Code.

*The Cleveland Foundation Fund*

The Cleveland Foundation Fund accounts for monies received from the Cleveland Foundation to be used for a summer and after school family based prevention program within the City.



**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

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*Economic Development Stimulus Incentive Grant Fund*

The Economic Development Stimulus Incentive Grant Fund accounts for monies received from building permits issued to developers of the Emery Woods Housing Project.

*Grass Refuse Fund*

The Grass Refuse Fund accounts for monies received from a special assessment to be used for various expenses incurred by the City for upkeep on unkempt lots and/or lawns.

*Homeland Security Grant Fund*

The Homeland Security Grant Fund accounts for federal grant monies received to provide overtime payments to the service department employees participating in emergency preparedness . This fund did not have any activity or a budget in 2021 and therefore no budgetary schedule has been provided.

*G.R.E.A.T. Grant Fund*

The G.R.E.A.T. Grant Fund accounts for federal grant monies used to implement gang-prevention education activities and programming for elementary school students.

*2007 Nature Works Grant Fund*

The Nature Works Grant Fund accounts for revenues received from the Ohio Department of Natural Resources and City's matching funds. The fund expends funds in compliance with the Nature Works Local Grant Program State/Local Project Agreement, which includes: new playground equipment and various other improvements at the Green Road Civic Center and Park. This fund did not have any activity or a budget in 2021 and therefore no budgetary schedule has been provided.

*2008 G.R.E.A.T. Grant Fund*

The G.R.E.A.T. Grant Fund accounts for federal grant monies used to implement gang prevention education activities and programming for elementary school students. The 2008 grant is a subsequent grant to the 2007 G.R.E.A.T. Grant.

*Warrensville Heights Occupancy Program Fund*

The Warrensville Heights Occupancy Program Fund accounts for fees received to be used for compliance monitoring of companies participating in the program.

*Residential Demolition Fund*

The Residential Demolition Fund accounts for monies to be used for asbestos remediation and demolition of properties deemed blighted by the City.

*Community Recycling Grant Fund*

The Community Recycling Grant Fund accounts for funds received from the Cuyahoga County Solid Waste District to be used for community recycling programs.

*Continuing Professional Training Program Fund*

The Continuing Professional Training Program Fund accounts for funds received from the State of Ohio Continuing Professional Training Program to be used for law enforcement continuing professional training.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

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*Coronavirus Relief Intervention Fund*

Coronavirus Relief Intervention Fund accounts for grant proceeds provided to the local governments who have been financially impacted by the outbreak of COVID-19. The Coronavirus Aid, Relief and Economic Security Act (CARES Act) funding may only be used to cover costs that are necessary expenditures incurred in response to the COVID-19 outbreak.

*Ohio Department of Transportation State Infrastructure Bank Loan Fund* – The Ohio Department of Transportation State Infrastructure Bank Loan Fund is a special revenue fund that accounts for loan proceeds received from the Ohio Department of Transportation for the rehabilitation of local roads.

*State Infrastructure Repayment Loan Fund*

The State Infrastructure Repayment Loan Fund accounts for the funds received for hotel and motel taxes to be used for the repayment of state infrastructure bank loan.

*American Rescue Plan Act Fund*

The American Rescue Plan Act (ARPA) Fund accounts for grant proceeds provided to the local governments who have been financially impacted by the outbreak of COVID-19. The ARPA grant funding specifically is to be used to address the negative economic impacts caused by the public health emergency, replace lost public sector revenue, provide premium pay for essential workers. As well as, Invest in water, sewer, and broadband infrastructure.

**Nonmajor Capital Projects Funds**

Capital project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. A description of the City's capital project funds follows:

*Information Technology System Fund*

The Information Technology System Fund accounts for resources to be used for purchasing computer hardware, application software, network telephone systems and other technology system upgrades.

*Land Acquisition Fund*

The Land Acquisition Fund accounts for resources set aside for future economic growth and development.

*Emery Woods Project Fund*

The Emery Woods Project Fund accounts for note proceeds used to pay for the costs of constructing a new development in the City which will consist of new houses.

*Town Center Project Fund* The Town Center Project Fund accounts for note proceeds used to pay for the costs of constructing projects within the City's Town Center project.

*Capital Improvements Fund*

Capital Improvement Fund is for major, non-recurring physical expenditures such as land, buildings, public infrastructure, vehicles, trucks and equipment.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2021**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
<b>OUTFLOWS OF RESOURCES</b>			
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,934,123	\$ 165,385	\$ 3,099,508
With Escrow Agents	-	589,760	589,760
Materials and Supplies Inventory	2,145	-	2,145
Accounts Receivable	17,161	-	17,161
Intergovernmental Receivable	426,827	-	426,827
Property Taxes Receivable	744,447	-	744,447
<b>Total Assets</b>	<b>\$ 4,124,703</b>	<b>\$ 755,145</b>	<b>\$ 4,879,848</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 36,099	\$ -	\$ 36,099
Interfund Payable	663,289	5,973	669,262
Unearned Revenue	645,163	-	645,163
<b>Total Liabilities</b>	<b>1,344,551</b>	<b>5,973</b>	<b>1,350,524</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	601,970	-	601,970
Unavailable Revenue - Delinquent Property Taxes	142,477	-	142,477
Unavailable Revenue - Other	310,871	-	310,871
<b>Total Deferred Inflows of Resources</b>	<b>1,055,318</b>	<b>-</b>	<b>1,055,318</b>
<b>Fund Balances:</b>			
Nonspendable	2,145	-	2,145
Restricted	2,137,470	749,172	2,886,642
Committed	246,392	-	246,392
Unassigned (Deficit)	(661,173)	-	(661,173)
<b>Total Fund Balances</b>	<b>1,724,834</b>	<b>749,172</b>	<b>2,474,006</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 4,124,703</b>	<b>\$ 755,145</b>	<b>\$ 4,879,848</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND  
 BALANCE  
 NON-MAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Property Taxes	\$ 618,607	\$ -	\$ 618,607
Hotel Taxes	233,000	-	233,000
Intergovernmental	1,373,017	108,660	1,481,677
Fines and Forfeitures	8,750	-	8,750
Charges for Services	3,842	-	3,842
All Other Revenues	90	-	90
<b>Total Revenues</b>	<u>2,237,306</u>	<u>108,660</u>	<u>2,345,966</u>
<b>EXPENDITURES</b>			
Security of Persons and Property:			
Police and Others	484,708	-	484,708
Fire	180,625	-	180,625
Community Development	71,145	-	71,145
Transportation	492,795	-	492,795
General Government	101,010	20	101,030
Capital Outlay	402,196	898,293	1,300,489
Debt Service:			
Principal Retirement	347,873	-	347,873
Interest and Fiscal Charges	52,843	4,952	57,795
<b>Total Expenditures</b>	<u>2,133,195</u>	<u>903,265</u>	<u>3,036,460</u>
Excess of Revenues Over (Under) Expenditures	<u>104,111</u>	<u>(794,605)</u>	<u>(690,494)</u>
<b>OTHER FINANCING SOURCES</b>			
Inception of Capital Lease	-	1,160,695	1,160,695
Transfer In	56,000	300,000	356,000
<b>Total Other Financing Sources</b>	<u>56,000</u>	<u>1,460,695</u>	<u>1,516,695</u>
Net Change in Fund Balances	160,111	666,090	826,201
Fund Balances - Beginning of Year	1,564,723	83,082	1,647,805
<b>Fund Balances - End of Year</b>	<u>\$ 1,724,834</u>	<u>\$ 749,172</u>	<u>\$ 2,474,006</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2021**

	<b>Street Construction, Maintenance, and Repair</b>	<b>State Highway</b>	<b>Police Levy</b>	<b>Fire Levy</b>	<b>Street Lighting</b>	<b>Building Levy</b>
<b>ASSETS</b>						
<b>OUTFLOWS OF RESOURCES</b>						
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 552,290	\$ 47,180	\$ 58,798	\$ 60,285	\$ 19,587	\$ 314,803
Materials and Supplies Inventory	2,145	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Intergovernmental Receivable	374,352	30,353	3,169	3,169	7,829	2,671
Property Taxes Receivable	-	-	122,362	122,362	235,224	85,691
<b>Total Assets</b>	<b>\$ 928,787</b>	<b>\$ 77,533</b>	<b>\$ 184,329</b>	<b>\$ 185,816</b>	<b>\$ 262,640</b>	<b>\$ 403,165</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 13,610	\$ -	\$ -	\$ -	\$ 22,489	\$ -
Interfund Payable	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>13,610</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,489</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>						
Property Taxes	-	-	99,112	99,112	189,902	69,246
Unavailable Revenue - Delinq. Property Taxes	-	-	23,250	23,250	45,322	16,445
Unavailable Revenue - Other	267,093	21,656	3,169	3,169	7,829	2,671
<b>Total Deferred Inflows of Resources</b>	<b>267,093</b>	<b>21,656</b>	<b>125,531</b>	<b>125,531</b>	<b>243,053</b>	<b>88,362</b>
<b>Fund Balances:</b>						
Nonspendable	2,145	-	-	-	-	-
Restricted	645,939	55,877	58,798	60,285	-	314,803
Committed	-	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	(2,902)	-
<b>Total Fund Balances (Deficit)</b>	<b>648,084</b>	<b>55,877</b>	<b>58,798</b>	<b>60,285</b>	<b>(2,902)</b>	<b>314,803</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 928,787</b>	<b>\$ 77,533</b>	<b>\$ 184,329</b>	<b>\$ 185,816</b>	<b>\$ 262,640</b>	<b>\$ 403,165</b>

Continued

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)  
 DECEMBER 31, 2021**

	<b>Fire Pension</b>	<b>Police Pension</b>	<b>Master Plan Grant</b>	<b>BJA Grant</b>	<b>CDBG Grant</b>	<b>Law Enforcement Trust</b>
<b>ASSETS</b>						
<b>OUTFLOWS OF RESOURCES</b>						
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 22,895	\$ 25,009	\$ 25,353	\$ 1,480	\$ 52	\$ 15,125
Materials and Supplies Inventory	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Intergovernmental Receivable	2,642	2,642	-	-	-	-
Property Taxes Receivable	89,404	89,404	-	-	-	-
<b>Total Assets</b>	<b>\$ 114,941</b>	<b>\$ 117,055</b>	<b>\$ 25,353</b>	<b>\$ 1,480</b>	<b>\$ 52</b>	<b>\$ 15,125</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	148	27,919	-
Unearned Revenue	-	-	-	-	-	-
<i>Total Liabilities</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>148</i>	<i>27,919</i>	<i>-</i>
<b>Deferred Inflows of Resources:</b>						
Property Taxes	72,299	72,299	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	17,105	17,105	-	-	-	-
Unavailable Revenue - Other	2,642	2,642	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<i>92,046</i>	<i>92,046</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Fund Balances:</b>						
Nonspendable	-	-	-	-	-	-
Restricted	22,895	25,009	25,353	1,332	-	15,125
Committed	-	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	(27,867)	-
<b>Total Fund Balances (Deficit)</b>	<b>22,895</b>	<b>25,009</b>	<b>25,353</b>	<b>1,332</b>	<b>(27,867)</b>	<b>15,125</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 114,941</b>	<b>\$ 117,055</b>	<b>\$ 25,353</b>	<b>\$ 1,480</b>	<b>\$ 52</b>	<b>\$ 15,125</b>

<u>Juvenile Diversion</u>	<u>EMS Computer</u>	<u>CDBG Sidewalk</u>	<u>COPS Grant</u>	<u>FEMA Grant</u>	<u>CRA Monitoring</u>	<u>Cleveland Foundation</u>	<u>EDSI Grant</u>
\$ 15,929	\$ -	\$ 7,104	\$ 4,818	\$ 30,537	\$ 173,275	\$ 4,819	\$ 28,150
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 15,929</u>	<u>\$ -</u>	<u>7,104</u>	<u>4,818</u>	<u>30,537</u>	<u>173,275</u>	<u>4,819</u>	<u>28,150</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	21,566	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>21,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
15,929	-	7,104	-	30,537	-	4,819	-
-	-	-	-	-	173,275	-	28,150
-	-	-	(16,748)	-	-	-	-
<u>15,929</u>	<u>-</u>	<u>7,104</u>	<u>(16,748)</u>	<u>30,537</u>	<u>173,275</u>	<u>4,819</u>	<u>28,150</u>
<u>\$ 15,929</u>	<u>\$ -</u>	<u>\$ 7,104</u>	<u>\$ 4,818</u>	<u>\$ 30,537</u>	<u>\$ 173,275</u>	<u>\$ 4,819</u>	<u>\$ 28,150</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)  
 DECEMBER 31, 2021**

	Grass Refuse	G.R.E.A.T. Grant	2007 Nature Works	2008 G.R.E.A.T. Grant	Warrensville Hts. Occupancy Program	Residential Demolition
<b>ASSETS</b>						
<b>OUTFLOWS OF RESOURCES</b>						
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 862	\$ 3,668	\$ -	\$ 29,342	\$ 44,967	\$ 206,878
Materials and Supplies Inventory	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-	-
<b>Total Assets</b>	<b>862</b>	<b>\$ 3,668</b>	<b>-</b>	<b>29,342</b>	<b>\$ 44,967</b>	<b>\$ 206,878</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	19,589	-	-	-
Unearned Revenue	-	-	-	-	-	-
<i>Total Liabilities</i>	<i>-</i>	<i>-</i>	<i>19,589</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Deferred Inflows of Resources:</b>						
Property Taxes	-	-	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	-	-	-	-	-	-
Unavailable Revenue - Other	-	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Fund Balances:</b>						
Nonspendable	-	-	-	-	-	-
Restricted	862	3,668	-	29,342	-	206,878
Committed	-	-	-	-	44,967	-
Unassigned (Deficit)	-	-	(19,589)	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>862</b>	<b>3,668</b>	<b>(19,589)</b>	<b>29,342</b>	<b>44,967</b>	<b>206,878</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 862</b>	<b>\$ 3,668</b>	<b>\$ -</b>	<b>\$ 29,342</b>	<b>\$ 44,967</b>	<b>\$ 206,878</b>



<u>Community Recycling Grant</u>	<u>CPT Program</u>	<u>Coronavirus Relief Intervention</u>	<u>ODOT SIB Loan</u>	<u>SIB Loan Repayment</u>	<u>American Rescue Plan</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 883	\$ 21,249	\$ -	\$ -	\$ 573,622	\$ 645,163	\$ 2,934,123
-	-	-	-	-	-	2,145
-	-	-	-	17,161	-	17,161
-	-	-	-	-	-	426,827
-	-	-	-	-	-	744,447
<u>\$ 883</u>	<u>\$ 21,249</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 590,783</u>	<u>\$ 645,163</u>	<u>\$ 4,124,703</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,099
-	-	-	594,067	-	-	663,289
-	-	-	-	-	645,163	645,163
<u>-</u>	<u>-</u>	<u>-</u>	<u>594,067</u>	<u>-</u>	<u>645,163</u>	<u>1,344,551</u>
-	-	-	-	-	-	601,970
-	-	-	-	-	-	142,477
-	-	-	-	-	-	310,871
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,055,318</u>
-	-	-	-	-	-	2,145
883	21,249	-	-	590,783	-	2,137,470
-	-	-	-	-	-	246,392
-	-	-	(594,067)	-	-	(661,173)
<u>883</u>	<u>21,249</u>	<u>-</u>	<u>(594,067)</u>	<u>590,783</u>	<u>-</u>	<u>1,724,834</u>
<u>\$ 883</u>	<u>\$ 21,249</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 590,783</u>	<u>\$ 645,163</u>	<u>\$ 4,124,703</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCE  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Street Construction, Maintenance, and Repair	State Highway	Police Levy	Fire Levy	Street Lighting	Building Levy
<b>REVENUES</b>						
Property Taxes	\$ -	\$ -	\$ 103,728	\$ 103,728	\$ 199,891	\$ 72,736
Hotel Taxes	-	-	-	-	-	-
Intergovernmental	720,606	60,740	6,337	6,337	15,658	5,341
Fines and Forfeitures	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
All Other Revenues	-	-	-	-	-	-
<b>Total Revenues</b>	<u>720,606</u>	<u>60,740</u>	<u>110,065</u>	<u>110,065</u>	<u>215,549</u>	<u>78,077</u>
<b>EXPENDITURES</b>						
Security of Persons and Property:						
Police and Others	-	-	100,000	-	265,279	-
Fire	-	-	-	100,000	-	-
Community Environment	-	-	-	-	-	4,376
Transportation	442,078	50,717	-	-	-	-
General Government	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>442,078</u>	<u>50,717</u>	<u>100,000</u>	<u>100,000</u>	<u>265,279</u>	<u>4,376</u>
Excess of Revenues Over (Under) Expenditures	<u>278,528</u>	<u>10,023</u>	<u>10,065</u>	<u>10,065</u>	<u>(49,730)</u>	<u>73,701</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer In	-	-	-	-	11,000	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,000</u>	<u>-</u>
Net Change in Fund Balances	<u>278,528</u>	<u>10,023</u>	<u>10,065</u>	<u>10,065</u>	<u>(38,730)</u>	<u>73,701</u>
Fund Balances (Deficit) - Beginning of Year	369,556	45,854	48,733	50,220	35,828	241,102
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 648,084</u>	<u>\$ 55,877</u>	<u>\$ 58,798</u>	<u>\$ 60,285</u>	<u>\$ (2,902)</u>	<u>\$ 314,803</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCE  
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Fire Pension</u>	<u>Police Pension</u>	<u>Master Plan Grant</u>	<u>BJA Grant</u>	<u>CDBG Grant</u>	<u>Law Enforcement Trust</u>	<u>Juvenile Diversion</u>	<u>EMS Computer</u>
\$ 69,262	\$ 69,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
5,283	5,283	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	90	-
<u>74,545</u>	<u>74,545</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90</u>	<u>-</u>
-	69,000	-	12,544	-	-	1,680	-
69,000	-	-	-	-	-	-	3,000
-	-	-	-	19,780	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>69,000</u>	<u>69,000</u>	<u>-</u>	<u>12,544</u>	<u>19,780</u>	<u>-</u>	<u>1,680</u>	<u>3,000</u>
<u>5,545</u>	<u>5,545</u>	<u>-</u>	<u>(12,544)</u>	<u>(19,780)</u>	<u>-</u>	<u>(1,590)</u>	<u>(3,000)</u>
-	-	-	-	2,000	-	-	-
-	-	-	-	2,000	-	-	-
<u>5,545</u>	<u>5,545</u>	<u>-</u>	<u>(12,544)</u>	<u>(17,780)</u>	<u>-</u>	<u>(1,590)</u>	<u>(3,000)</u>
<u>17,350</u>	<u>19,464</u>	<u>25,353</u>	<u>13,876</u>	<u>(10,087)</u>	<u>15,125</u>	<u>17,519</u>	<u>3,000</u>
<u>\$ 22,895</u>	<u>\$ 25,009</u>	<u>\$ 25,353</u>	<u>\$ 1,332</u>	<u>\$ (27,867)</u>	<u>\$ 15,125</u>	<u>\$ 15,929</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCE  
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>CDBG Sidewalk</b>	<b>COPS Grant</b>	<b>FEMA Grant</b>	<b>CRA Monitoring</b>	<b>EDSI Grant</b>
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Fines and Forfeitures	-	-	-	8,750	-
Charges for Services	-	-	-	-	-
All Other Revenues	-	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,750</u>	<u>-</u>
<b>EXPENDITURES</b>					
Security of Persons and Property:					
Police and Others	-	-	-	-	-
Fire	-	-	-	-	-
Community Environment	-	-	-	-	-
Transportation	-	-	-	-	-
General Government	-	-	-	2,750	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,750</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>					
Transfer In	-	-	-	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	6,000	-
Fund Balances (Deficit) - Beginning of Year	7,104	(16,748)	30,537	167,275	28,150
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 7,104</u>	<u>\$ (16,748)</u>	<u>\$ 30,537</u>	<u>\$ 173,275</u>	<u>\$ 28,150</u>

<u>Grass Refuse</u>	<u>G.R.E.A.T. Grant</u>	<u>2007 Nature Works</u>	<u>2008 G.R.E.A.T. Grant</u>	<u>Warrensville Hts. Occupancy Program</u>	<u>Residential Demolition</u>	<u>Community Recycling Grant</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	2,146
-	-	-	-	-	-	-
1,591	-	-	-	2,251	-	-
-	-	-	-	-	-	-
<u>1,591</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,251</u>	<u>-</u>	<u>2,146</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
44,843	-	-	-	-	-	2,146
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>44,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,146</u>
<u>(43,252)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,251</u>	<u>-</u>	<u>-</u>
43,000	-	-	-	-	-	-
<u>43,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(252)	-	-	-	2,251	-	-
1,114	3,668	(19,589)	29,342	42,716	206,878	883
<u>\$ 862</u>	<u>\$ 3,668</u>	<u>\$ (19,589)</u>	<u>\$ 29,342</u>	<u>\$ 44,967</u>	<u>\$ 206,878</u>	<u>\$ 883</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCE  
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	CPT Program	Coronavirus Relief Intervention	ODOT SIB Loan	SIB Loan Repayment	American Rescue Plan	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 618,607
Hotel Taxes	-	-	-	233,000	-	233,000
Intergovernmental	-	503,911	-	-	41,375	1,373,017
Fines and Forfeitures	-	-	-	-	-	8,750
Charges for Services	-	-	-	-	-	3,842
All Other Revenues	-	-	-	-	-	90
<b>Total Revenues</b>	<u>-</u>	<u>503,911</u>	<u>-</u>	<u>233,000</u>	<u>41,375</u>	<u>2,237,306</u>
<b>EXPENDITURES</b>						
Security of Persons and Property:						
Police and Others	-	24,580	-	-	11,625	484,708
Fire	-	-	-	-	8,625	180,625
Community Environment	-	-	-	-	-	71,145
Transportation	-	-	-	-	-	492,795
General Government	-	77,135	-	-	21,125	101,010
Capital Outlay	-	402,196	-	-	-	402,196
Debt Service:						
Principal Retirement	-	-	12,120	335,753	-	347,873
Interest and Fiscal Charges	-	-	-	52,843	-	52,843
<b>Total Expenditures</b>	<u>-</u>	<u>503,911</u>	<u>12,120</u>	<u>388,596</u>	<u>41,375</u>	<u>2,133,195</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(12,120)</u>	<u>(155,596)</u>	<u>-</u>	<u>104,111</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer In	-	-	-	-	-	56,000
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,000</u>
Net Change in Fund Balances	-	-	(12,120)	(155,596)	-	160,111
Fund Balances (Deficit) - Beginning of Year	21,249	-	(581,947)	746,379	-	1,564,723
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 21,249</u>	<u>\$ -</u>	<u>\$ (594,067)</u>	<u>\$ 590,783</u>	<u>\$ -</u>	<u>\$ 1,724,834</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR CAPITAL PROJECT FUNDS  
 DECEMBER 31, 2021**

	<u>Information Technology System</u>	<u>Land Acquisition</u>	<u>Emery Woods Project</u>	<u>Town Center Project</u>	<u>Capital Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>ASSETS</b>						
<b>OUTFLOWS OF RESOURCES</b>						
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 67,026	\$ -	\$ 14,272	\$ 84,087	\$ 165,385
Cash and Cash Equivalents:						
With Escrow Agents	-	-	-	-	589,760	589,760
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 67,026</u>	<u>\$ -</u>	<u>\$ 14,272</u>	<u>\$ 673,847</u>	<u>\$ 755,145</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Interfund Payable	-	-	-	5,973	-	5,973
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,973</u>	<u>-</u>	<u>5,973</u>
<b>Fund Balances:</b>						
Restricted	-	67,026	-	8,299	673,847	749,172
<b>Total Fund Balances</b>	<u>-</u>	<u>67,026</u>	<u>-</u>	<u>8,299</u>	<u>673,847</u>	<u>749,172</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ -</u>	<u>\$ 67,026</u>	<u>\$ -</u>	<u>\$ 14,272</u>	<u>\$ 673,847</u>	<u>\$ 755,145</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES  
 NON-MAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Information Technology System	Land Acquisition	Emery Woods Project	Town Center Project	Capital Improvement	Total Nonmajor Capital Projects Funds
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 108,660	\$ 108,660
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,660</u>	<u>108,660</u>
<b>EXPENDITURES</b>						
General Government	-	-	-	-	20	20
Capital Outlay	305	-	-	2,500	895,488	898,293
Debt Service:					-	
Interest and Fiscal Charges	-	4,952	-	-	-	4,952
<b>Total Expenditures</b>	<u>305</u>	<u>4,952</u>	<u>-</u>	<u>2,500</u>	<u>895,508</u>	<u>903,265</u>
Excess of Revenues (Under) Expenditures	<u>(305)</u>	<u>(4,952)</u>	<u>-</u>	<u>(2,500)</u>	<u>(786,848)</u>	<u>(794,605)</u>
<b>OTHER FINANCING SOURCES</b>						
Inception of Capital Lease	-	-	-	-	1,160,695	1,160,695
Transfer In	-	40,519	(40,519)	-	300,000	300,000
<b>Total Other Financing Sources</b>	<u>-</u>	<u>40,519</u>	<u>(40,519)</u>	<u>-</u>	<u>1,460,695</u>	<u>1,460,695</u>
Net Change in Fund Balances	(305)	35,567	(40,519)	(2,500)	673,847	666,090
Fund Balances - Beginning of Year	305	31,459	40,519	10,799	-	83,082
<b>Fund Balances - End of Year</b>	<u>\$ -</u>	<u>\$ 67,026</u>	<u>\$ -</u>	<u>\$ 8,299</u>	<u>\$ 673,847</u>	<u>\$ 749,172</u>



**Individual Fund  
Schedules of Revenues, Expenditures, and  
Changes in Fund Balances –  
Budget (Non – GAAP Basis) and Actual**

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 470,000	\$ 470,000	\$ 462,411	\$ (7,589)
Income Taxes	18,291,254	18,951,000	18,950,747	(253)
Other Taxes	150,694	210,000	156,132	(53,868)
Intergovernmental	1,826,272	2,027,860	1,611,766	(416,094)
Interest	18,524	72,000	19,192	(52,808)
Licenses and Permits	566,568	680,250	587,012	(93,238)
Fines and Forfeitures	100,869	123,000	104,509	(18,491)
Rentals	438,339	435,695	454,156	18,461
Charges for Services	517,226	566,200	535,889	(30,311)
All Other Revenues	663,177	1,064,200	690,108	(374,092)
<b>Total Revenues</b>	<b>23,042,923</b>	<b>24,600,205</b>	<b>23,571,922</b>	<b>(1,028,283)</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Fire Department				
Personal Services	3,654,258	3,709,910	3,688,830	21,080
Capital Outlay	48,000	48,000	46,509	1,491
Other Expenses	407,030	353,958	337,100	16,858
<b>Total Fire Department</b>	<b>4,109,288</b>	<b>4,111,868</b>	<b>4,072,439</b>	<b>39,429</b>
Police Department				
Personal Services	4,329,780	4,982,782	4,950,188	32,594
Capital Outlay	190,000	191,250	63,620	127,630
Other Expenses	388,231	595,781	501,536	94,245
<b>Total Police Department</b>	<b>4,908,011</b>	<b>5,769,813</b>	<b>5,515,344</b>	<b>254,469</b>
<b>Total Security of Persons and Property</b>	<b>9,017,299</b>	<b>9,881,681</b>	<b>9,587,783</b>	<b>293,898</b>

Continued

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Public Health & Welfare				
Public Health				
Other Expenses	75,000	75,000	73,804	1,196
Total Public Health and Welfare	75,000	75,000	73,804	1,196
Leisure Time Activities				
Senior Services				
Personal Services	317,438	317,286	305,649	11,637
Other Expenses	57,763	223,171	208,366	14,805
Total Senior Services	375,201	540,457	514,015	26,442
Total Leisure Time Activates	375,201	540,457	514,015	26,442
Community Development				
Personal Services	63,900	65,800	65,107	693
Other Expenses	124,646	98,651	89,401	9,250
Total Community Development	188,546	164,451	154,508	9,943
Board and Commission Department				
Personal Services	17,855	17,855	17,281	574
Other Expenses	190	650	389	261
Total Board of Zoning Appeals	18,045	18,505	17,670	835
Building Department				
Personal Services	570,005	556,555	550,386	6,169
Other Expenses	163,451	168,184	126,566	41,618
Total Building Department	733,456	724,739	676,952	47,787
Total Community Development	940,047	907,695	849,130	58,565

Continued

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services				
Personal Services	1,838,171	2,030,956	2,009,152	21,804
Capital Outlay	30,000	36,635	29,830	6,805
Other Expenses	1,914,255	1,910,051	1,633,495	276,556
Total Basic Utility Services	<u>3,782,426</u>	<u>3,977,642</u>	<u>3,672,477</u>	<u>305,165</u>
General Government				
City Council				
Personal Services	216,896	219,996	218,701	1,295
Other Expenses	65,282	63,371	32,968	30,403
Total City Council	<u>282,178</u>	<u>283,367</u>	<u>251,669</u>	<u>31,698</u>
Mayors Office				
Personal Services	520,690	464,940	454,280	10,660
Other Expenses	12,510	38,849	28,118	10,731
Total Clerk of Council	<u>533,200</u>	<u>503,789</u>	<u>482,398</u>	<u>21,391</u>
Legal				
Personal Services	158,650	155,950	154,639	1,311
Other Expenses	228,560	257,363	226,347	31,016
Total Legal	<u>387,210</u>	<u>413,313</u>	<u>380,986</u>	<u>32,327</u>
Community Liason				
Personal Services	87,196	85,796	67,814	17,982
Total Community Liason	<u>127,278</u>	<u>123,540</u>	<u>89,811</u>	<u>33,729</u>
Human Resources				
Personal Services	153,192	109,692	97,052	12,640
Other Expenses	76,444	92,530	77,243	15,287
Total Human Resources	<u>229,636</u>	<u>202,222</u>	<u>174,295</u>	<u>27,927</u>
Information Systems				
Personal Services	126,746	124,346	124,207	139
Other Expenses	811,926	729,144	477,198	251,946
Total Public Properties	<u>938,672</u>	<u>853,490</u>	<u>601,405</u>	<u>252,085</u>

Continued

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Finance Department				
Personal Services	596,045	597,645	586,892	10,753
Other Expenses	255,933	604,684	560,722	43,962
<b>Total Finance Department</b>	<b>851,978</b>	<b>1,202,329</b>	<b>1,147,614</b>	<b>54,715</b>
Engineering				
Supplies and Materials	241,148	215,328	122,040	93,288
<b>Total Engineering</b>	<b>241,148</b>	<b>215,328</b>	<b>122,040</b>	<b>93,288</b>
Lands and Buildings				
Supplies and Materials	2,524,759	2,823,456	2,317,889	505,567
<b>Total Lands and Buildings</b>	<b>2,524,759</b>	<b>2,823,456</b>	<b>2,317,889</b>	<b>505,567</b>
Other General Government				
Other Expenses	1,406,350	1,490,599	1,151,588	339,011
<b>Total Other General Government</b>	<b>1,406,350</b>	<b>1,490,599</b>	<b>1,151,588</b>	<b>339,011</b>
<b>Total General Government</b>	<b>7,522,409</b>	<b>8,111,433</b>	<b>6,719,695</b>	<b>1,391,738</b>
<b>Total Expenditures</b>	<b>21,712,382</b>	<b>23,493,908</b>	<b>21,416,904</b>	<b>2,077,004</b>
Excess of Revenues Over (Under) Expenditures	1,330,541	1,106,297	2,155,018	1,048,721
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	456,000	456,000	412,495	(43,505)
Transfers Out	(1,632,000)	(1,632,000)	(1,616,000)	16,000
<b>Total Other Financing Sources (Uses)</b>	<b>(1,176,000)</b>	<b>(1,176,000)</b>	<b>(1,203,505)</b>	<b>(27,505)</b>
Net Change in Fund Balance	154,541	(69,703)	951,513	1,021,216
Fund Balance - Beginning of Year	4,053,600	4,053,600	4,053,600	-
Prior Year Encumbrances	919,774	919,774	919,774	-
<b>Fund Balance - End of Year</b>	<b>\$ 5,127,915</b>	<b>\$ 4,903,671</b>	<b>\$ 5,924,887</b>	<b>\$ 1,021,216</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 GENERAL OBLIGATION BOND RETIREMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Variance with Final Budget
	Final	Actual	Positive (Negative)
<b>Revenues:</b>			
Property Taxes	\$ 460,000	\$ 461,724	\$ 1,724
Intergovernmental	37,000	35,222	(1,778)
Special Assessments	425,000	512,496	87,496
All Other Revenues	14,000	51,972	37,972
<b>Total Revenues</b>	<u>936,000</u>	<u>1,061,414</u>	<u>125,414</u>
<b>Expenditures:</b>			
Current:			
General Government			
Other	6,461	5,061	1,400
Debt Service:			
Principal	4,555,000	4,555,000	-
Interest & Fiscal Charges	626,640	626,638	2
Bond Issuance Costs	5,250	5,250	-
<b>Total Expenditures</b>	<u>5,193,351</u>	<u>5,191,949</u>	<u>1,402</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,257,351)</u>	<u>(4,130,535)</u>	<u>126,816</u>
<b>Other Financing Sources</b>			
Note Proceeds	3,883,500	3,230,000	(653,500)
Premium on Debt Issuance	43	42	(1)
Transfers In	900,000	950,000	50,000
<b>Total Other Financing Sources</b>	<u>4,783,543</u>	<u>4,180,042</u>	<u>(603,501)</u>
Net Change in Fund Balance	526,192	49,507	(476,685)
Fund Balance- Beginning of Year	6,301	6,301	-
<b>Fund Balance - End of Year</b>	<u>\$ 532,493</u>	<u>\$ 55,808</u>	<u>\$ (476,685)</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 STREET IMPROVEMENTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 800,000	\$ 250,000	\$ (550,000)
<b>Expenditures:</b>			
Current:			
Transportation			
Capital Outlay	1,200,345	1,099,165	101,180
Excess of Revenues Over (Under) Expenditures	(400,345)	(849,165)	(448,820)
<b>Other Financing Sources</b>			
Transfers In	900,000	300,000	(600,000)
Net Change in Fund Balance	499,655	(549,165)	(1,048,820)
Fund Balance - Beginning of Year	244,609	244,609	-
Prior Year Encumbrances	463,201	463,201	-
<b>Fund Balance - End of Year</b>	<u>\$ 1,207,465</u>	<u>\$ 158,645</u>	<u>\$ (1,048,820)</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 STREET CONSTRUCTION, REPAIR, AND MAINTENANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Intergovernmental	\$ 716,000	\$ 714,878	\$ (1,122)
<b>Expenditures:</b>			
Current:			
Transportation			
Personal Services	350,000	350,000	-
Other	137,678	118,520	19,158
<b>Total Expenditures</b>	<b>487,678</b>	<b>468,520</b>	<b>19,158</b>
Net Change in Fund Balance	228,322	246,358	18,036
Fund Balance - Beginning of Year	265,174	265,174	-
Prior Year Encumbrances	20,230	20,230	-
<b>Fund Balance - End of Year</b>	<b>\$ 513,726</b>	<b>\$ 531,762</b>	<b>\$ 18,036</b>



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 STATE HIGHWAY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Intergovernmental	\$ 61,310	\$ 60,275	\$ (1,035)
<b>Expenditures:</b>			
Current:			
Transportation			
Personal Services	52,000	50,717	1,283
Net Change in Fund Balance	9,310	9,558	248
Fund Balance - Beginning of Year	37,622	37,622	-
<b>Fund Balance - End of Year</b>	<u>\$ 46,932</u>	<u>\$ 47,180</u>	<u>\$ 248</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 POLICE LEVY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Property Taxes	\$ 103,805	\$ 103,728	\$ (77)
Intergovernmental	6,550	6,337	(213)
<b>Total Revenues</b>	<u>110,355</u>	<u>110,065</u>	<u>(290)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
Police and Others:			
Personal Services	100,000	100,000	-
Net Change in Fund Balance	10,355	10,065	(290)
Fund Balance - Beginning of Year	48,733	48,733	-
<b>Fund Balance - End of Year</b>	<u>\$ 59,088</u>	<u>\$ 58,798</u>	<u>\$ (290)</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 FIRE LEVY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Property Taxes	\$ 104,000	\$ 103,728	\$ (272)
Intergovernmental	6,600	6,337	(263)
<b>Total Revenues</b>	<u>110,600</u>	<u>110,065</u>	<u>(535)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
Fire			
Personal Services	<u>108,000</u>	<u>100,000</u>	<u>8,000</u>
Net Change in Fund Balance	2,600	10,065	7,465
Fund Balance - Beginning of Year	50,220	50,220	-
<b>Fund Balance - End of Year</b>	<u>\$ 52,820</u>	<u>\$ 60,285</u>	<u>\$ 7,465</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Property Taxes	\$ 200,000	\$ 199,891	\$ (109)
Intergovernmental	16,100	15,658	(442)
<b>Total Revenues</b>	<u>216,100</u>	<u>215,549</u>	<u>(551)</u>
<b>Expenditures:</b>			
Current:			
Community Development			
Other	<u>270,000</u>	<u>262,136</u>	<u>7,864</u>
Excess of Revenues Over (Under) Expenditures	<u>(53,900)</u>	<u>(46,587)</u>	<u>7,313</u>
<b>Other Financing Sources</b>			
Transfers In	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Net Change in Fund Balance	(42,900)	(35,587)	7,313
Fund Balance - Beginning of Year, Restated	24,409	24,409	-
Prior Year Encumbrances	30,453	30,453	-
<b>Fund Balance - End of Year</b>	<u>\$ 11,962</u>	<u>\$ 19,275</u>	<u>\$ 7,313</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 BUILDING LEVY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Property Taxes	\$ 70,990	\$ 72,736	\$ 1,746
Intergovernmental	5,010	5,341	331
<b>Total Revenues</b>	<u>76,000</u>	<u>78,077</u>	<u>2,077</u>
<b>Expenditures:</b>			
Current:			
Community Development			
Other	<u>178,000</u>	<u>4,376</u>	<u>173,624</u>
Net Change in Fund Balance	(102,000)	73,701	175,701
Fund Balance - Beginning of Year	241,102	241,102	-
<b>Fund Balance - End of Year</b>	<u>\$ 139,102</u>	<u>\$ 314,803</u>	<u>\$ 175,701</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Property Taxes	\$ 70,000	\$ 69,262	\$ (738)
Intergovernmental	25,400	5,283	(20,117)
<b>Total Revenues</b>	<u>95,400</u>	<u>74,545</u>	<u>(20,855)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
Fire			
Personal Services	75,000	69,000	6,000
Net Change in Fund Balance	20,400	5,545	(14,855)
Fund Balance - Beginning of Year	17,350	17,350	-
<b>Fund Balance - End of Year</b>	<u>\$ 37,750</u>	<u>\$ 22,895</u>	<u>\$ (14,855)</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Property Taxes	\$ 70,000	\$ 69,262	\$ (738)
Intergovernmental	5,000	5,283	283
<b>Total Revenues</b>	<u>75,000</u>	<u>74,545</u>	<u>(455)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
Police and Others:			
Personal Services	75,000	69,000	6,000
Net Change in Fund Balance	-	5,545	5,545
Fund Balance - Beginning of Year	19,464	19,464	-
<b>Fund Balance - End of Year</b>	<u>\$ 19,464</u>	<u>\$ 25,009</u>	<u>\$ 5,545</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 MASTER PLAN GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	Final		
<b>Expenditures:</b>			
Current:			
General Government			
Other	\$ 25,353	\$ -	\$ 25,353
Net Change in Fund Balance	(25,353)	-	25,353
Fund Balance - Beginning of Year	25,353	25,353	-
<b>Fund Balance - End of Year</b>	\$ -	\$ 25,353	\$ 25,353



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 BUREAU OF JUSTICE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property			
Police Safety Equipment			
Other	\$ 12,750	\$ 12,544	\$ 206
Net Change in Fund Balance	(12,750)	(12,544)	206
Fund Balance - Beginning of Year	14,024	14,024	-
<b>Fund Balance - End of Year</b>	<u>\$ 1,274</u>	<u>\$ 1,480</u>	<u>\$ 206</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

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	Budgeted Amounts		Actual		Variance with Final Budget Positive (Negative)
	Final				
<b>Expenditures:</b>					
Current:					
Community Development					
Other	\$ 19,780		\$ 19,780		\$ -
Excess of Revenues Over (Under) Expenditures	(19,780)		(19,780)		-
 <b>Other Financing Sources</b>					
Transfers In	30,000		2,000		(28,000)
Net Change in Fund Balance	\$ 10,220		\$ (17,780)		\$ (28,000)
Fund Balance - Beginning of Year	17,832		17,832		-
<b>Fund Balance - End of Year</b>	<b>\$ 28,052</b>		<b>\$ 52</b>		<b>\$ (28,000)</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Final			
<b>Revenues:</b>				
All Other Revenues	\$ 15,125		\$ -	\$ (15,125)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Other	14,925		-	14,925
Net Change in Fund Balance	200		-	(200)
Fund Balance - Beginning of Year	15,125		15,125	-
<b>Fund Balance - End of Year</b>	<b>\$ 15,325</b>		<b>\$ 15,125</b>	<b>\$ (200)</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Intergovernmental	\$ 1,400	\$ -	\$ (1,400)
All Other Revenues	-	90	90
<b>Total Revenues</b>	<u>1,400</u>	<u>90</u>	<u>(1,310)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
Mandatory Drug Law			
Other	10,000	2,013	7,987
	<u>10,000</u>	<u>2,013</u>	<u>7,987</u>
Net Change in Fund Balance	(8,600)	(1,923)	6,677
Fund Balance - Beginning of Year	19,442	19,442	-
<b>Fund Balance - End of Year</b>	<u>\$ 10,842</u>	<u>\$ 17,519</u>	<u>\$ 6,677</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 EMS COMPUTER GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Expenditures:</b>			
Current:			
Fire			
Other	\$ 3,000	\$ 3,000	\$ -
Net Change in Fund Balance	(3,000)	(3,000)	-
Fund Balance - Beginning of Year	3,000	3,000	-
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 CDBG SIDEWALK FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	7,104	7,104	-
<b>Fund Balance - End of Year</b>	<u>\$ 7,104</u>	<u>\$ 7,104</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 COPS GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	4,818	4,818	-
<b>Fund Balance - End of Year</b>	<u>\$ 4,818</u>	<u>\$ 4,818</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 FEMA GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Intergovernmental	\$ 145,000	\$ -	\$ (145,000)
Net Change in Fund Balance	145,000	-	(145,000)
Fund Balance - Beginning of Year	30,537	30,537	-
<b>Fund Balance - End of Year</b>	<u>\$ 175,537</u>	<u>\$ 30,537</u>	<u>\$ (145,000)</u>



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 CRA MONITORING FEE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Fines, Licenses and Permits	\$ 20,000	\$ 8,750	\$ (11,250)
All Other Revenues	1,500	-	(1,500)
<b>Total Revenues</b>	<u>21,500</u>	<u>8,750</u>	<u>(12,750)</u>
<b>Expenditures:</b>			
Current:			
General Government			
Other	29,000	2,750	26,250
Net Change in Fund Balance	(7,500)	6,000	13,500
Fund Balance - Beginning of Year	167,275	167,275	-
<b>Fund Balance - End of Year</b>	<u>\$ 159,775</u>	<u>\$ 173,275</u>	<u>\$ 13,500</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 THE CLEVELAND FOUNDATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	4,819	4,819	4,819	-
<b>Fund Balance - End of Year</b>	<b>\$ 4,819</b>	<b>\$ 4,819</b>	<b>\$ 4,819</b>	<b>\$ -</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 ECONOMIC DEVELOPMENT STIMULUS GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	28,150	28,150	-
<b>Fund Balance - End of Year</b>	<u>\$ 28,150</u>	<u>\$ 28,150</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 GRASS REFUSE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Charges for Services	\$ 21,200	\$ 1,591	\$ (19,609)
<b>Expenditures:</b>			
Current:			
Community Development			
Other	45,000	44,843	157
Excess of Revenues Over (Under) Expenditures	(23,800)	(43,252)	(19,452)
<b>Other Financing Sources</b>			
Transfers In	164,500	43,000	(121,500)
Net Change in Fund Balance	140,700	(252)	(140,952)
Fund Balance (Deficit) - Beginning of Year, Restated	(4,056)	(4,056)	-
Prior Year Encumbrances	5,170	5,170	-
<b>Fund Balance - End of Year</b>	<b>\$ 141,814</b>	<b>\$ 862</b>	<b>\$ (140,952)</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 G.R.E.A.T GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	3,668	3,668	-
<b>Fund Balance - End of Year</b>	<u>\$ 3,668</u>	<u>\$ 3,668</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 2008 G.R.E.A.T GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	29,342	29,342	-
<b>Fund Balance - End of Year</b>	<b>\$ 29,342</b>	<b>\$ 29,342</b>	<b>\$ -</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 WARRENSVILLE HEIGHTS OCCUPANCY PROGRAM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Revenues:</b>			
Charges for Services	\$ 27,857	\$ 2,251	\$ (25,606)
<b>Expenditures:</b>			
Current:			
Community Development			
Other	42,000	20,000	22,000
Net Change in Fund Balance	(14,143)	(17,749)	(3,606)
Fund Balance - Beginning of Year	42,716	42,716	-
<b>Fund Balance - End of Year</b>	<u>\$ 28,573</u>	<u>\$ 24,967</u>	<u>\$ (3,606)</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 RESIDENTIAL DEMOLITION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Expenditures:</b>			
Current:			
Community Development			
Other	\$ 60,000	\$ -	\$ 60,000
Net Change in Fund Balance	(60,000)	-	60,000
Fund Balance - Beginning of Year	206,878	206,878	-
<b>Fund Balance - End of Year</b>	<u>\$ 146,878</u>	<u>\$ 206,878</u>	<u>\$ 60,000</u>



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 COMMUNITY RECYCLING GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Intergovernmental	\$ 2,150	\$ 2,146	\$ (4)
<b>Expenditures:</b>			
Current:			
Community Development			
Other	2,146	2,146	-
Net Change in Fund Balance	4	-	(4)
Fund Balance - Beginning of Year	883	883	-
<b>Fund Balance - End of Year</b>	<b>\$ 887</b>	<b>\$ 883</b>	<b>\$ (4)</b>

**C CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 CONTINUING PROFESSIONAL TRAINING PROGRAM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	21,249	21,249	-
<b>Fund Balance - End of Year</b>	<b>\$ 21,249</b>	<b>\$ 21,249</b>	<b>\$ -</b>

**C CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 CORONAVIRUS RELIEF INTERVENTION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Intergovernmental	\$ 559,213	\$ -	\$ (559,213)
<b>Total Revenues</b>	<u>559,213</u>	<u>-</u>	<u>(559,213)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
Police and Others:			
Personal Services	24,580	24,580	-
General Government			
Other	535,448	535,255	193
<b>Total Expenditures</b>	<u>560,028</u>	<u>559,835</u>	<u>193</u>
Net Change in Fund Balance	(815)	(559,835)	(559,020)
Fund Balance - Beginning of Year	816	816	-
Prior Year Encumbrances	559,019	559,019	-
<b>Fund Balance - End of Year</b>	<u>\$ 559,020</u>	<u>\$ -</u>	<u>\$ (559,020)</u>

**C CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 OHIO DEPARTMENT OF TRANSPORTATION STATE INFRASTRUCTURE BANK LOAN  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Final</u>		
<b>Expenditures:</b>			
Current:			
Debt Service			
Interest & Fiscal Charges	\$ 12,121	\$ 12,120	\$ 1
Net Change in Fund Balance	\$ (12,121)	\$ (12,120)	\$ 1
Fund Balance - Beginning of Year, Restated	12,120	12,120	-
<b>Fund Balance - End of Year</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ 1</b>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 STATE INFRASTRUCTURE BANK LOAN REPAYMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Hotel Taxes	\$ 210,000	\$ 231,597	\$ 21,597
<b>Expenditures:</b>			
Current:			
Debt Service			
Principal	340,000	335,724	4,276
Interest & Fiscal Charges	55,000	52,872	2,128
<b>Total Expenditures</b>	<u>395,000</u>	<u>388,596</u>	<u>6,404</u>
Net Change in Fund Balance	(185,000)	(156,999)	28,001
Fund Balance - Beginning of Year	1,131,339	1,131,339	-
<b>Fund Balance - End of Year</b>	<u>\$ 946,339</u>	<u>\$ 974,340</u>	<u>\$ 28,001</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 AMERICAN RESCUE PLAN ACT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues:</b>			
Intergovernmental	\$ 686,600	\$ 686,538	\$ (62)
<b>Total Revenues</b>	<u>686,600</u>	<u>686,538</u>	<u>(62)</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
Police and Others:			
Personal Services	212,000	11,625	200,375
Fire			
Personal Services	212,000	8,625	203,375
Total Security of Persons & Property	<u>424,000</u>	<u>20,250</u>	<u>403,750</u>
General Government			
Personal Services	21,125	21,125	-
Other	241,414	143,000	98,414
<b>Total Expenditures</b>	<u>686,539</u>	<u>184,375</u>	<u>502,164</u>
Net Change in Fund Balance	61	502,163	502,102
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ 61</u>	<u>\$ 502,163</u>	<u>\$ 502,102</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 INFORMATION TECHNOLOGY SYSTEM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u></u>
<b>Expenditures:</b>			
Current:			
General Government			
Other	\$ 305	\$ 305	\$ -
Net Change in Fund Balance	(305)	(305)	-
Fund Balance - Beginning of Year	305	305	-
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 LAND AQUISITION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Expenditures:</b>			
Current:			
Debt Service			
Principal	\$ 374,482	\$ 374,481	\$ 1
Interest & Fiscal Charges	5,260	5,255	5
<b>Total Expenditures</b>	<u>379,742</u>	<u>379,736</u>	<u>6</u>
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	<u>415,000</u>	<u>-</u>	<u>(415,000)</u>
Net Change in Fund Balance	35,258	(379,736)	(414,994)
Fund Balance - Beginning of Year	451,881	451,881	-
<b>Fund Balance - End of Year</b>	<u>\$ 487,139</u>	<u>\$ 72,145</u>	<u>\$ (414,994)</u>



**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 EMERY WOODS PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u> Final	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
All Other Revenues	\$ 1,650	\$ -	\$ (1,650)
<b>Expenditures:</b>			
Current:			
Debt Service			
Interest & Fiscal Charges	40,519	40,519	-
Net Change in Fund Balance	(38,869)	(40,519)	(1,650)
Fund Balance - Beginning of Year	40,519	40,519	-
<b>Fund Balance - End of Year</b>	<u>\$ 1,650</u>	<u>\$ -</u>	<u>\$ (1,650)</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
 BUDGET (NON-GAAP BASIS) AND ACTUAL –  
 TOWN CENTER PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Expenditures:</b>			
Current:			
Community Development			
Other	\$ 14,272	\$ 5,000	\$ 9,272
<b>Total Expenditures</b>	<u>14,272</u>	<u>5,000</u>	<u>9,272</u>
Net Change in Fund Balance	\$ (14,272)	\$ (5,000)	\$ 9,272
Fund Balance - Beginning of Year	16,772	16,772	-
Prior Year Encumbrances	2,500	2,500	-
<b>Fund Balance - End of Year</b>	<u>\$ 5,000</u>	<u>\$ 14,272</u>	<u>\$ 9,272</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, 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, 2021**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Expenditures:</b>			
Current:			
Capital Outlay			
Other	\$ 961,000	\$ 942,922	\$ 18,078
Excess of Revenues Over (Under) Expenditures	(961,000)	(942,922)	18,078
<b>Other Financing Sources</b>			
Inception of Capital Lease	680,000	679,575	(425)
Transfers In	300,000	300,000	-
<b>Total Other Financing Sources</b>	<u>980,000</u>	<u>979,575</u>	<u>(425)</u>
Net Change in Fund Balance	19,000	36,653	17,653
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ 19,000</u>	<u>\$ 36,653</u>	<u>\$ 17,653</u>

## **STATISTICAL SECTION**

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
STATISTICAL SECTION  
DECEMBER 31, 2020**

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This part of City's annual comprehensive 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.

<u>Contents</u>	<u>Page(s)</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2-S13
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	S14-S19
<b>Debt Capacity</b> 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.	S20-S26
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S27-S28
<b>Operating Information</b> These schedules contain service 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.	S29-S33

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

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NET POSITION BY COMPONENT  
 ACCRUAL BASIS OF ACCOUNTING  
 LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015 (2)</u>	<u>2016</u>
Governmental activities:					
Net investment in					
Capital assets (1)	\$ 4,741,934	\$ (2,719,265)	\$ (1,660,356)	\$ (413,445)	\$ 4,413,884
Restricted for:					
Capital projects	200,257	229,630	306,185	643,180	74,795
Streets	616,951	632,092	409,723	394,833	396,076
Police and Fire	230,419	288,157	73,187	84,477	142,895
Building Levy	203,745	126,547	45,891	23,996	19,506
Debt Services	1,136,956	1,296,384	1,675,502	4,645,437	1,861,294
Other Purposes	469,722	612,974	597,939	274,504	1,064,971
Unrestricted	<u>(2,676,263)</u>	<u>3,661,396</u>	<u>(5,058,960)</u>	<u>(6,447,325)</u>	<u>(7,929,908)</u>
 Total net position - governmental activities	 <u>\$ 4,923,721</u>	 <u>\$ 4,127,915</u>	 <u>\$ (3,610,889)</u>	 <u>\$ (794,343)</u>	 <u>\$ 43,513</u>

- (1) – Item reported as Invested in capital assets, net of related debt through December 31, 2017.  
 (2) – Restated for GASB Statement No. 68 Implementation  
 (3) – Restated for GASB Statement No. 75 Implementation

**Table 1**

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<u>2017 (3)</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 1,531,320	\$ 3,702,183	\$ 7,587,956	\$ 5,597,454	\$ 3,418,298
637,366	862,412	116,306	839,943	1,309,536
573,835	472,601	774,848	687,740	1,042,959
282,005	232,468	243,605	262,609	290,373
61,988	114,428	182,758	260,591	333,919
4,128,029	1,766,666	1,617,354	1,640,057	2,839,277
937,486	1,195,779	1,019,593	1,172,030	915,311
<u>(24,267,918)</u>	<u>(25,865,387)</u>	<u>(19,091,754)</u>	<u>(21,551,420)</u>	<u>(13,949,459)</u>
<u>\$ (16,115,889)</u>	<u>\$ (17,518,850)</u>	<u>\$ (7,549,334)</u>	<u>\$ (11,090,996)</u>	<u>\$ (3,799,786)</u>

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
CHANGES IN NET POSITION  
ACCRUAL BASIS OF ACCOUNTING  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Program revenues:				
Charges for services				
Security of persons and property				
Police and others	\$ 117,895	\$ 84,406	\$ 102,818	\$ 72,121
Fire	291,371	494,087	485,032	419,462
Leisure time activities	16,793	55,235	58,434	63,865
Community development	20,937	25,210	21,991	19,714
Public works	220	520	60	68
Transportation	-	-	-	-
General government	749,238	420,821	818,026	750,044
Total charges for services	<u>1,196,454</u>	<u>1,080,279</u>	<u>1,486,361</u>	<u>1,325,274</u>
Operating grants and contributions				
Security of persons and property				
Police and others	24,253	19,962	12,080	17,050
Fire	806,566	530,135	-	40,000
Leisure time activities	-	-	-	-
Community development	2,790	5,643	3,680	146,180
Transportation	476,258	482,840	482,853	489,380
General government	25,353	-	-	-
Total operating grants and contributions	<u>1,335,220</u>	<u>1,038,580</u>	<u>498,613</u>	<u>692,610</u>
Capital grants and contributions				
Security of persons and property				
Police and others	-	-	-	-
Community development	-	-	165,260	559
Transportation	-	-	-	-
General government	270,779	137,309	2,670,483	581,364
Total capital grants and contributions	<u>270,779</u>	<u>137,309</u>	<u>2,835,743</u>	<u>581,923</u>
Total program revenues	<u>2,802,453</u>	<u>2,256,168</u>	<u>4,820,717</u>	<u>2,599,807</u>



**Table 2**

2016	2017	2018	2019	2020	2021
\$ 253,964	\$ 137,773	\$ 252,645	\$ 119,311	\$ 111,461	\$ 104,678
505,002	499,474	315,974	529,635	187,537	477,001
67,561	71,246	77,379	73,467	8,225	16,913
574,943	589,967	425,083	613,072	459,788	829,877
62,000	9,000	-	91,019	3,884	-
2,250	12,200	480	1,754	528	-
36,989	42,079	74,259	72,100	105,125	308,147
<u>1,502,709</u>	<u>1,361,739</u>	<u>1,145,820</u>	<u>1,500,358</u>	<u>876,548</u>	<u>1,736,616</u>
6,166	6,000	20,502	-	234,549	162,475
-	-	-	-	377,153	162,475
409,863	90,137	-	-	-	-
5,607	4,185	75,394	5,000	-	2,146
227,320	36,995	779,706	764,296	729,372	797,766
15,740	4,229	815	1,964	254,643	293,357
<u>664,696</u>	<u>141,546</u>	<u>876,417</u>	<u>771,260</u>	<u>1,595,717</u>	<u>1,418,219</u>
-	-	-	5,400	-	-
-	-	-	-	-	-
363,141	131,869	31,966	1,207,477	348,445	409,127
-	108,660	-	-	-	108,660
<u>363,141</u>	<u>240,529</u>	<u>31,966</u>	<u>1,212,877</u>	<u>348,445</u>	<u>517,787</u>
<u>2,530,546</u>	<u>1,743,814</u>	<u>2,054,203</u>	<u>3,484,495</u>	<u>2,820,710</u>	<u>3,672,622</u>

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
CHANGES IN NET POSITION  
ACCRUAL BASIS OF ACCOUNTING (Continued)  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses:				
Security of persons and property				
Police and others	4,905,321	4,734,068	5,163,481	5,421,417
Fire	3,677,433	4,062,419	3,603,854	3,925,081
Public health and welfare	52,001	52,001	65,183	53,085
Leisure time activities	291,803	664,913	697,906	495,965
Community development	470,806	528,141	873,757	961,571
Public works	1,201,675	1,298,203	1,173,154	1,527,105
Transportation	1,680,189	2,429,523	2,637,135	2,004,180
General government	4,745,370	4,364,751	2,411,281	4,164,107
Interest and Fiscal Charges	534,465	1,606,014	876,751	781,460
Total primary government expenses	<u>17,559,063</u>	<u>19,740,033</u>	<u>17,502,502</u>	<u>19,333,971</u>
Net (expense)/revenue	<u>(14,756,610)</u>	<u>(17,483,865)</u>	<u>(12,681,785)</u>	<u>(16,734,164)</u>
General revenues				
Property taxes levied for:				
General purposes	681,322	597,335	560,635	687,313
Debt service	539,409	387,121	317,748	335,894
Other purposes	658,505	516,621	456,484	490,916
Municipal income taxes levied for:				
General purposes	14,228,423	14,526,593	16,169,998	16,576,878
Other Taxes	-	-	-	-
Grants and entitlements				
not restricted to specific programs	586,783	306,927	659,957	679,693
Investment income	26,502	7,879	6,872	14,054
Gain on the sale of capital assets	-	-	-	-
All other revenues	180,058	345,583	231,000	171,522
Total general revenues	<u>16,901,002</u>	<u>16,688,059</u>	<u>18,402,694</u>	<u>18,956,270</u>
Change in net position	<u>\$ 2,144,392</u>	<u>\$ (795,806)</u>	<u>\$ 5,720,909</u>	<u>\$ 2,222,106</u>

**Table 2 (Continued)**

2016	2017	2018	2019	2020	2021
6,480,372	6,764,289	6,362,593	1,801,291	6,554,403	5,802,654
4,250,869	4,365,946	4,402,676	(443,842)	5,019,470	4,335,159
53,085	53,085	58,020	64,189	73,804	73,804
1,142,545	1,103,575	1,032,162	1,133,371	459,579	376,687
865,269	1,035,567	1,675,338	1,412,006	1,130,627	475,483
2,948,804	4,042,109	3,853,307	3,986,195	3,810,021	2,086,500
2,670,273	2,004,261	1,582,197	2,018,172	970,145	627,539
3,447,287	4,907,339	4,497,280	4,745,170	7,303,586	5,224,634
505,598	525,353	624,390	793,590	1,034,594	1,430,073
<u>22,364,102</u>	<u>24,801,524</u>	<u>24,087,963</u>	<u>15,510,142</u>	<u>26,356,229</u>	<u>20,432,533</u>
<u>(19,833,556)</u>	<u>(23,057,710)</u>	<u>(22,033,760)</u>	<u>(12,025,647)</u>	<u>(23,535,519)</u>	<u>(16,759,911)</u>
405,700	463,538	417,337	401,580	460,144	463,565
283,752	392,932	391,614	450,152	456,153	461,724
650,621	671,723	575,572	485,087	620,719	625,525
17,824,264	17,607,661	17,797,030	18,916,565	17,201,265	19,244,124
-	-	-	515,671	338,557	389,132
1,276,788	1,729,668	534,019	586,140	1,829,896	1,771,496
37,654	74,099	129,037	201,320	57,390	5,590
128,686	-	245,998	245,189	248,207	412,495
63,947	87,904	807,744	193,459	1,824,380	677,470
<u>20,671,412</u>	<u>21,027,525</u>	<u>20,898,351</u>	<u>21,995,163</u>	<u>23,036,711</u>	<u>24,051,121</u>
<u>\$ 837,856</u>	<u>\$ (2,030,185)</u>	<u>\$ (1,135,409)</u>	<u>\$ 9,969,516</u>	<u>\$ (498,808)</u>	<u>\$ 7,291,210</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 FUND BALANCES, GOVERNMENTAL FUNDS -  
 MODIFIED ACCRUAL BASIS OF ACCOUNTING  
 LAST TEN YEARS**

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	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General fund:				
Nonspendable	\$ 346,317	\$ 224,285	\$ 240,079	\$ 372,040
Assigned	40,900	144,018	165,860	1,735,968
Unassigned	<u>4,859,616</u>	<u>4,926,154</u>	<u>6,663,466</u>	<u>6,035,565</u>
Total general fund	<u>5,246,833</u>	<u>5,294,457</u>	<u>7,069,405</u>	<u>8,143,573</u>
All other governmental funds:				
Nonspendable	-	-	-	-
Restricted	2,204,901	1,253,835	925,964	1,365,745
Committed	168,120	159,588	214,296	194,996
Unassigned (Deficit)	<u>(88,578)</u>	<u>(3,089,735)</u>	<u>(882,616)</u>	<u>(2,386,056)</u>
Total all other governmental funds	<u>2,284,443</u>	<u>(1,676,312)</u>	<u>257,644</u>	<u>(825,315)</u>
Total governmental funds	<u><u>\$ 7,531,276</u></u>	<u><u>\$ 3,618,145</u></u>	<u><u>\$ 7,327,049</u></u>	<u><u>\$ 7,318,258</u></u>

**Table 3**

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 944,501	\$ 857,919	\$ 1,012,638	\$ 1,909,519	\$ 916,540	\$ 1,049,634
935,889	301,710	1,543,313	1,852,800	880,604	816,363
<u>6,741,663</u>	<u>6,622,333</u>	<u>5,517,741</u>	<u>3,689,894</u>	<u>4,862,730</u>	<u>9,229,591</u>
<u>8,622,053</u>	<u>7,781,962</u>	<u>8,073,692</u>	<u>7,452,213</u>	<u>6,659,874</u>	<u>11,095,588</u>
-	-	-	-	-	2,145
1,362,755	1,368,376	1,859,606	1,905,206	2,794,896	3,328,316
190,361	176,271	169,287	248,314	238,141	246,392
<u>(2,543,979)</u>	<u>(2,153,944)</u>	<u>(2,172,492)</u>	<u>(2,941,884)</u>	<u>(2,127,770)</u>	<u>(3,901,984)</u>
<u>(990,863)</u>	<u>(609,297)</u>	<u>(143,599)</u>	<u>(788,364)</u>	<u>905,267</u>	<u>(325,131)</u>
<u>\$ 7,631,190</u>	<u>\$ 7,172,665</u>	<u>\$ 7,930,093</u>	<u>\$ 6,663,849</u>	<u>\$ 7,565,141</u>	<u>\$ 10,770,457</u>

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS -  
MODIFIED BASIS OF ACCOUNTING  
LAST TEN YEARS**

	2012	2013	2014	2015
<b>Revenues:</b>				
Property Taxes and Other Local Taxes	\$ 1,669,752	\$ 1,920,190	\$ 1,707,323	\$ 1,595,845
Income Taxes	14,165,018	14,233,365	15,872,496	16,689,455
Intergovernmental	2,084,485	1,628,155	1,266,054	1,311,829
Interest	26,502	7,879	6,872	14,054
Licenses and Permits	256,690	351,843	812,181	603,691
Fines and Forfeitures	586,020	221,822	170,812	138,794
Rentals	-	-	-	-
Charges for Services	490,120	458,069	498,852	603,209
Special Assessments	184,610	107,969	341,708	520,889
All Other Revenues	55,646	352,009	233,527	149,447
<b>Total Revenues</b>	<b>19,518,843</b>	<b>19,281,301</b>	<b>20,909,825</b>	<b>21,627,213</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Security of persons and property				
Police and others	4,909,799	4,652,818	5,177,961	5,353,511
Fire	3,726,203	4,000,675	3,552,650	3,774,899
Public health and welfare	52,001	52,001	53,085	53,085
Leisure time activities	276,706	437,558	470,772	445,491
Community development	488,755	506,859	736,622	1,002,863
Public works	1,186,379	1,274,543	1,186,403	1,485,708
Transportation	2,290,622	2,705,284	2,809,577	2,221,014
General government	3,470,257	3,808,277	3,536,088	4,194,991
Capital Outlay	3,611,711	318,538	358,256	105,879
<b>Debt Service:</b>				
Principal retirement	20,605,060	28,977,060	2,625,000	2,621,541
Interest and fiscal charges	894,883	1,161,616	934,422	827,848
Bond issuance costs	44,227	584,403	-	-
<b>Total expenditures</b>	<b>41,556,603</b>	<b>48,479,632</b>	<b>21,440,836</b>	<b>22,086,830</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(22,037,760)</b>	<b>(29,198,331)</b>	<b>(531,011)</b>	<b>(459,617)</b>

**Table 4**

2016	2017	2018	2019	2020	2021
\$ 1,744,604	\$ 1,677,400	\$ 1,893,496	\$ 2,014,837	\$ 1,859,818	\$ 1,931,874
17,800,538	17,829,418	17,802,827	18,992,918	16,484,233	19,698,733
1,632,792	1,543,486	1,396,971	1,271,550	4,489,597	3,393,348
26,828	74,544	129,037	201,320	57,390	5,590
380,903	380,380	263,303	397,779	228,980	664,233
253,846	137,641	279,017	133,826	137,639	128,587
193,250	196,600	170,550	228,205	254,315	471,900
672,962	575,551	581,680	695,861	497,644	548,660
430,546	176,004	202,499	414,638	418,010	512,496
66,136	87,904	297,239	193,459	1,824,380	677,470
<u>23,202,405</u>	<u>22,678,928</u>	<u>23,016,619</u>	<u>24,544,393</u>	<u>26,252,006</u>	<u>28,032,891</u>
5,867,392	6,011,557	5,451,431	5,789,119	6,300,873	5,807,461
3,860,674	4,049,991	3,721,429	4,168,269	4,516,667	4,234,885
53,085	53,085	58,020	64,189	73,804	73,804
888,433	769,368	712,525	745,003	389,808	356,672
850,694	928,466	1,590,050	1,238,312	989,773	922,583
2,602,683	3,654,007	3,488,250	3,332,570	3,181,801	3,531,077
2,175,556	1,943,116	1,531,068	1,899,566	825,412	492,795
3,219,241	3,989,601	3,811,516	3,900,967	6,674,372	5,421,725
4,031,299	478,837	185,505	2,533,816	18,019,416	2,270,593
821,131	1,080,547	1,118,474	1,556,521	1,721,117	1,994,255
757,822	755,615	805,221	790,118	1,055,721	1,300,104
17,686	26,760	31,700	37,376	12,950	22,048
<u>25,145,696</u>	<u>23,740,950</u>	<u>22,505,189</u>	<u>26,055,826</u>	<u>43,761,714</u>	<u>26,428,002</u>
<u>(1,943,291)</u>	<u>(1,062,022)</u>	<u>511,430</u>	<u>(1,511,433)</u>	<u>(17,509,708)</u>	<u>1,604,889</u>

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS -  
 MODIFIED BASIS OF ACCOUNTING (Continued)  
 LAST TEN YEARS**

	2012	2013	2014	2015
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Inception of Capital lease	305,000	318,538	187,290	-
Certificates of Participation issued	11,717,000	11,700,000	1,800,000	1,700,000
Bond anticipation notes issued	14,550,060	2,610,000	-	-
Land acquisition notes issued	-	100,000	-	450,000
SIB Loan Issued	-	-	-	-
OPWC Loan Issued	-	-	-	-
Refunding notes issued	-	-	-	-
General obligation bonds issued	-	10,070,000	2,095,000	-
Premium on debt issuance	174,447	486,662	157,625	16,745
Current refunding	-	-	-	-
Transfers in	6,756,346	1,385,857	1,989,457	2,378,807
Transfers out	(6,756,346)	(1,385,857)	(1,989,457)	(2,378,807)
Total other financing sources (uses)	<u>26,746,507</u>	<u>25,285,200</u>	<u>4,239,915</u>	<u>2,166,745</u>
Net change in fund balances	<u>\$ 4,708,747</u>	<u>\$ (3,913,131)</u>	<u>\$ 3,708,904</u>	<u>\$ 1,707,128</u>
Debt service as a percentage of noncapital expenditures	55.83%	62.85%	17.58%	16.10%



**Table 4 (Continued)**

2016	2017	2018	2019	2020	2021
251,802	1,000	245,998	245,189	248,207	412,495
77,025	1,187,932	-	-	17,450,000	1,187,932
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,927,396	602,497	-	-	-	-
-	-	-	-	450,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,066,814	2,088,033	2,268,798	3,229,260	1,788,065	3,506,000
(2,066,814)	(2,088,033)	(2,268,798)	(3,229,260)	(1,788,065)	(3,506,000)
<u>2,256,223</u>	<u>1,791,429</u>	<u>245,998</u>	<u>245,189</u>	<u>18,148,207</u>	<u>1,600,427</u>
<u>\$ 312,932</u>	<u>\$ 729,407</u>	<u>\$ 757,428</u>	<u>\$ (1,266,244)</u>	<u>\$ 638,499</u>	<u>\$ 3,205,316</u>
7.25%	7.95%	8.62%	9.98%	10.95%	13.26%

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 ASSESSED VALUATIONS AND ESTIMATED ACTUAL VALUES OF TAXABLE  
 PROPERTY  
 LAST TEN YEARS**

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU			Assessed Value
2012	\$ 114,113,300	\$ 148,000,100	\$ 748,895,429	\$ 6,363,060	\$ 7,230,750
2013	80,562,990	138,384,370	625,563,886	6,897,690	7,838,284
2014	80,172,290	141,778,880	634,146,200	7,924,770	9,005,420
2015	79,884,880	134,848,560	613,524,114	8,154,550	9,266,534
2016	73,126,970	130,974,830	583,148,000	8,299,220	9,430,932
2017	73,739,210	135,432,590	597,633,714	8,768,870	9,964,625
2018	74,993,660	131,051,340	588,700,000	9,303,430	10,572,080
2019	84,615,600	149,297,660	668,323,600	9,655,450	10,972,102
2020	84,197,110	149,797,330	668,555,543	10,311,730	11,717,875
2021	84,023,650	150,111,910	668,958,743	10,989,280	12,487,818

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

The assessed value of real property (including public utility real property) is 35% of estimated true value. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories.

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

Source: Cuyahoga County, Ohio; County Fiscal Office

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**Table 5**

	Total			Total
Assessed Value	Estimated Actual Value	Ratio	Total Direct Tax Rate	
\$ 268,476,460	\$ 756,126,179	35.51	9.70	
225,845,050	633,402,170	35.66	9.70	
229,873,940	623,434,276	36.87	9.70	
222,887,990	622,790,648	35.78	9.70	
212,401,020	592,578,932	35.84	9.70	
217,940,670	607,598,339	35.87	9.70	
215,348,430	599,272,080	35.94	9.70	
243,568,710	679,295,702	35.86	9.70	
244,306,170	680,273,418	35.91	9.70	
245,124,840	681,446,561	35.97	9.70	

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES (Per \$1,000 of Assessed Valuation)  
 LAST TEN YEARS**

**Table 6**

Collection Year	City of Warrensville Heights				Warrensville Heights School District	Orange City School District	Cuyahoga County	Special (2) Taxing Districts	Total Tax Levy
	General Fund	Special Funds (1)	Debt Service	Total Levy					
2012	2.90	4.10	2.70	9.70	89.00	91.10	13.22	7.58	210.60
2013	3.60	4.10	2.00	9.70	89.00	91.10	13.22	7.58	210.60
2014	3.60	4.10	2.00	9.70	91.80	91.10	14.05	8.48	215.13
2015	3.60	4.10	2.00	9.70	91.70	91.20	14.05	9.38	216.03
2016	3.60	4.10	2.00	9.70	92.40	91.20	14.05	9.38	216.73
2017	3.60	4.10	2.00	9.70	92.40	91.20	14.05	9.38	216.73
2018	3.60	3.60	2.50	9.70	93.20	91.20	14.05	9.88	218.03
2019	3.60	3.60	2.50	9.70	99.70	91.00	14.05	9.88	224.33
2020	3.60	3.60	2.50	9.70	98.40	91.00	14.05	4.90	218.05
2021	3.60	3.60	2.50	9.70	97.80	90.90	14.85	11.28	224.53

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) Policy Levy, Fire Levy, Street Lighting, Building Levy, Fire Pension, and Police Pension special revenue funds

(2) Cleveland Metro Parks, Cuyahoga County Library, Cuyahoga Community College and Cleveland-Cuyahoga Port Authority

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

Year	Current Tax Levy	Current Collections	Percentage of Current Collections To Current Levy	Delinquent Tax Collection	Total Tax Collection	Percentage of Total Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	<b>Table 7</b> Percentage of Delinquent Taxes to Total Tax Levy
2012	\$ 1,671,028	\$ 1,291,783	77.30%	\$ 139,276	\$ 1,431,059	85.64%	\$ 950,335	56.87%
2013	2,455,753	1,220,594	49.70%	395,845	1,616,439	65.82%	662,824	26.99%
2014	2,264,718	1,352,331	59.71%	153,636	1,505,967	66.50%	447,462	19.76%
2015	2,061,817	1,393,725	67.60%	132,815	1,526,540	74.04%	358,650	17.39%
2016	1,991,939	1,436,198	72.10%	104,700	1,540,898	77.36%	347,356	17.44%
2017	1,886,663	1,633,483	86.58%	87,209	1,720,692	91.20%	500,834	26.55%
2018	1,897,393	1,630,432	85.93%	246,283	1,876,715	98.91%	502,367	26.48%
2019	1,968,151	1,870,994	95.06%	248,583	2,119,577	107.69%	340,020	17.28%
2020	1,979,160	1,881,047	95.04%	366,060	2,247,107	113.54%	355,774	17.98%
2021	1,999,433	1,914,335	95.74%	101,738	2,016,073	100.83%	377,047	18.86%

Source: Cuyahoga County, Ohio; County Fiscal Office

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

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 PRINCIPAL TAXPAYERS – REAL ESTATE TAX  
 2021 AND 2012**

**Table 8**

Name of Taxpayer	December 31, 2021	
	Assessed Value (1)	Percent of Total Assessed Value
JP JLP Harvard Park, LLC	11,643,280	4.97%
Cleveland East Hotel	10,381,290	4.43%
Cleveland Illuminating Company	8,036,910	3.43%
Highlands Woods NS, LLC	7,601,740	3.25%
Granada Apartments LTD	8,365,200	3.57%
Clarkwood Apartment Ltd	6,706,520	2.86%
Ellacott Parkway Holdings LLC	4,445,090	1.90%
LBMK Properties LLC	4,153,740	1.77%
Sherwin-Williams Automotive	3,319,200	1.42%
Highlands Business Park Property LLC	3,143,080	1.34%
Total	\$ 67,796,050	28.94%
Assessed Value	\$ 234,135,560	

Name of Taxpayer	December 31, 2012	
	Assessed Value	Percent of Total Assessed Value
JP JLP Harvard Park, LLC	\$ 13,009,150	4.96%
Cleveland East Hotel	10,510,710	4.01%
Meridia Health System	7,131,530	2.72%
Highlands Woods NS, LLC	6,346,600	2.42%
Cleveland Illuminating Company	5,422,650	2.07%
Clarkwood Appartments	4,987,570	1.90%
Granada Apartments Company	4,460,770	1.70%
Overlook Court, LP	4,086,580	1.56%
Sherwin-Williams Automotive	3,133,550	1.20%
Galaxy Dev. Limited	2,825,010	1.08%
Total	\$ 61,914,120	23.62%
Assessed Value	\$ 262,113,400	

Source: Cuyahoga County, Ohio; County Fiscal Office  
 (1) Latest information available

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
INCOME TAX REVENUE BASE COLLECTIONS  
LAST TEN YEARS**

**Table 9**

<u>Tax Year</u>	<u>Tax Rate (1)</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes from Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2012	2.60	\$ 13,398,636	\$ 10,805,480	80.65%	\$ 1,230,748	9.19%	\$ 1,360,394	10.15%
2013	2.60	13,696,569	11,364,475	82.97%	1,324,053	9.67%	1,008,041	7.36%
2014	2.60	15,103,264	11,854,771	78.49%	1,926,434	12.76%	1,322,058	8.75%
2015	2.60	15,968,752	12,401,242	77.66%	2,187,643	13.70%	1,379,866	8.64%
2016	2.60	16,607,036	12,223,229	73.60%	2,154,043	12.97%	1,445,887	8.71%
2017	2.60	16,558,002	13,341,371	80.57%	1,844,681	11.14%	1,371,950	8.29%
2018	2.60	17,346,368	13,839,779	79.78%	2,250,732	12.98%	1,255,856	7.24%
2019	2.60	17,552,442	14,087,855	80.26%	2,100,002	11.96%	1,364,584	7.77%
2020	2.60	16,946,162	14,105,584	83.24%	1,737,047	10.25%	1,103,531	6.51%
2021	2.60	17,091,627	14,114,302	82.58%	2,256,677	13.20%	720,648	4.22%

(1) The City is statutorily prohibited from presenting individual taxpayers.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
RATIO OF OUTSTANDING DEBT TO TOTAL PERSONAL INCOME AND DEBT PER  
CAPITA  
LAST TEN YEARS**

**Table 10**

Fiscal Year	Governmental Activities					Total	Personal Income	Percentage of Personal Income	Per Population	Per Capita
	General Obligation Bonds	C.O.P.s	Long-term Notes	Long-term Loans	Capital Leases					
2012	\$ -	\$11,730,214	\$14,581,781	\$ -	\$ 877,710	\$27,189,705	\$ 263,432,526	10.32%	\$ 13,542	\$2,008
2013	10,358,021	11,833,077	-	-	992,469	23,183,567	255,293,784	9.08%	13,542	1,712
2014	11,845,623	11,708,443	-	-	879,018	24,433,084	268,551,402	9.10%	13,542	1,804
2015	11,081,062	11,605,465	-	368,459	605,607	23,660,593	275,728,662	8.58%	13,542	1,747
2016	10,321,501	9,885,476	-	2,209,828	442,830	22,859,635	280,387,110	8.15%	13,542	1,688
2017	9,526,940	9,881,406	-	2,722,395	222,213	22,352,954	282,079,860	7.92%	13,542	1,651
2018	8,942,379	9,777,336	-	2,611,557	142,129	21,473,401	285,682,032	7.52%	13,542	1,586
2019	8,207,818	9,408,266	-	2,185,408	86,757	19,888,249	291,329,046	6.83%	13,542	1,469
2020	7,453,257	9,024,196	-	2,297,741	17,263,307	36,038,501	315,630,210	11.42%	13,789	2,614
2021	6,693,696	8,625,126	-	1,904,868	17,979,857	35,203,547	319,408,396	11.02%	13,789	2,553

Note: Population and Personal Income data are presented in Table 15.



**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
RATIO OF GENERAL OBLIGATION BONDED DEBT TO ESTIMATED ACTUAL VALUE  
OF TAXABLE PROPERTY AND BONDED DEBT PER CAPITA  
LAST TEN YEARS**

**Table 11**

Year	Population (1)		Estimated Actual Value of Taxable Property (2)	General Obligation Debt (3)	Resources Available for Repayment	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt per Capita
2012	13,542	a	\$ 756,126,179	\$ 11,730,214	-	\$ 11,730,214	1.55%	\$ 866
2013	13,542	a	633,402,170	22,191,098	-	22,191,098	3.50%	1,638.69
2014	13,542	a	623,434,276	23,554,066	-	23,554,066	3.78%	1,739.33
2015	13,542	a	622,790,648	22,686,527	-	22,686,527	3.64%	1,675.27
2016	13,542	a	592,578,932	20,206,977	-	20,206,977	3.41%	1,492.17
2017	13,542	a	607,598,339	19,408,346	-	19,408,346	3.19%	1,433.20
2018	13,542	a	599,272,080	18,719,715	-	18,719,715	3.12%	1,382.34
2019	13,542	a	679,295,702	17,616,084	-	17,616,084	2.59%	1,300.85
2020	13,789	b	680,273,418	16,477,453	-	16,477,453	2.42%	1,194.97
2021	13,789	b	681,446,561	15,318,822	-	15,318,822	2.25%	1,110.95

Sources:

(1) U. S. Bureau of Census, Census of Population

a. 2010 Census

b. 2020 Census

(2) Cuyahoga County, Ohio; County Fiscal Office

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
LEGAL DEBT MARGIN  
LAST TEN YEARS**

	2012	2013	2014	2015
Assessed Valuation	\$ 268,476,460	\$ 225,845,050	\$ 229,873,940	\$ 222,887,990
Overall debt limit - 10.5% of assessed value	\$ 28,190,028	\$ 23,713,730	\$ 24,136,764	\$ 23,403,239
Debt Outstanding:				
General obligation bonds	-	10,358,021	11,845,623	11,081,062
Certificate of participation	11,730,885	11,833,077	11,708,443	11,605,465
Real property acquisition notes	-	100,000	215,000	-
Bond anticipation notes	14,565,060	3,655,000	1,560,000	1,515,000
Total gross indebtedness	26,295,945	25,946,098	25,329,066	24,201,527
Less:				
Notes issued in anticipation of the levy or collection of municipal income taxes	(9,170,060)	(3,755,000)	(1,775,000)	(1,515,000)
Bonds and notes issued in anticipation of the levy or collection of special assessments (excluding city's portion)	(5,241,000)	-	-	-
Certificates of participation	(11,730,885)	(11,833,077)	(11,708,443)	(11,605,465)
General obligation bond retirement fund balance	-	-	-	-
Total net debt applicable to debt limit	154,000	10,358,021	11,845,623	11,081,062
Legal Debt Margin within 10 1/2% limitations	\$ 28,036,028	\$ 13,355,709	\$ 12,291,141	\$ 12,322,177
Legal debt margin as a percentage of the debt limit	99.45%	56.32%	50.92%	52.65%

**Table 12**

2016	2017	2018	2019	2020	2021
<u>\$ 212,401,020</u>	<u>\$ 217,940,670</u>	<u>\$ 215,348,430</u>	<u>\$ 243,568,710</u>	<u>\$ 244,306,170</u>	<u>\$ 245,124,840</u>
\$ 22,302,107	\$ 22,883,770	\$ 22,611,585	\$ 25,574,715	\$ 25,652,148	\$ 25,738,108
10,321,501	9,526,940	8,942,379	8,207,818	7,453,257	6,693,696
9,885,476	9,881,406	9,777,336	9,408,266	9,024,196	8,625,126
-	-	-	-	-	-
<u>2,790,389</u>	<u>2,659,000</u>	<u>2,399,000</u>	<u>2,015,000</u>	<u>3,795,000</u>	<u>3,230,000</u>
22,997,366	22,067,346	21,118,715	19,631,084	20,272,453	18,548,822
(2,790,389)	(2,659,000)	(2,399,000)	(2,015,000)	(3,795,000)	(3,230,000)
-	-	-	-	-	-
(9,885,476)	(9,881,406)	(9,777,336)	(9,408,266)	(9,024,196)	(8,625,126)
-	-	-	-	-	-
<u>10,321,501</u>	<u>9,526,940</u>	<u>8,942,379</u>	<u>8,207,818</u>	<u>7,453,257</u>	<u>6,693,696</u>
<u>\$ 11,980,606</u>	<u>\$ 13,356,830</u>	<u>\$ 13,669,206</u>	<u>\$ 17,366,897</u>	<u>\$ 18,198,891</u>	<u>\$ 19,044,412</u>
53.72%	58.37%	60.45%	67.91%	70.94%	73.99%

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
LEGAL DEBT MARGIN (Continued)  
LAST TEN YEARS**

	2012	2013	2014	2015
Debt Limit - 5.5% of assessed unvoted value	\$ 14,766,205	\$ 12,421,478	\$ 12,643,067	\$ 12,258,839
Gross indebtedness authorized by council:				
Notes issued in anticipation of the levy or collection of municipal income taxes	26,295,945	25,946,098	25,329,066	24,201,527
Bonds and notes issued in anticipation of the levy or collection of special assessments (excluding city's portion)	(9,170,060)	(3,755,000)	(1,775,000)	(1,515,000)
Certificates of participation	(5,241,000)	-	-	-
General obligation bond retirement fund balance	(11,730,885)	(11,833,077)	(11,708,443)	(11,605,465)
Net debt within 5.5% limit	-	-	-	-
	<u>154,000</u>	<u>10,358,021</u>	<u>11,845,623</u>	<u>11,081,062</u>
Unvoted legal debt margin within 5 1/2% limitations	<u>\$ 14,612,205</u>	<u>\$ 2,063,457</u>	<u>\$ 797,444</u>	<u>\$ 1,177,777</u>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	98.96%	16.61%	6.31%	9.61%

**Source:** City Financial Records

**Table 12 (Continued)**

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 11,682,056	\$ 11,986,737	\$ 11,844,164	\$ 13,396,279	\$ 13,436,839	\$ 13,481,866
22,997,366	22,067,346	21,118,715	19,631,084	20,272,453	18,548,822
(2,790,389)	(2,659,000)	(2,399,000)	(2,015,000)	(3,795,000)	(3,230,000)
-	-	-	-	-	-
(9,885,476)	(9,881,406)	(9,777,336)	(9,408,266)	(9,024,196)	(8,625,126)
-	-	-	-	-	-
<u>10,321,501</u>	<u>9,526,940</u>	<u>8,942,379</u>	<u>8,207,818</u>	<u>7,453,257</u>	<u>6,693,696</u>
<u>\$ 1,360,555</u>	<u>\$ 2,459,797</u>	<u>\$ 2,901,785</u>	<u>\$ 5,188,461</u>	<u>\$ 5,983,582</u>	<u>\$ 6,788,170</u>
11.65%	20.52%	24.50%	38.73%	44.53%	50.35%

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES  
 DEBT  
 DECEMBER 31, 2021**

**Table 13**

<u>Jurisdiction</u>	Governmental Activities Debt Outstanding	(1) Percentage Applicable to City of Warrensville Heights	Amount Applicable to City of Warrensville Heights
<b>Direct Debt:</b>			
City of Warrensville Heights			
General Obligation Bonds	\$ 6,693,696	100.00%	\$ 6,693,696
Certificates of Participation	8,625,126	100.00%	8,625,126
Capital leases	17,979,857	100.00%	17,979,857
Loans Payable	1,904,868	100.00%	1,904,868
<b>Total Direct Debt</b>	<u>35,203,547</u>		<u>35,203,547</u>
<b>Overlapping Debt:</b>			
Warrensville Heights City School District	52,020,411	65.18%	33,908,985
Orange City School District	6,215,984	0.72%	44,713
Cuyahoga County	254,150,000	0.78%	1,972,366
Cuyahoga Community College	195,825,000	0.78%	1,519,727
<b>Total overlapping debt</b>	<u>508,211,395</u>		<u>37,445,791</u>
<b>Total</b>	<u>\$ 543,414,942</u>		<u>\$ 72,649,338</u>

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
PRINCIPAL TAXPAYERS  
2021 AND 2012**

**Table 14**

<u>Employer</u>	2021 (1)	
	<u>Employees</u>	<u>Percentage of</u>
Sherwin-Williams Co.	657	5.68%
Cleveland Clinic Foundation	501	4.33%
Heinen's Inc.	530	4.58%
University Hospital Health System	530	4.58%
Warrensville Heights Board of Education	375	3.24%
Marcus Thomas LLC	199	1.72%
Horizons Incorporated	200	1.73%
Cleveland Holdings LLC	175	1.51%
City of Warrensville Heights	179	1.55%
GE Precision Healthcare	99	0.86%
Total	<u>3445</u>	<u>29.78%</u>
Total City Employment	<u><u>11577</u></u>	<u><u>100.00%</u></u>
<u>Employer</u>	2012	
	<u>Employees</u>	<u>Percentage of</u>
Cleveland Clinic Foundation	1,603	12.97%
Warrensville Heights Board of Education	442	3.58%
Group Management Services	427	3.46%
University Hospital Health System	347	2.81%
Sherwin-Williams Co.	336	2.72%
Heinen's Inc.	267	2.16%
Progressive Interchange Healthcare Inc.	245	1.98%
Select Employee Services	240	1.94%
GMRI/Olive Garden	201	1.63%
Cleveland East Hotel	154	1.25%
Total	<u>4,262</u>	<u>34.49%</u>
Total City Employment	<u><u>12,357</u></u>	<u><u>100.00%</u></u>

Source: Regional Income Tax Agency (RITA)

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS**

**Table 15**

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Total Assessed Property Value
2012	13,542 a	\$ 263,432,526	\$ 19,453	\$ 36,461	39.2	14.40	1,700	6.6%	\$ 268,476,460
2013	13,542 a	255,293,784	18,852	35,926	39.2	15.50	1,657	7.0%	225,845,060
2014	13,542 a	268,551,402	19,831	35,461	39.6	15.40	1,432	6.9%	229,873,940
2015	13,542 a	275,728,662	20,361	35,143	39.6	17.60	1,416	4.0%	222,887,990
2016	13,542 a	280,387,110	20,705	35,181	38.3	19.40	1,531	5.3%	212,401,020
2017	13,542 a	282,079,860	20,830	35,733	37.8	17.20	1,539	5.9%	217,940,670
2018	13,542 a	285,682,032	21,096	35,871	37.8	18.80	1,640	5.0%	215,348,430
2019	13,542 a	291,329,046	21,513	34,814	37.8	17.00	1,647	3.6%	243,568,710
2020	13,789 b	315,630,210	22,890	38,433	37.8	17.00	1,673	8.3%	244,306,170
2021	13,789 b	319,408,396	23,164	39,919	37.8	17.50	1,750	4.9%	245,124,840

Sources:

(1) U. S. Bureau of Census, Census of Population

a. 2010 Census

b. 2020 Census

(2) Ohio Department of Education for Warrensville Heights City School District

(3) U. S. Bureau of Labor Statistics

(4) Total Personal Income is calculated by multiplying Population times Personal Income per Capita



**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS**

**Table 16**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/program:										
Security of persons and property:										
Police and others:										
Total calls for services	14,470	15,514	15,842	19,245	20,691	20,715	20,068	21,638	17,668	17,861
Number of traffic citations issued	1,765	1,951	1,809	1,483	2,921	3,084	2,239	2,112	2,112	1,855
Number of parking citations issued	762	768	811	1,919	1,716	1,457	1,535	1,725	1,725	1,369
Number of criminal arrests	593	642	670	783	379	896	674	688	211	161
Number of accident reports completed	763	725	1,018	1,154	1,225	1,367	1,251	1,320	506	496
Part 1 offenses (major offenses)	554	560	568	7	774	869	783	765	64	28
DUI arrests	17	12	24	112	30	39	42	33	13	10
Prisoners	76	43	40	-	496	619	653	630	301	309
Prisoner meal costs	\$ -	\$ -	\$ -	\$ -	\$ 10,836	\$ 12,234	\$ 8,795	\$ 6,083	\$ 3,450	\$ 3,260
Motor vehicle accidents	763	725	1,018	1,154	1,225	1,367	1,345	1,412	506	496
Property damage accident	684	680	725	630	191	247	327	355	278	93
Fatalities from motor vehicle accident	-	-	1	-	-	-	-	2	2	1
Gasoline costs of fleet	\$ 28,211	\$ 59,474	\$ 51,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community diversion program youths	18	16	14	15	20	30	16	14	3	7
Community diversion program - service hours	490	478	385	425	450	467	389	425	40	32
Fire:										
EMS calls	1,899	1,950	2,037	2,227	2,494	2,587	2,781	3,006	2,900	2,835
Ambulance billing collections (net)	\$ 353,520	\$ 411,455	\$ 385,632	\$ 403,302	\$ 441,205	\$ 430,752	\$ 461,781	\$ 411,849	\$ 412,299	\$ 422,971
Fire calls	519	509	498	668	635	649	666	540	644	734
Fires with loss	41	12	14	3	7	35	41	36	30	8
Fires with losses exceeding \$10k	12	7	6	1	5	31	17	22	8	5
Fire losses	\$ 580,000	\$ 672,300	\$ 687,000	\$ 96,430	\$ 148,699	\$ 1,200,900	\$ 1,155,000	\$ 1,300,000	\$ 316,500	\$ 137,500
Fire safety inspections	49	83	85	211	171	125	212	207	103	202
Number of times mutual aid given to fire and EMS	4	14	27	19	16	19	23	36	64	66
Number of times mutual aid received for fire and EMS	19	18	38	56	61	78	107	92	105	127

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
OPERATING INDICATORS BY FUNCTION/PROGRAM (Continued)  
LAST TEN YEARS**

**Table 16 (Continued)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Basic Utility Services:</b>										
Refuse disposal per year (in tons)	3,987	4,051	4,070	3,051	3,010	2,718	2,921	2,586	3,088	3,207
Refuse disposal costs per year (calendar year)	\$ 147,021	\$ 189,566	\$ 153,703	\$ 161,650	\$ 419,379	\$ 554,896	\$ 523,524	\$ 526,803	\$ 540,565	\$ 619,938
Annual recycling tonnage (excluding leaf and compost items)	107	112	88	76	398	534	551	471	597.61	707
Percentage of waste recycled	2.61%	2.75%	2.13%	2.16%	13.23%	5.20%	16.00%	15.40%	16.00%	17.99%
<b>Transportation:</b>										
Street repair (curbs, aprons, berms, asphalt) (hours)	520	2,116	1,950	877	973	720	630	1808	968	1860
Guardrail repair (hours)	60	10	5	2	3	16	3	5	0	0
Paint striping (hours)	150	200	150	256	328	1,260	480	1136	760	956
Street sweeper (hours)	625	400	350	317	784	560	556	920	400	500
Cold patch (hours)	725	800	620	344	398	144	640	948	720	600
Snow and ice removal overtime hours	2,145	1,500	1,800	3,265	1,534	1,856	1,233	636	700	720
Landscaping stump-chipper service (hours)	50	754	800	1,789	1,238	2,064	1,054	2,100	2,840	2,740
Holiday lights setup (hours)	86	196	200	261	181	144	732	336	308	120
Sign department (hours)	60	200	220	180	120	1,004	552	708	400	1460
Number of trees planted per year	-	5	10	5	28	30	10	2	1	0
Tons of snow melting salt purchased (Nov - Mar)	5,600	7,000	7,000	4,525	4,066	6,000	6,000	4,200	4,200	4,700
Cost of salt purchased	\$ 190,512	\$ 230,388	\$ 161,313	\$ 295,216	\$ 205,081	\$ 168,000	291,420	310,800	229,488	175,686
<b>General government:</b>										
<b>Council and clerk:</b>										
Number of ordinances passed	188	134	139	165	179	166	127	175	184	215
Number of resolutions passed	50	30	23	66	77	57	49	56	71	51

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
OPERATING INDICATORS BY FUNCTION/PROGRAM (Continued)  
LAST TEN YEARS**

**Table 16 (Continued)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Finance department:										
Number of checks/vouchers issued	2,407	2,621	2,736	2,887	2,976	2,988	3,185	3,198	2,698	2,650
Amount of checks written	\$ 10,442,701	\$ 7,238,615	\$ 5,348,674	\$ 7,076,524	\$ 10,530,470	\$ 8,627,601	\$ 8,714,435	\$ 10,321,888	\$ 9,622,638	\$ 9,992,980
General fund interest earnings for fiscal year (cash basis)	\$ 8,476	\$ 7,878	\$ 6,639	\$ 123,553	\$ 30,085	\$ 76,597	\$ 139,990	\$ 166,651	\$ 69,383	\$ 19,192
Number of receipts issued	3,502	3,427	3,869	4,795	4,619	4,290	3,997	4,344	3,270	1,603
Number of budget adjustments issued	30	50	6	3	5	83	13	18	23	20
Agency rating - Moody's financial services	A-1	A-1	A-1	A-1	A-1	A-1	A-1	A-2	A-2	A-2
Health insurance costs vs. general fund expenditures (cash basis)	8.56%	9.40%	9.10%	10.09%	9.88%	9.47%	10.78%	12.00%	10.00%	11.00%
General Fund receipts (cash basis)	\$ 15,559,787	\$ 16,516,049	\$ 17,984,776	\$ 19,584,225	\$ 19,635,744	\$ 20,478,751	\$ 20,639,441	\$ 21,554,286	\$ 23,751,092	\$ 23,955,454
General Fund expenditures (cash basis)	\$ 14,716,911	\$ 15,815,121	\$ 16,555,825	\$ 18,480,253	\$ 19,450,905	\$ 20,651,242	\$ 21,099,041	\$ 20,595,931	\$ 22,818,640	\$ 22,223,790
General Fund cash balances	\$ 2,911,044	\$ 3,089,881	\$ 4,291,087	\$ 5,396,290	\$ 4,988,658	\$ 4,930,484	\$ 4,621,605	\$ 3,362,970	\$ 4,295,422	\$ 5,970,583
Building department indicators:										
Construction permits issued	609	282	667	932	795	625	589	639	615	202
Estimated value of construction	\$ 4,515,733	\$ 41,779,964	\$ 86,106,191	\$ 25,462,710	\$ 26,797,000	\$ 25,437,749	\$ 10,187,805	\$ 54,756,373	\$ 64,861,292	\$ 83,655,847
Number of plumbin and electrical permits issued	206	243	126	301	288	211	184	182	162	65
Amount of revenue generated from permits	\$ 222,617	\$ 427,684	\$ 613,841	\$ 593,877	\$ 359,996	\$ 264,014	\$ 140,677	\$ 376,284	\$ 145,780	\$ 300,841
Number of contract registrations issued	249	282	255	259	266	225	280	331	449	500
Number of rental inspections performed	662	718	1,206	2,018	315	1,298	908	1,081	945	728
Number of point of sale inspections	662	717	102	203	177	159	134	165	191	68

Source: Information for operating indicators was obtained from the various departments within the City.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS**

**Table 17**

Function/program:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Security of persons and property:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Square footage of building	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	7,437	7,437
Vehicles	29	29	29	29	14	18	17	16	18	17
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Square footage of building	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460
Vehicles	11	11	11	11	8	8	8	8	6	6
Leisure time activities:										
Recreation:										
Number of parks	6	6	6	6	7	7	7	7	8	8
YMCA square footage	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Senior Community Center:										
Square footage of building	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300
Vehicles	1	1	1	1	2	2	2	1	1	1
Transportation:										
Public works:										
Square footage of building	41,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360
Vehicles	37	40	40	40	21	39	41	29	29	28
Streets (miles)	52	52	52	52	52	52	52	52	52	52
General government:										
Square footage occupied	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	40,000	40,000
Administrative vehicles	-	-	-	-	-	-	0	2	2	2
Inspection vehicles	7	7	7	7	8	4	4	5	5	5

Source: City's capital asset records

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
FULL-TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY  
FUNCTION/PROGRAM  
LAST TEN YEARS**

**Table 18**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/program:										
Security of persons and property:										
Police	33.00	33.00	29.00	31.00	32.00	30.00	31.00	28.00	27.00	29.00
Police - auxiliary/guards	3.50	3.50	3.50	3.50	3.50	3.50	-	-	3.50	3.50
Police - dispatchers/office/other	9.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00	11.00	10.00
Police - jailers	0.50	0.50	0.50	1.50	1.50	1.50	1.00	1.00	1.00	2.00
Police - animal wardens	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire	31.00	29.00	27.00	28.00	28.00	27.00	28.00	29.00	28.00	28.00
Fire - secretary - other	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Leisure time activities:										
Senior and civic center	4.00	5.50	5.00	5.00	5.50	6.00	6.00	6.00	6.00	6.00
Community liason	-	-	0.50	0.50	0.50	0.50	0.50	0.50	-	-
Community Development:										
Building	8.50	8.50	8.50	8.50	8.50	6.50	7.50	8.50	8.50	7.50
Economic Development	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	1.00	1.00
Transportation:										
Service	28.00	28.00	28.00	28.00	28.00	28.00	27.00	27.00	25.00	27.00
General government										
Council	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Executive administration	5.00	4.00	4.00	5.50	6.50	6.00	6.00	6.00	5.00	5.00
Finance	5.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Municipal income tax	1.00	0.50	0.50	0.55	0.50	0.50	1.00	1.00	1.00	1.00
Legal	1.00	1.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Human resources	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	1.00
Planning	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Civil service	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00
Community activities	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00	1.00	1.00
Totals	<u>146.50</u>	<u>142.00</u>	<u>137.50</u>	<u>143.05</u>	<u>147.50</u>	<u>144.50</u>	<u>143.00</u>	<u>141.00</u>	<u>139.50</u>	<u>141.50</u>

Source City Payroll Department Payroll Register

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year-end.

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

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2021**

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

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>FEDERAL GRANTOR/  <i>Pass-Through Grantor/            Program/Title</i></b>	<b>Assistance            Listing            Number</b>	<b>Pass-Through            Entity            Number</b>	<b>Total            Federal            Expenditures</b>
<b><u>U.S. Department of the Treasury</u></b>			
<i>Passed through Ohio Office of Budget and Management</i>			
Coronavirus Relief Fund	21.019	HB481-CRF-Local	\$ 560,028
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	41,375
<b>Total U.S. Department of the Treasury</b>			<u>601,403</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
<i>Passed through Cuyahoga County Department of Development</i>			
Community Development Block Grants/Entitlement Grants	14.218	N/A	150,000
<b>Total U.S. Department of Housing and Urban Development</b>			<u>150,000</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 751,403</u>

See notes to the Schedule of Expenditures of Federal Awards.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Warrensville Heights (the City) under programs of the Federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the City of Warrensville Heights, it is not intended to and does not present the financial position or changes in net position of the City of Warrensville Heights.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3: INDIRECT COST RATE**

The City of Warrensville Heights has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4: MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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

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

The Honorable Keith Faber  
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, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 17, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James G. Zupka, CPA, Inc." The signature is written in a cursive, flowing style.

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

June 17, 2022

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

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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**INDEPENDENT AUDITOR'S 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 Warrensville Heights  
Warrensville Heights, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Warrensville Heights, Cuyahoga County, Ohio's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2021. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City of Warrensville Heights 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, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted an audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Warrensville Heights, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Warrensville Heights's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements to the City of Warrensville Heights's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Warrensville Heights's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Warrensville Heights's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Warrensville Heights's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Warrensville Heights's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Warrensville Heights's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

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

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 17, 2022, which contained unmodified opinions on those financial statements, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. 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 the purpose 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.



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

June 17, 2022

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

**1. SUMMARY OF AUDITOR'S RESULTS**

2021(i)	Type of Financial Statement Opinion	Unmodified
2021(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2021(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2021(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2021(iv)	Were there any material internal control weaknesses reported for major Federal programs?	No
2021(iv)	Were there any significant deficiencies in internal control reported for major Federal programs?	No
2021(v)	Type of Major Programs' Compliance Opinion	Unmodified
2021(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2021(vii)	Major Programs (list):  Coronavirus Relief Fund - CFDA #21.019	
2021(viii)	Dollar Threshold: Type A\B Programs	Type A: \$750,000 Type B: All Others
2021(ix)	Low Risk Auditee?	No

**2. FINDINGS 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 WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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The prior audit report, as of December 31, 2020, included no audit findings. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF WARRENSVILLE HEIGHTS**

**CUYAHOGA COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 9/6/2022**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)