

**CITY OF GRANDVIEW HEIGHTS
FRANKLIN COUNTY, OHIO**

SUPPLEMENTAL REPORTS

DECEMBER 31, 2005

JAMES M. NICHOLSON, FINANCE DIRECTOR



**Auditor of State
Betty Montgomery**

City Council
City of Grandview Heights
1016 Grandview Avenue
Grandview Heights, Ohio 43212

We have reviewed the *Independent Auditor's Report* of the City of Grandview Heights, Franklin County, prepared by Julian and Grube, Inc., for the audit period January 1, 2005, through December 31, 2005. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

July 20, 2006

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**CITY OF GRANDVIEW HEIGHTS
FRANKLIN COUNTY, OHIO**

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Report on Internal Control Over Financial Reporting
and Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County (the "City") as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 21, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the management of the City in a separate letter dated June 21, 2006.

Members of Council and Mayor
City of Grandview Heights

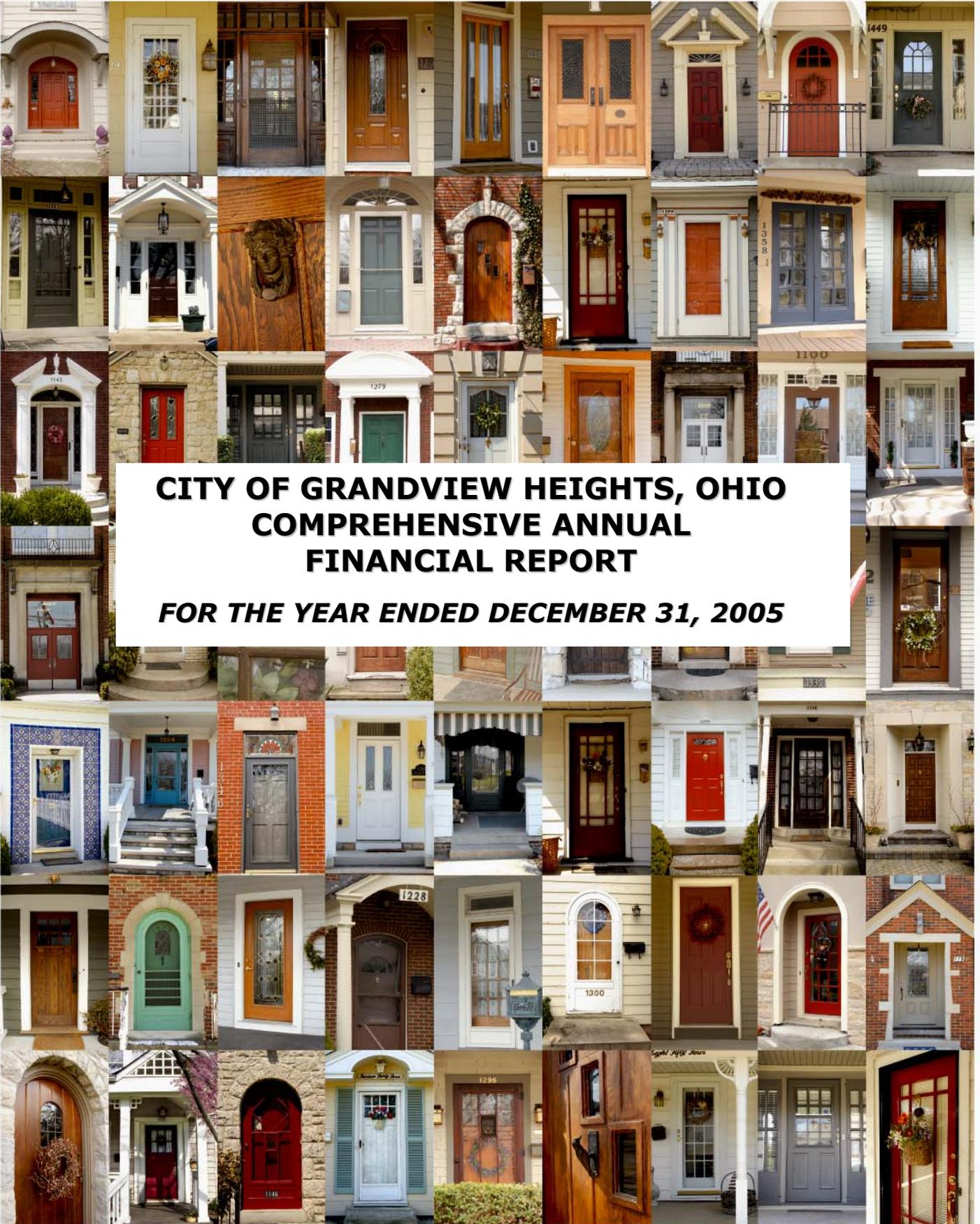
Compliance and Other Matters

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

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

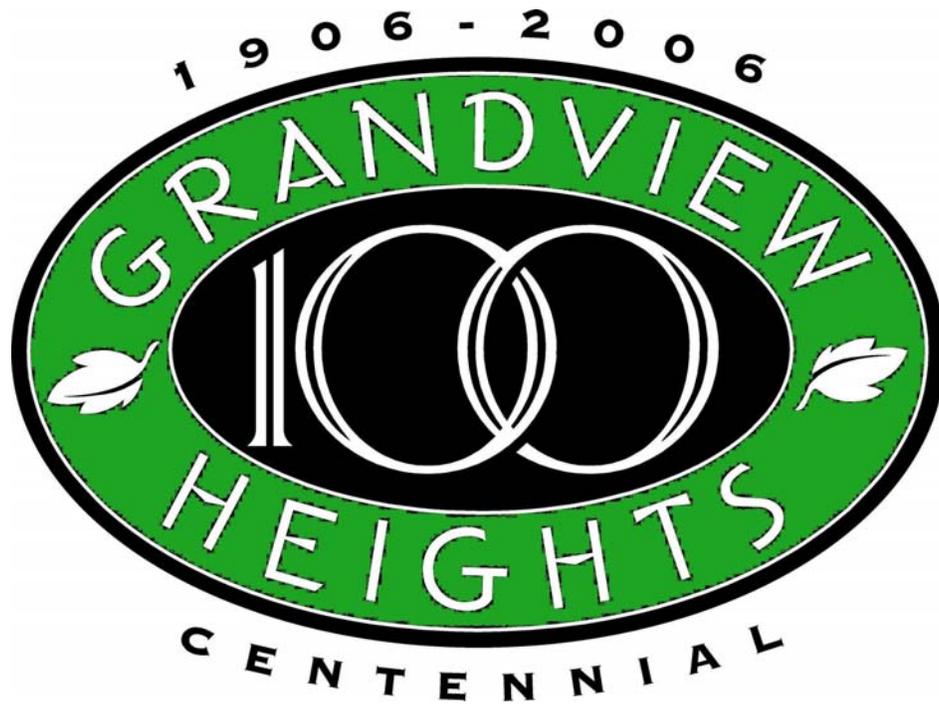
Julian & Grube, Inc.
June 21, 2006



**CITY OF GRANDVIEW HEIGHTS, OHIO
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
*FOR THE YEAR ENDED DECEMBER 31, 2005***

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**Comprehensive
Annual Financial Report**

For the Year Ended December 31, 2005

**James M. Nicholson
Director of Finance**



INTRODUCTORY SECTION



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**CITY OF GRANDVIEW HEIGHTS
FRANKLIN COUNTY, OHIO**

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FRANKLIN COUNTY, OHIO**

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**CITY OF GRANDVIEW HEIGHTS
FRANKLIN COUNTY, OHIO**

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City of Grandview Heights



Finance Department
1016 Grandview Avenue
Columbus, Ohio 43212

James M. Nicholson
Director of Finance

Office (614) 481-6217
Fax (614) 481-6224

June 6, 2006

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

The Comprehensive Annual Financial Report (CAFR) of the City of Grandview Heights, Ohio (City) is hereby presented. This CAFR reports the City's operations and financial position for the year ended December 31, 2005, in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. This official report has been developed to accurately detail the status of the City finances for review by Grandview residents and elected officials, investment banks and underwriters and all other interested parties. This report is presented in compliance with Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" (GASB Statement No. 34). It is intended to provide all pertinent and necessary information that may be required by the citizens of Grandview Heights to review the fiscal condition of the community.

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

The City is required by state law to have an annual audit performed by either the Auditor of State's Office or by an Independent Auditor. The City has engaged Julian & Grube, Inc. to audit the City's financial records. The City continues to receive an unqualified opinion. The Independent Auditor's Report on the City's financial statements is included in the Financial Section of this report.

Management's discussion and analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Grandview Heights is located in central Ohio, adjacent to the City of Columbus. Incorporated in 1906, the City operates under a charter form of government, which was originally adopted on July 28, 1931. The voters adopted the current charter in March 2000. An elected Mayor and a seven-member City Council govern the City, each elected to four-year terms. The City covers an area of approximately 1.24 square miles, and has a population of 6,331 as of 2005.

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

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

Economic Condition and Outlook

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

2005 was a year in which Grandview Heights came to the full attention of the business and real estate communities. The effect of the City's new floodplain designation is beginning to generate results, as a number of redevelopment projects have been planned and/or proposed in the City. We are optimistic, and there is every indication, that this trend will continue into 2006 and beyond.

In 2005 the City granted economic incentives for two substantial rehabilitation projects: 777 West Goodale Boulevard; and 1398-1404 West Goodale Boulevard. The 777 West Goodale project is an older, 44,000 square foot warehouse that went through a \$2 million rehabilitation to be converted into an office building. When completed, the building will house three firms with a combined payroll of nearly \$9 million. The 1398-1404 West Goodale project is a nearly \$9 million investment to rehabilitate and reuse two existing warehouse structures for offices, and to construct a new office building at the site. It will add approximately 94,000 square feet of office space to the City, and is likely to contain over 300 office workers when completed. Additional incentives were granted in 2006 to the companies moving into this project.

During 2005 the City's Planning Commission reviewed and gave approval to a mixed-use development at 1200 Grandview Avenue, in the heart of the City's downtown. In addition, the Planning Commission is currently reviewing a proposed commercial redevelopment project on a 10-acre tract at the northeast corner of Dublin Road and Grandview Avenue.

Grandview Heights is working closely with the City of Columbus and other adjacent communities to develop a long-term strategic plan to promote the State Route 315 corridor as a center for technology and research. The plan will capitalize on the area's assets, which include proximity to The Ohio State University and Battelle Memorial Institute, as well as the high quality of life amenities already present in the area. The older industrial area of Grandview Heights is well positioned to be a key component of this planning and development strategy.

The City is projecting general fund revenue in 2006 to be 23.8% higher than prior year due to the economic impacts highlighted above. Budgeted general fund expenditures for 2006 are 15.1% higher than the prior year primarily due to increased wages and benefits as well as general non-wage inflationary increases. Programs supported by the general fund are budgeted at the same level of service as last year.

Major Initiatives

- The City established an Early Retirement Incentive (ERI) program for employees covered by the Ohio Public Employees Retirement System. In order to facilitate an overall reduction in staffing levels, this program provided for the City to purchase for each participating employee up to two and one-half years of service credit in the retirement system. The program was open from February 2005 until February 2006. At the close of the program six employees participated in the program, generating projected savings of over \$73 thousand through FY2006, and over \$590 thousand through FY 2007.
- The City began the process of renovating its sanitary sewer line system. The City was awarded an Ohio Public Works Commission (OPWC) loan of \$743 thousand for the project, which consists of lining the sewer lines where possible and, if necessary, replacing sections of sewer line. The debt service on the loan will be paid through the collection of a water and sewer surcharge assessed by the City.
- The City entered into three development and incentive agreements with firms relocating to the City. These three companies represent new business in the City, and are expected to generate a taxable payroll of \$9 million. We are hopeful that this is just the beginning of the redevelopment of the City's commercial areas.
- The City proposed a natural gas aggregation program for its residents and businesses. This program would attempt to negotiate a lower rate for the natural gas consumers in Grandview. The voters approved its creation at the November 2005 general election.
- The City kicked-off its Centennial Celebration with one hundred days of events and activities to commemorate the founding of the City in February 2006.
- During 2005 the City successfully completed collective bargaining agreement negotiations with its Police and Fire unions. In addition, negotiations began with the non-uniformed City employees. These discussions concluded in early 2006 with the adoption of the City's salary ordinance.

Awards and Acknowledgements

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grandview Heights for its comprehensive annual financial report for the fiscal year ended December 31, 2004. This was the first year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award to the City of Grandview Heights for the Annual Budget beginning January 1, 2006. This was the first year that the government has achieved this prestigious award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only.

Acknowledgement

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

Sincerely,



James M. Nicholson
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Grandview Heights,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

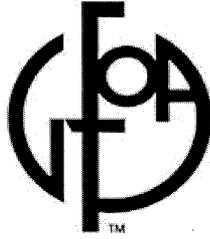


Carla E. Perry

President

Jeffrey R. Emer

Executive Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Grandview Heights
Ohio**

For the Fiscal Year Beginning

January 1, 2006

President

Executive Director

**CITY OF GRANDVIEW HEIGHTS, OHIO
PRINCIPAL OFFICIALS
DECEMBER 31, 2005**

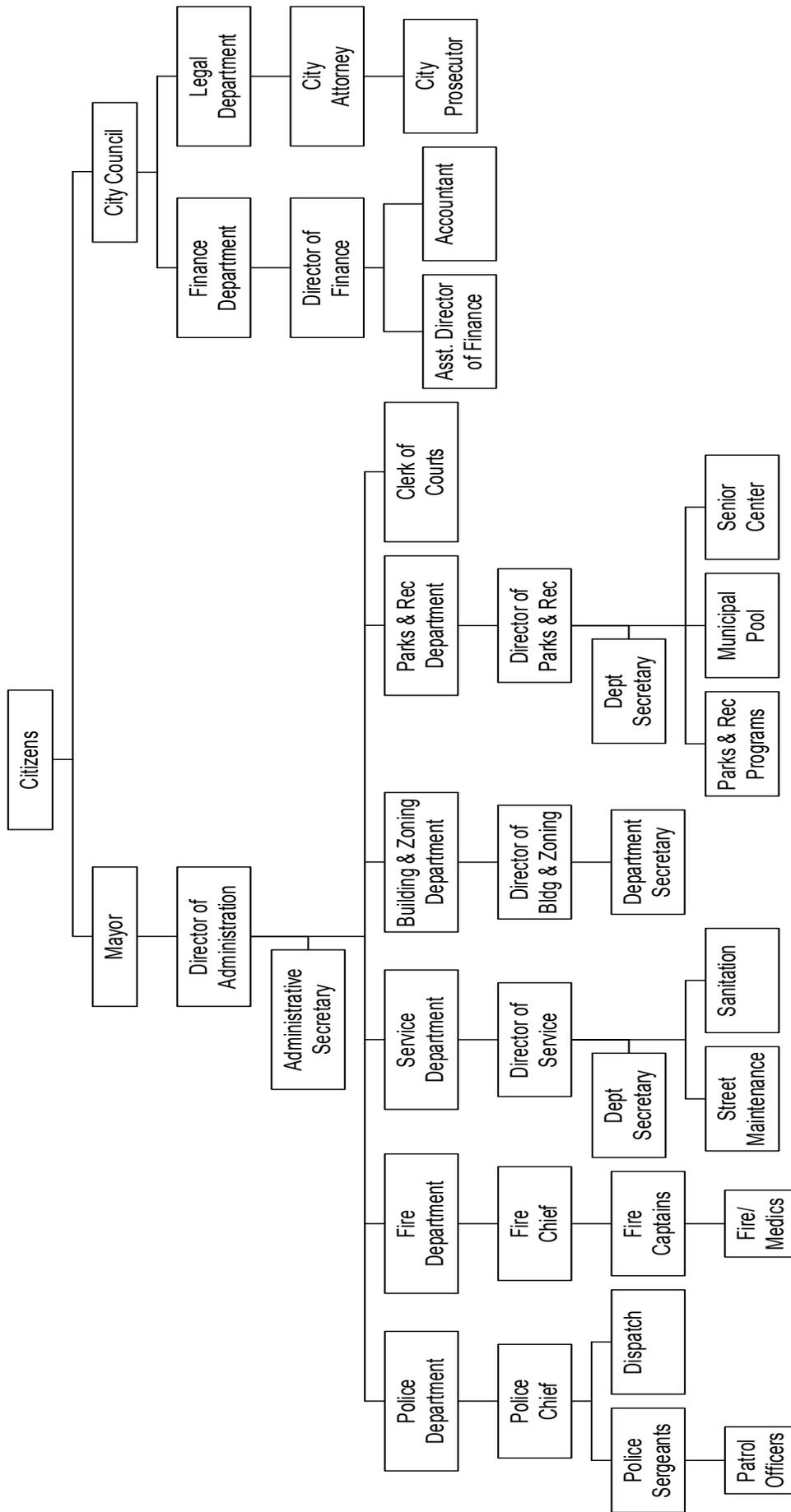
ELECTED OFFICIALS

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

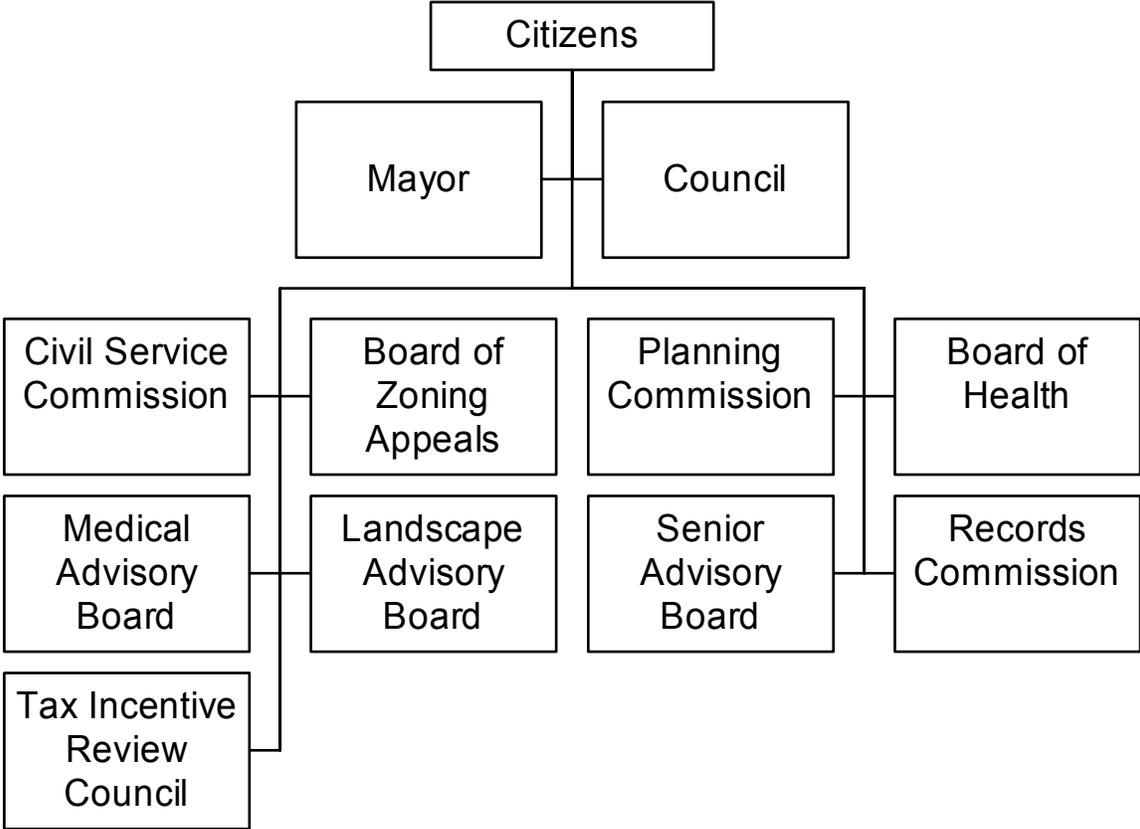
APPOINTED OFFICIALS

Director of Administration	Patrik G. Bowman
Director of Finance	James M. Nicholson
City Attorney	Luther L. Liggett, Jr.
Chief of Police	Rollin A. Kiser
Fire Chief	Henry K. Kauffman, Jr.
Director of Building & Zoning	John A. Kuss
Director of Parks & Recreation	Sean M. Robey
Director of Service	Salvatore A. Troiano

CITY OF GRANDVIEW HEIGHTS, OHIO ORGANIZATIONAL CHART



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





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FINANCIAL SECTION



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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County, (the "City"), as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County, as of December 31, 2005, and the respective changes in financial position, where applicable, thereof and the respective budgetary comparison for the general fund and street construction, maintenance and repair fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2006, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Independent Auditor's Report
City of Grandview Heights

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, such as the introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The relevant supplementary information, such as the combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The relevant supplementary information, such as the introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Julian & Grube, Inc.
June 21, 2006

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

The management's discussion and analysis of the City of Grandview Heights's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2005. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements, transmittal letter and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2005 are as follows:

- The total net assets of the City increased \$107,734.
- General revenues accounted for \$6,293,892 or 78.76% of total governmental activities revenue. The City reported a \$45,789 gain on a sale of land, which is reported as a special item. Program specific revenues accounted for \$1,697,117 or 21.24% of total governmental activities revenue.
- The City had \$7,929,064 in expenses related to governmental activities; \$1,697,117 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$6,231,947 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$6,293,892.
- The City had three major funds consisting of the General fund, the Street Construction, Maintenance and Repair special revenue fund, and the Library Revenue Bond Retirement debt service fund.
- The general fund had revenues and other financing sources of \$6,845,765 in 2005. This represents an increase of \$380,612 from 2004. The expenditures and other financing uses of the general fund, which totaled \$7,346,381 in 2005, increased \$430,890 from 2004. The net decrease in fund balance for the general fund was \$500,616 or 37.65%.
- The Street Construction, Maintenance, Repair fund had revenues and other financing sources of \$400,997. This represents an increase of \$25,874 from 2004 revenues. The expenditures and other financing uses totaled \$345,733 which is a decrease of \$108,421 from 2004 expenditures. The net increase in fund balance for the Street Construction, Maintenance, and Repair fund was \$55,264 or 13.29%.
- The Library Revenue Bond Retirement fund had revenues and other financing sources of \$214,855. This represents an increase of \$1,425 from 2004 revenues. The expenditures and other financing uses totaled \$214,855 which is an increase of \$1,425 from 2004 expenditures. There was no change in fund balance.
- In the general fund, the actual revenues and other financing sources came in \$209,121 less than they were in the final budget and actual expenditures were \$267,558 less than the amount in the final budget. These variances, which occurred in the expenditures, are the results of the City's conservative budgeting. The budgeted revenues plus other financing sources were amended during the year and were increased by \$258,743 from \$6,638,973 to \$6,897,716. Original appropriations plus other financing uses totaled \$7,519,362 which were amended during the year and increased by \$105,674 from \$7,519,362 to \$7,625,036 in the general fund.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

The Comprehensive Annual Financial Report

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

The statement of net assets and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting the City as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2005?" The statement of net assets and the statement of activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

The City's statement of net assets and statement of activities can be found on pages 33 - 34 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental funds begins on page 27.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

Governmental Funds

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

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

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, street construction, maintenance and repair fund and the library revenue bond retirement fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 35 - 38 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's only fiduciary is an agency fund. The basic fiduciary fund financial statement can be found on page 41 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 43 - 67 of this report.

Government-Wide Financial Analysis

Statement of Net Assets

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2005, the City's assets exceeded liabilities by \$4,999,364. At year-end, unrestricted net assets were \$574,967.

Capital assets reported on the government-wide statements represent the largest portion of the City's net assets. At year-end, capital assets represented 43.64% of total assets. Capital assets include land, land improvements, buildings and improvements, machinery and equipment, vehicles, infrastructure and construction in progress. Capital assets, net of related debt to acquire the assets at December 31, 2005, were \$3,058,195 for governmental activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

The table below provides a comparative summary of the City's net assets for 2005 and 2004:

	Net Assets	
	2005 Governmental Activities	2004 Governmental Activities
<u>Assets</u>		
Current and other assets	\$ 5,411,214	\$ 5,624,267
Capital assets, net	<u>4,189,659</u>	<u>4,265,596</u>
Total Assets	<u>9,600,873</u>	<u>9,889,863</u>
<u>Liabilities</u>		
Other liabilities	2,425,360	2,595,247
Long-term liabilities outstanding	<u>2,176,149</u>	<u>2,402,986</u>
Total Liabilities	<u>4,601,509</u>	<u>4,998,233</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	3,058,195	2,968,591
Restricted	1,366,202	1,129,550
Unrestricted	<u>574,967</u>	<u>793,489</u>
Total Net Assets	<u>\$ 4,999,364</u>	<u>\$ 4,891,630</u>

As of December 31, 2005, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental activities.

A portion of the City's net assets, \$1,366,202 represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net assets of \$574,967 may be used to meet the government's ongoing obligations to citizens and creditors.

Statement of Activities

The table below provides a comparative analysis of changes in net assets for fiscal year 2005 and 2004:

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

	Change in Net Assets	
	2005 Governmental Activites	2004 Governmental Activites
Revenues		
Program Revenues:		
Charges for services	\$ 1,215,404	\$ 892,138
Operating grants and contributions	457,437	484,031
Capital grants and contributions	24,276	-
Total Program Revenues	1,697,117	1,376,169
General revenues:		
Property taxes	1,545,513	1,588,440
Income taxes	3,447,179	2,818,456
Unrestricted grants and entitlements	959,886	1,241,372
Investment earnings	50,104	70,840
Lease	214,855	213,430
Miscellaneous	76,355	139,629
Total General Revenues	6,293,892	6,072,167
Total Revenues	7,991,009	7,448,336
Expenses		
General government	1,530,412	1,373,306
Security of persons and property	4,060,294	3,999,902
Public health and welfare	31,868	31,199
Transportation	1,304,154	1,176,973
Leisure time activity	888,488	704,961
Utility services	65,674	112,592
Interest and fiscal charges	48,174	55,069
Total Expenses	7,929,064	7,454,002
Special Item - gain on sale of land	45,789	-
Change in net assets	107,734	(5,666)
Net assets at beginning of year	4,891,630	4,897,296
Net assets at end of year	\$ 4,999,364	\$ 4,891,630

Governmental Activities

Governmental activities net assets increased \$107,734 in 2005. This increase is due in part to an increase in the collection of municipal income taxes compared to the prior year.

Security of persons and property, which primarily supports the operations of the police and fire departments, had expenses of \$4,060,294 which accounted for 51.21% of the total expenses of the City. These expenses were partially funded by \$546,146 in direct charges to users of the services, \$57,176 in operating grants and \$24,276 in capital grants and contributions. General government expenses totaled \$1,530,412 which was partially funded by \$165,083 in direct charges to users of the services and \$162 in operating grants and contributions.

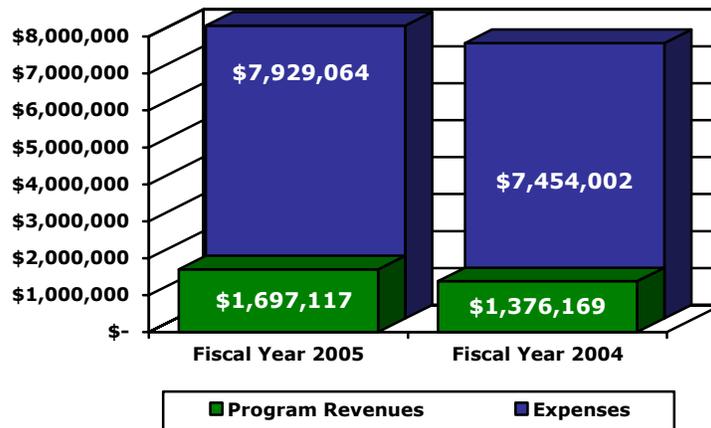
The state and federal government contributed to the City a total of \$457,437 in operating grants and contributions and \$24,276 in capital projects and contributions. These revenues are restricted to a particular program or purpose.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

General revenues totaled \$6,293,892, and amounted to 78.76% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$4,992,692. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$959,886.

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

Governmental Activities – Program Revenues vs. Total Expenses



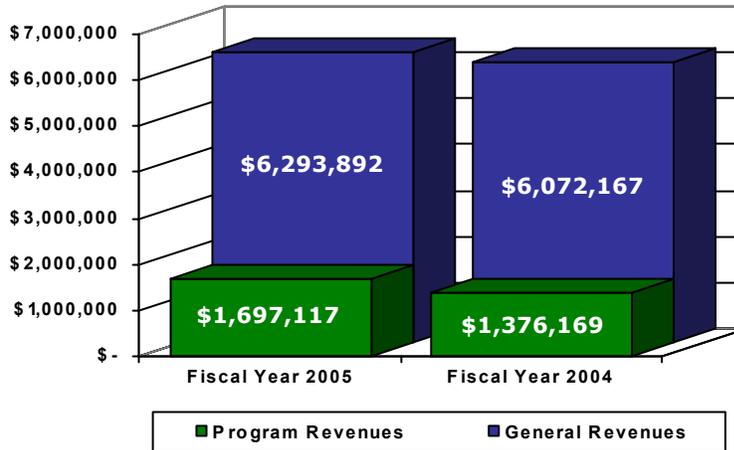
Governmental Activities

	Total Cost of Services 2005	Net Cost of Services 2005	Total Cost of Services 2004	Net Cost of Services 2004
Program Expenses				
General government	\$ 1,530,412	\$ 1,365,167	\$ 1,373,306	\$ 1,216,796
Security of persons and property	4,060,294	3,432,696	3,999,902	3,617,787
Public health and welfare	31,868	(88,989)	31,199	31,199
Transportation	1,304,154	784,477	1,176,973	704,689
Leisure time activity	888,488	624,748	704,961	454,804
Utility services	65,674	65,674	112,592	(2,511)
Interest and fiscal charges	48,174	48,174	55,069	55,069
Total Program Expenses	<u>\$ 7,929,064</u>	<u>\$ 6,231,947</u>	<u>\$ 7,454,002</u>	<u>\$ 6,077,833</u>

The dependence upon general revenues for governmental activities is apparent, with 78.60% of expenses supported through taxes and other general revenues.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

Governmental Activities – General and Program Revenues



Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

The City's governmental funds (as presented on the balance sheet on page 35) reported a combined fund balance of \$2,074,898 which is \$226,893 below last year's total of \$2,301,791. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2005 for all major and nonmajor governmental funds.

	Fund Balances 12/31/05	Fund Balances 12/31/04	Increase/ (Decrease)
Major funds:			
General	\$ 828,880	\$ 1,329,496	\$ (500,616)
Street Construction, Maintenance and Repair	471,039	415,775	55,264
Library Revenue Bond Retirement	-	-	-
Other nonmajor governmental funds	<u>774,979</u>	<u>556,520</u>	<u>218,459</u>
Total Fund Balance - Major Funds	<u>\$ 2,074,898</u>	<u>\$ 2,301,791</u>	<u>\$ (226,893)</u>

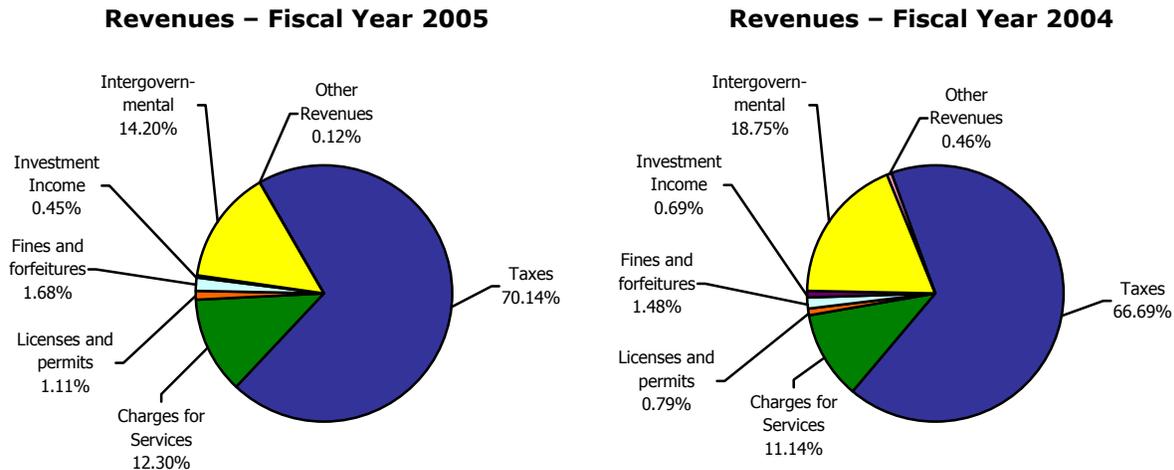
General Fund

The City's general fund balance decreased \$500,616, primarily due to increases in expenditures. The table that follows assists in illustrating the revenues of the general fund.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

Revenues	2005 Amount	2004 Amount	Percentage Change
Taxes	\$ 4,798,686	\$ 4,311,740	11.29%
Charges for services	841,449	720,328	16.81%
Licenses, permits and fees	76,063	51,062	48.96%
Fines and forfeitures	114,599	95,432	20.08%
Intergovernmental	971,174	1,212,089	-19.88%
Investment income	31,083	44,940	-30.83%
Other	8,403	29,562	-71.57%
Total Revenues - General Fund	\$ 6,841,457	\$ 6,465,153	5.82%

Tax revenue represents 70.14% of all general fund revenue. Tax revenue increased due to an increase in income tax revenues. Investment income decreased due to decreases in interest rates. All other revenue remained comparable to 2004.



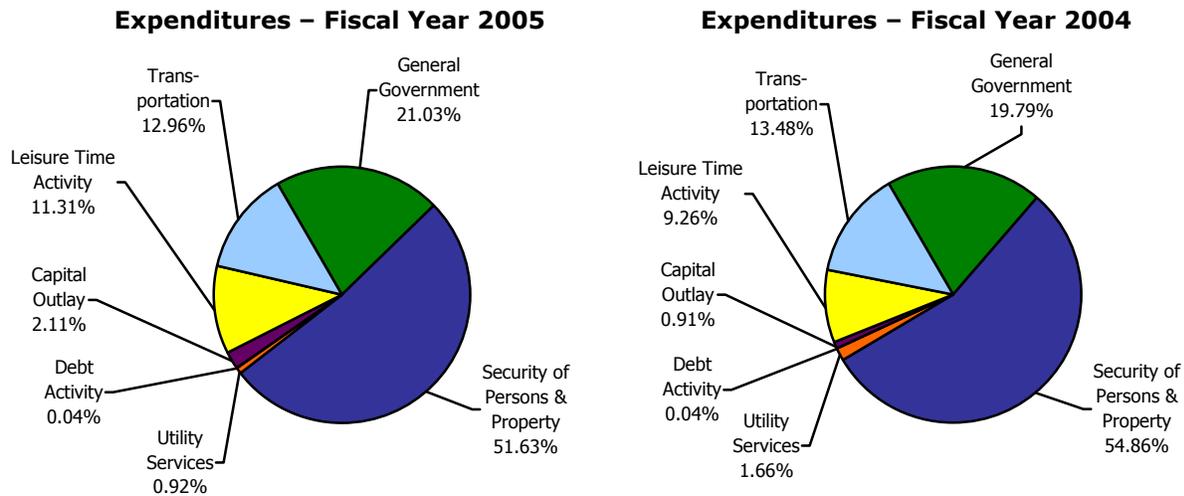
The table that follows assists in illustrating the expenditures of the general fund:

Expenditures	2005 Amount	2004 Amount	Percentage Change
General government	\$ 1,501,800	\$ 1,338,205	12.22%
Security of persons and property	3,687,502	3,710,443	-0.62%
Transportation	925,744	911,765	1.53%
Leisure time activity	808,041	626,185	29.04%
Utility services	65,674	112,592	-41.67%
Capital outlay	150,952	61,253	146.44%
Debt activity	2,568	2,568	0.00%
Total Expenditures - General Fund	\$ 7,142,281	\$ 6,763,011	5.61%

The increase in general government expenditures were due in part to expenditures relating to the early retirement incentive offered during 2005. See note 12.C in the notes to the financials for details. All other expenditures remained comparable to 2004. The largest expenditure line item, security of persons and property, decreased slightly, which is primarily attributed to wage and benefit controls

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

and overall cost controls in purchased goods and services.



Street Construction, Maintenance, and Repair Fund (SCMR)

The City's SCMR fund had a fund balance increase from \$415,755 in 2004 to \$471,039 in 2005. Revenues increased from \$333,547 in 2004 to \$390,235 in 2005. Expenditures decreased from \$454,154 in 2004 to \$345,733 in 2005 due to fewer street projects in 2005.

Library Revenue Bond Retirement Fund

The City's library revenue bond retirement fund maintained a \$0 fund balance in 2004 and 2005. Revenues increased from \$213,430 in 2004 to \$214,855 in 2005. Revenues consist of lease revenue from the library, which is used to make the revenue bond debt payments. Expenditures increased from \$213,430 in 2004 to \$214,855, in 2005, due to an increase in revenue bond payments which were due.

Budgeting Highlights

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

The most significant fund which budgetary information is presented for is the general fund. The budgetary revenues increased \$258,743 from \$6,638,973 to \$6,897,716. Actual revenues and other financing sources of \$6,688,595 were \$209,121 less than final budgeted revenues. This shortfall was due primarily to lower than anticipated withholding tax collections. Actual expenditures and other financing uses of \$7,357,478 came in \$267,558 lower than the final budgeted amounts of \$7,625,036. The total variance is fairly evenly divided between budget categories and reflects the effects of the Administration's expense control measures. The final budgeted expenditures were increased by \$105,674 during the year.

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

Capital Assets and Debt Administration

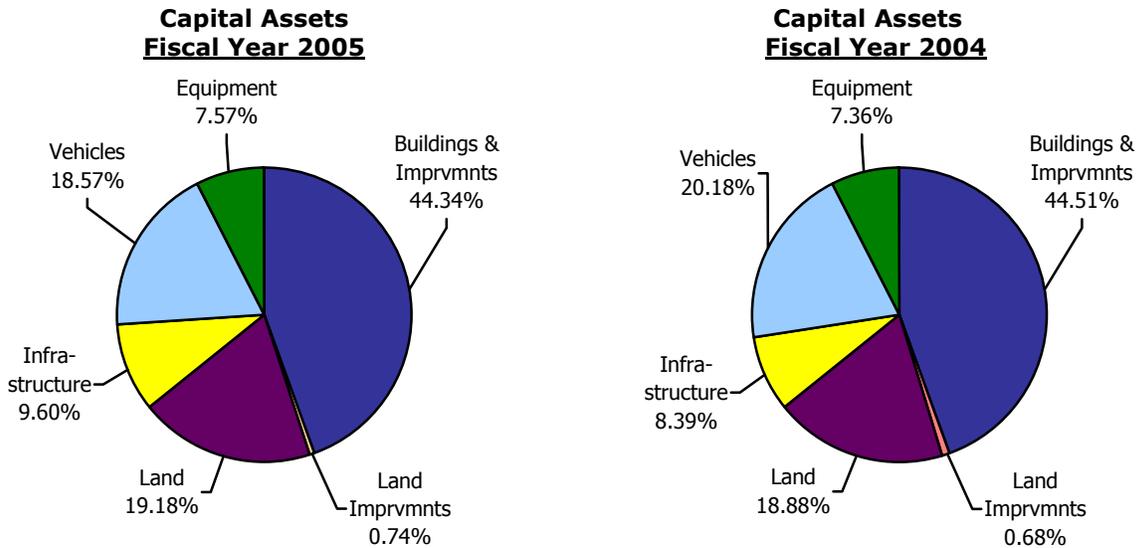
Capital Assets

At the end of fiscal 2005, the City had \$4,189,659 (net of accumulated depreciation) invested in land, buildings and improvements, land improvements, machinery and equipment, vehicles, and infrastructure. The overall decrease of \$75,937 is due to net disposal of \$19,528 and depreciation expense of \$317,142 exceeding additions. The following table shows fiscal 2005 balances compared to 2004:

Capital Assets at December 31, 2005
(Net of Depreciation)

	Governmental Activities	
	2005	2004
Land	\$ 803,740	\$ 805,291
Land improvements	30,397	29,069
Buildings and improvements	1,857,629	1,898,772
Machinery and equipment	317,345	314,042
Vehicles	778,184	860,703
Infrastructure	402,364	357,719
Total Capital Assets - Governmental	\$ 4,189,659	\$ 4,265,596

The following graphs show the breakdown of governmental capital assets by category for 2005 and 2004. Additional information on the City of Grandview Heights capital assets can be found in note 9 on pages 57-58 of this report



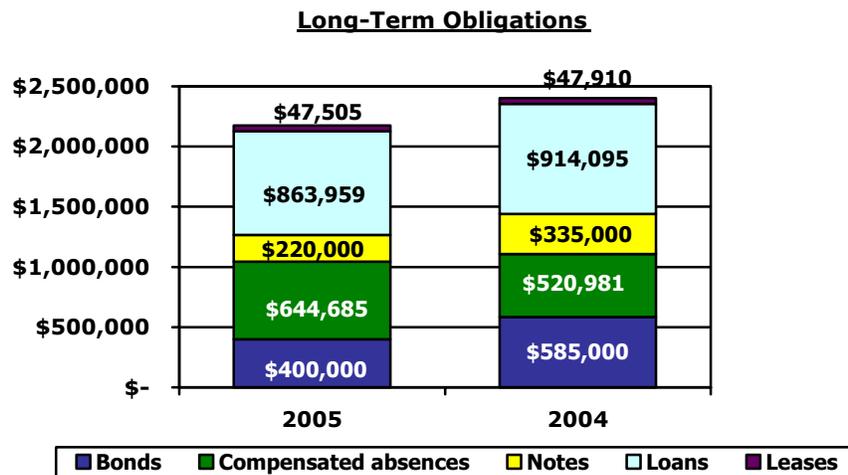
CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2005 and 2004, see Note 11 in the notes to the financial statements on pages 59 – 60 of this report for details:

	<u>2005</u>	<u>2004</u>
Mortgage revenue bonds	\$ 400,000	\$ 585,000
OPWC loans	863,959	914,095
General obligation notes	220,000	335,000
Capital lease obligation payable	47,505	47,910
Compensated absences	644,685	520,981
Total Long-Term Obligations	\$ 2,176,149	\$ 2,402,986

A comparison of the long-term obligations of 2005 versus 2004 by category is depicted in the chart below. Additional information on the City of Grandview Heights long-term obligations can be found in note 11 on pages 59-60 of this report.



Economic Conditions and Outlook

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

The City's primary revenue source is a local income tax on residents, and withheld on Grandview-

CITY OF GRANDVIEW HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(Unaudited)

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

Contacting the City's Financial Management

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

CITY OF GRANDVIEW HEIGHTS, OHIO

STATEMENT OF NET ASSETS

DECEMBER 31, 2005

	Governmental Activities	
	<hr/>	
<u>ASSETS</u>		
Equity in pooled cash and investments	\$	1,649,486
<i>Receivables (net of allowances for uncollectibles):</i>		
Income taxes		830,946
Real and other taxes		1,693,059
Accounts		116,802
Accrued interest		6,134
Intergovernmental		623,195
Capital lease receivable		400,000
Prepayments		91,592
<i>Capital assets:</i>		
Land		803,740
Depreciable capital assets, net		<u>3,385,919</u>
Total capital assets, net		<u>4,189,659</u>
Total Assets	\$	<u>9,600,873</u>
 <u>LIABILITIES</u>		
Accounts payable	\$	104,534
Accrued wages and benefits		139,960
Due to other governments		120,101
Unearned revenue		1,958,107
Accrued interest payable		1,448
Pension obligation payable		101,210
<i>Long-term liabilities:</i>		
Due within one year		954,498
Due in more than one year		<u>1,221,651</u>
Total Liabilities	\$	<u>4,601,509</u>
 <u>NET ASSETS</u>		
Invested in capital assets, net of related debt	\$	3,058,195
Restricted for:		
Capital projects		343,018
Debt service		9,575
Street construction, maintenance and repairs		691,000
Fire/EMS		14,353
Parks and recreation		208,366
Court computer		16,062
Law enforcement		38,002
Other purposes		45,826
Unrestricted		<u>574,967</u>
TOTAL NET ASSETS	\$	<u>4,999,364</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contribution	
Governmental Activities:					
General government	\$ 1,530,412	\$ 165,083	\$ 162	\$ -	\$ (1,365,167)
Security of persons and property	4,060,294	546,146	57,176	24,276	(3,432,696)
Public health and welfare	31,868	120,857	-	-	88,989
Transportation	1,304,154	131,657	388,020	-	(784,477)
Leisure time activity	888,488	251,661	12,079	-	(624,748)
Utility services	65,674	-	-	-	(65,674)
Interest and fiscal charges	48,174	-	-	-	(48,174)
Total Governmental Activities	<u>\$ 7,929,064</u>	<u>\$ 1,215,404</u>	<u>\$ 457,437</u>	<u>24,276</u>	<u>(6,231,947)</u>

General Revenues:

Property taxes levied for:

General purposes	\$ 1,439,355
Police and fire pension	106,158

Income taxes levied for:

General purposes	3,447,179
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Grants and entitlements not restricted to specific programs	959,886
Investment earnings	50,104
Lease	214,855
Miscellaneous	76,355

Total General Revenues

6,293,892

Special item - gain on sale of land	45,789
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Total General Revenues & Special Items

6,339,681

Change in Net Assets	107,734
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Net Assets at Beginning of Year	4,891,630
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Net Assets at End of Year	<u>\$ 4,999,364</u>
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2005

	General	SCMR	Library Revenue Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in pooled cash and investments	\$ 482,739	\$ 405,756	\$ -	\$ 760,991	\$ 1,649,486
<i>Receivables (net of allowance for uncollectibles):</i>					
Income taxes	830,946	-	-	-	830,946
Real and other taxes	1,561,199	-	-	131,860	1,693,059
Accounts	93,865	-	-	22,937	116,802
Accrued interest	6,134	-	-	-	6,134
Intergovernmental	438,421	159,916	-	24,858	623,195
Prepayments	91,592	-	-	-	91,592
Capital lease receivable	-	-	400,000	-	400,000
Total Assets	\$ 3,504,896	\$ 565,672	\$ 400,000	\$ 940,646	\$ 5,411,214
LIABILITIES					
Accounts payable	\$ 88,156	\$ 5,097	\$ -	\$ 11,281	\$ 104,534
Accrued wages and benefits	139,960	-	-	-	139,960
Compensated absences payable	168,856	-	-	-	168,856
Due to other governments	120,101	-	-	-	120,101
Unearned revenue	2,057,733	89,536	400,000	154,386	2,701,655
Pension obligation payable	101,210	-	-	-	101,210
Total Liabilities	\$ 2,676,016	\$ 94,633	\$ 400,000	\$ 165,667	\$ 3,336,316
FUND BALANCES					
Reserved for encumbrances	\$ 6,499	\$ 9,379	\$ -	\$ 90,353	\$ 106,231
Reserved for prepayments	91,592	-	-	-	91,592
Reserved for debt service	-	-	-	11,023	11,023
<i>Unreserved, undesignated reported in:</i>					
General fund	730,789	-	-	-	730,789
Special revenue funds	-	461,660	-	418,839	880,499
Capital projects funds	-	-	-	254,764	254,764
Total Fund Balances	\$ 828,880	\$ 471,039	\$ -	\$ 774,979	\$ 2,074,898
TOTAL LIABILITIES & FUND BALANCES	\$ 3,504,896	\$ 565,672	\$ 400,000	\$ 940,646	\$ 5,411,214

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF GRANDVIEW HEIGHTS, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2005**

Total Governmental Fund Balances **\$ 2,074,898**

Amounts reported for governmental activities in the Statement of Net Assets are different due to the following:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. 4,189,659

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Property taxes	\$	121,931
Income taxes		218,053
Intergovernmental revenues		369,035
Charges for services		34,529
		743,548

Total Long-Term Assets 743,548

In the statement of activities interest is accrued on outstanding bonds, notes and loans payable, whereas in governmental funds, interest expenditures are reported when due. (1,448)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as

Compensated absences		(475,829)
General obligation notes		(220,000)
OPWC loans		(863,959)
Library revenue bonds		(400,000)
Capital lease payable		(47,505)
		(2,007,293)

Total Long-Term Liabilities (2,007,293)

Net Assets of Governmental Activities **\$ 4,999,364**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>General</u>	<u>SCMR</u>	<u>Library Revenue Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Municipal income taxes	\$ 3,334,135	\$ -	\$ -	\$ -	\$ 3,334,135
Property and other taxes	1,464,551	-	-	106,804	1,571,355
Charges for services	841,449	-	-	216,097	1,057,546
Licenses and permits	76,063	-	-	-	76,063
Fines and forfeitures	114,599	-	-	6,819	121,418
Intergovernmental	971,174	375,180	-	113,352	1,459,706
Investment income	31,083	15,055	-	3,966	50,104
Capital lease revenue	-	-	214,855	-	214,855
Other	8,403	-	-	58,148	66,551
Total Revenues	\$ 6,841,457	\$ 390,235	\$ 214,855	\$ 505,186	\$ 7,951,733
EXPENDITURES					
<i>Current:</i>					
General government	\$ 1,501,800	\$ -	\$ -	\$ 6,245	\$ 1,508,045
Security of persons and property	3,687,502	-	-	182,912	3,870,414
Public health and welfare	-	-	-	31,868	31,868
Transportation	925,744	274,993	-	9,037	1,209,774
Leisure time activity	808,041	-	-	34,812	842,853
Utility services	65,674	-	-	-	65,674
Capital outlay	150,952	44,831	-	107,277	303,060
<i>Debt service:</i>					
Principal retirement	2,147	23,515	185,000	370,641	581,303
Interest and fiscal charges	421	2,394	29,855	15,375	48,045
Total Expenditures	\$ 7,142,281	\$ 345,733	\$ 214,855	\$ 758,167	\$ 8,461,036
Excess of revenues over/(under) expenditures	\$ (300,824)	\$ 44,502	\$ -	\$ (252,981)	\$ (509,303)
OTHER FINANCING SOURCES/(USES)					
Sale of capital assets	\$ 4,308	\$ -	\$ -	\$ -	\$ 4,308
Note issuance	-	-	-	220,000	220,000
Transfers in	-	-	-	204,100	204,100
Transfers out	(204,100)	-	-	-	(204,100)
Capital lease transaction	-	10,762	-	-	10,762
Total Other Financing Sources/(Uses)	\$ (199,792)	\$ 10,762	\$ -	\$ 424,100	\$ 235,070
SPECIAL ITEM					
Sale of land	-	-	-	47,340	47,340
NET CHANGE IN FUND BALANCES	\$ (500,616)	\$ 55,264	\$ -	\$ 218,459	\$ (226,893)
Fund Balances at Beginning of Year	1,329,496	415,775	-	556,520	2,301,791
FUND BALANCES AT END OF YEAR	\$ 828,880	\$ 471,039	\$ -	\$ 774,979	\$ 2,074,898

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005

Net Change in Fund Balances - Total Governmental Funds **\$ (226,893)**

Amounts reported for governmental activities in the Statement of Activities are different because:

Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$317,142) exceeded capital outlay (\$260,733) in the current period. (56,409)

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal. (19,528)

Proceeds of bonds and capital leases are recorded as revenue in the funds, however on the Statement of Activities, they are not reported as revenues as they increase the liabilities on the Statement of Net Assets. (230,762)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 15,000

Repayment of bond, notes and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 581,303

In the statement of activities, interest is accrued on outstanding bonds and notes, whereas in governmental funds, an interest expenditure is reported when due. (129)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 45,152

Change in Net Assets of Governmental Activities **\$ 107,734**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Municipal income taxes	\$ 3,156,812	\$ 3,456,812	\$ 3,168,333	\$ (288,479)
Property and other taxes	1,492,104	1,412,234	1,615,551	203,317
Charges for services	740,395	777,008	806,929	29,921
Licenses and permits	52,700	52,700	76,063	23,363
Fines and forfeitures	98,900	98,900	113,853	14,953
Intergovernmental	922,887	924,887	848,327	(76,560)
Investment income	65,000	65,000	28,611	(36,389)
Other	50,000	50,000	162	(49,838)
Total Revenues	\$ 6,578,798	\$ 6,837,541	\$ 6,657,829	\$ (179,712)
EXPENDITURES				
<i>Current:</i>				
General government	\$ 1,605,899	\$ 1,628,467	\$ 1,506,552	\$ 121,915
Security of persons and property	3,795,231	3,848,566	3,789,781	58,785
Transportation	874,291	886,578	838,617	47,961
Leisure time activity	742,659	753,096	734,245	18,851
Utility services	74,963	76,018	67,208	8,810
Capital outlay	225,048	228,211	205,100	23,111
Total Expenditures	\$ 7,318,091	\$ 7,420,936	\$ 7,141,503	\$ 279,433
Deficiency of revenues under expenditures	(739,293)	(583,395)	(483,674)	99,721
OTHER FINANCING SOURCES/(USES)				
Sale of capital assets	\$ -	\$ -	\$ 4,308	\$ 4,308
Transfers out	(201,271)	(204,100)	(204,100)	-
Other financing sources	60,175	60,175	26,458	(33,717)
Other financing uses	-	-	(11,875)	(11,875)
Total Other Financing Sources/(Uses)	\$ (141,096)	\$ (143,925)	\$ (185,209)	\$ (41,284)
NET CHANGE IN FUND BALANCES	\$ (880,389)	\$ (727,320)	\$ (668,883)	\$ 58,437
Fund Balances at Beginning of Year	711,379	711,379	711,379	-
Prior year encumbrances appropriated	226,693	226,693	226,693	-
FUND BALANCES AT END OF YEAR	\$ 57,683	\$ 210,752	\$ 269,189	\$ 58,437

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ 232,975	\$ 232,975	\$ 351,987	\$ 119,012
Investment income	17,000	17,000	15,055	(1,945)
Total Revenues	\$ 249,975	\$ 249,975	\$ 367,042	\$ 117,067
<u>EXPENDITURES</u>				
<i>Current:</i>				
Transportation	\$ 524,421	\$ 524,421	\$ 344,248	\$ 180,173
<i>Debt service:</i>				
Principal retirement	14,500	14,500	14,495	5
Total Expenditures	\$ 538,921	\$ 538,921	\$ 358,743	\$ 180,178
Excess/(deficiency) of revenues over/(under) expenditures	(288,946)	(288,946)	8,299	297,245
NET CHANGE IN FUND BALANCES	\$ (288,946)	\$ (288,946)	\$ 8,299	\$ 297,245
Fund Balances at Beginning of Year	348,664	348,664	348,664	-
Prior year encumbrances appropriated	39,233	39,233	39,233	-
FUND BALANCES AT END OF YEAR	\$ 98,951	\$ 98,951	\$ 396,196	\$ 297,245

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
DECEMBER 31, 2005**

	Agency
<u>ASSETS</u>	
Cash in segregated accounts	\$ 2,817
<i>Receivables:</i>	
Accounts	9,197
Total Assets	\$ 12,014
 <u>LIABILITIES</u>	
Due to other governments	\$ 12,014
Total Liabilities	\$ 12,014

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1 - DESCRIPTION OF THE CITY

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

JOINTLY GOVERNED ORGANIZATIONS

Franklin County General Health District: The Franklin County General Health District (the "District") provides health services to citizens within the County, including the City. The Board of Health, with representatives from throughout the County, oversees the operation of the District. The City contributed \$31,868 during fiscal year 2005 for the operation of the District. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and Treasurer serve as fiscal officers.

Mid-Ohio Regional Planning Commission: The Mid-Ohio Regional Planning Commission (MORPC) provides innovative solutions to 39 local governments. The City contributed \$2,778 to MORPC during fiscal year 2005. The City does not have any financial interest in or responsibility for the Commission. The Board of MORPC is made up of representatives from its participating governments. The City had two employees serve on the Board in 2005.

RELATED ORGANIZATION

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

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

B. Basis of Presentation - Fund Accounting

The City's BFS consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net assets presents the financial condition of the governmental activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draw from the general revenues of the City.

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

C. Fund Accounting

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

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following 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.

Street Construction, Maintenance and Repair Fund - The street construction, maintenance and repair fund account for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of streets within the City.

Library Revenue Bond Retirement - The library revenue bond retirement fund accounts for the accumulation of resources for, and payment of, long-term debt principal, interest and related costs related to the library revenue bonds.

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

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are custodial in nature (assets

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

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

D. Measurement Focus

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

E. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (see Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, licenses and permits and charges for services.

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

Property taxes for which there is an enforceable legal claim as of December 31, 2005, but which were levied to finance year 2006 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Budgetary Data

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

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

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

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include encumbrances and cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Director of Finance determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the original and final amended official certificate of estimated resources issued during 2005.

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

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

G. Cash and Cash Equivalents

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

During fiscal year 2005, investments were limited to federal securities, certificates of deposit, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

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

The City has invested funds in STAR Ohio during fiscal 2005. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2005.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. During fiscal 2005, interest revenue credited to the general fund amounted to \$31,083 which includes \$10,870 assigned from other City funds.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

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

H. Capital Assets

These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000 for land improvements, \$10,000 for buildings and improvements, \$2,500 for equipment and vehicles, and \$15,000 for infrastructure. The City has determined all land will be capitalized regardless of the dollar amount. The City's infrastructure consists of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Estimated lives have been restated with no effect on capital assets. Depreciation is computed using the straight-line method in the governmental activities over the following useful lives:

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

I. Compensated Absences

The liability for compensated absences is based on the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits and compensatory time are accrued as liabilities as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments as well as the sick leave accumulated by those employees expected to become eligible to receive termination benefits in the future.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

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

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

J. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2005, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed.

L. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the BFS.

M. Fund Balance Reserves and Designations

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

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

N. Estimates

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

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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

O. Extraordinary and Special Items

Extraordinary items or transactions of events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City administration and are either unusual in nature or infrequent in occurrence. The City had no extraordinary items during 2005. The special item relates to the sale of land consisting of a right-of-way. The gain related to the sale is reflected as a special item on the statement of activities and the proceeds received from the sale are reflected on the governmental fund statements as a special item.

P. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The net assets restricted for other purposes primarily represent monies restricted for street construction, maintenance and repair and parks and recreation, as well as fire/EMS, court computer and law enforcement.

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

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2005, the City has implemented GASB Statement No. 40, "Deposit and Investment Risk Disclosures."

GASB Statement No. 40 establishes and modified disclosure requirements related to investment risks: credit risk (including custodial credit risk and concentrations of credit risk) and interest rate risk. This statement also establishes and modified disclosure requirements for custodial credit risk on deposits.

The implementation of GASB Statement No. 40 did not have an effect on the financial statements of the City, however additional note disclosure can be found in Note 4.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time: and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Director of Finance, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

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

B. Deposits with Financial Institutions

At December 31, 2005, the carrying amount of all City deposits was \$1,325,704. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2005, \$1,432,520 of the City's bank balance of \$1,549,229 was exposed to custodial risk as discussed below, while \$116,709 was covered by Federal Deposit Insurance Corporation.

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

C. Investments

As of December 31, 2005, the City had the following investments and maturities:

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

<u>Investment type</u>	<u>Balance at Fair Value</u>	<u>Investment Maturities 6 months or less</u>
STAR Ohio	\$ 126,042	\$ 126,042
FHLMC	99,938	99,938
FNMA	<u>99,719</u>	<u>99,719</u>
Total	<u>\$ 325,699</u>	<u>\$ 325,699</u>

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

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

Concentration of Credit Risk: The City places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31, 2005:

<u>Investment type</u>	<u>Fair Value</u>	<u>% to Total</u>
STAR Ohio	\$ 126,042	38.70%
FHLMC	99,938	30.68%
FNMA	<u>99,719</u>	<u>30.62%</u>
Total	<u>\$ 325,699</u>	<u>100.00%</u>

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

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the statement of net assets as of December 31, 2005:

Carrying amount of deposits	\$ 1,325,704
Investments	325,699
Cash on hand	<u>900</u>
Total	<u>\$ 1,652,303</u>

Cash and investments per Statement of Net Assets

Governmental activities	\$ 1,649,486
Agency funds	<u>2,817</u>
Total	<u>\$ 1,652,303</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2005, consisted of the following, as reported in the fund financial statements:

Transfers to	Transfers from General
Nonmajor governmental	\$ <u>204,100</u>

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

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Real property taxes and public utility taxes are levied after October 1 on the assessed value as of the prior January 1, the tax lien date. Assessed values are established by state law at 35 percent of appraised market value, as established by the County Auditor. All real property is required to be revalued every six years. The last revaluation was completed in 2000. Real property taxes are payable annually or semiannually. The first payment for 2005 was due January 1, with the remainder payable June 20.

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

Taxes collected on tangible personal property (other than public utility) in one calendar year are levied on the assessed values and at the close of the most recent fiscal year of the taxpayer (for businesses in operation more than one year) or December 31. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 23 percent of true value for inventory and 25 percent of true value for capital assets. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30, and if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. The first \$10,000 of taxable value is exempt from taxation for each business by state law.

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

The Franklin County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The Franklin County Auditor periodically remits to the City its portion of the taxes collected. The full rate for all City operations for the year ended December 31, 2005, was \$10.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property, upon which taxes for 2005 were collected, are as follows:

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 6 - PROPERTY TAXES - (Continued)

Category	Assessed Value
Residential	\$ 137,790,430
Commercial	37,014,120
Total Real Estate	<u>\$ 174,804,550</u>
Public utility property	6,718,100
Tangible personal property	13,188,279
Grand Total	<u>\$ 194,710,929</u>

Accrued taxes receivable represent delinquent taxes outstanding and real, tangible personal, and public utility taxes which were measurable and unpaid as of December 31, 2005. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2005 operations. Accordingly, the receivable is offset by a credit to "Deferred Revenue."

NOTE 7 - LOCAL INCOME TAX

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

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a final return annually. The Regional Income Tax Agency (RITA) administers and collects income taxes for the City. Payments, net of a 3% collection fee, are remitted monthly for tax revenues received by RITA in the prior month. Income tax revenue is credited to the general fund and totaled \$3,334,135 in fiscal year 2005.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2005, consisted of income, real and other taxes, accounts (billings for user charged services), accrued interest, capital lease, and intergovernmental receivables arising from grants, entitlements, and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2005, as well as intended to finance fiscal 2005 operations.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 8 – RECEIVABLES – (Continued)

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

Governmental Activities:

Income taxes	\$ 830,946
Property and other taxes	1,693,059
Accounts	116,802
Accrued interest	6,134
Intergovernmental	623,195
Capital lease receivable	<u>400,000</u>

Total Governmental Activities \$ 3,670,136

Receivables have been disaggregated on the face of the BFS. The only receivable not expected to be collected within the subsequent year is the capital lease receivable since the library will be making the payments over the life of the revenue bonds.

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2005, was as follows:

<u>Governmental Activities:</u>	<u>12/31/04</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/05</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 805,291	\$ -	\$ (1,551)	\$ 803,740
Total Capital Assets - Not Depreciated	<u>805,291</u>	<u>-</u>	<u>(1,551)</u>	<u>803,740</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	156,895	5,468	-	162,363
Buildings and improvements	2,998,476	13,976	-	3,012,452
Machinery, equipment and furniture	1,045,128	82,790	(31,849)	1,096,069
Vehicles	2,124,112	95,087	(106,744)	2,112,455
Infrastructure	<u>366,891</u>	<u>63,412</u>	<u>-</u>	<u>430,303</u>
Total Capital Assets - Depreciated	<u>\$ 6,691,502</u>	<u>\$ 260,733</u>	<u>\$ (138,593)</u>	<u>\$ 6,813,642</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	\$ (127,826)	\$ (4,140)	\$ -	\$ (131,966)
Buildings and improvements	(1,099,704)	(55,119)	-	(1,154,823)
Machinery, equipment and furniture	(731,086)	(75,179)	27,541	(778,724)
Vehicles	(1,263,409)	(163,937)	93,075	(1,334,271)
Infrastructure	<u>(9,172)</u>	<u>(18,767)</u>	<u>-</u>	<u>(27,939)</u>
Total Accumulated Depreciation	<u>\$ (3,231,197)</u>	<u>\$ (317,142)</u>	<u>\$ 120,616</u>	<u>\$ (3,427,723)</u>
Total Capital Assets - Net of Depreciation	<u>\$ 4,265,596</u>	<u>\$ (56,409)</u>	<u>\$ (19,528)</u>	<u>\$ 4,189,659</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 9 - CAPITAL ASSETS – (Continued)

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

Governmental activities:

General government	\$ 13,673
Security of persons and property	159,302
Transportation	84,528
Leisure time activity	59,639
Total Depreciation Expense - Governmental Activities	<u>\$ 317,142</u>

NOTE 10 - CAPITALIZED LEASES - LESSEE DISCLOSURE

During 2005, the City entered into a capitalized lease for the purchase of a copier, which is accounted for as capital outlay expenditure and other financing source, within the Street Construction, Maintenance and Repair fund. In 2004, the City entered into a capitalized lease agreement for the acquisition of a backhoe, which was accounted for in the Street Construction, Maintenance and Repair fund. In 2002, the City entered into a capitalized lease agreement for the acquisition of a copier, which was accounted for in the general fund.

The terms of the lease agreements provide options to purchase two copiers and a backhoe. These leases meet the criteria of capital leases as defined by FASB No. 13, Accounting for Leases, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service expenditures in the fund financials. Capital assets acquired by lease have been capitalized in the statement of net assets in an amount equal to the \$62,906. A corresponding liability was recorded in the statement of net assets. Principal payments in 2005 totaled \$11,167. This amount is reflected as debt service principal retirement in the general fund and street construction, maintenance and repair fund. Proceeds for the lease have been recorded in the street construction, maintenance and repair fund, which is where future lease payments will be made.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the future minimum lease payments as of December 31, 2005:

<u>Year Ending</u>	<u>Total</u>
2006	\$ 14,631
2007	13,988
2008	12,062
2009	12,063
2010	648
Total future minimum lease payments	\$ 53,392
Less: amount representing interest	(5,887)
Present value of future minimum lease payments	<u>\$ 47,505</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 11 - LONG-TERM OBLIGATIONS

A. During the fiscal year 2005, the following changes occurred in governmental activities long-term obligations:

Governmental activities:	Balance 12/31/04	Additions	Reductions	Balance at 12/31/05	Amount Due in One Year
<u>Mortgage Revenue Bonds</u>					
1993 Mortgage Revenue Refunding Bonds 4.5% - 6.7%	\$ 585,000	\$ -	\$ (185,000)	\$ 400,000	\$ 195,000
Total Mortgage Revenue Bonds	\$ 585,000	\$ -	\$ (185,000)	\$ 400,000	\$ 195,000
<u>OPWC Loans</u>					
1999 OPWC Loan - 0%	\$ 231,917	\$ -	\$ (14,495)	\$ 217,422	\$ 14,495
2000 OPWC Loan - 3%	272,142	-	(13,477)	258,665	13,885
2001 OPWC Loan - 0%	410,036	-	(22,164)	387,872	22,164
Total OPWC Loans	\$ 914,095	\$ -	\$ (50,136)	\$ 863,959	\$ 50,544
<u>General Obligation Notes Payable</u>					
Street light - Series 2004 - 1.89%	\$ 335,000	\$ -	\$ (335,000)	\$ -	\$ -
Street light - Series 2005 - 3.16%	-	220,000	-	220,000	220,000
Total General Obligation Notes	\$ 335,000	\$ 220,000	\$ (335,000)	\$ 220,000	\$ 220,000
<u>Other Obligations</u>					
Compensated absences	\$ 520,981	\$ 642,767	\$ (519,063)	\$ 644,685	\$ 476,763
Capital lease obligation	47,910	10,762	(11,167)	47,505	12,191
Total Other Obligations	\$ 568,891	\$ 653,529	\$ (530,230)	\$ 692,190	\$ 488,954
Total Governmental Activities	\$ 2,402,986	\$ 873,529	\$ (1,100,366)	\$ 2,176,149	\$ 954,498

General Obligation Notes: The City issued general obligation notes in 2003 in the amount of \$440,000. These notes are rolled over each year by retiring the old note and reissuing a new note for a lesser amount. The general obligation notes are direct obligations of the City and will be paid from the debt service fund using property tax revenues.

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

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

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

OPWC Loans: The City has entered into three debt financing arrangements through the Ohio Public Works Commission (OPWC). Two of these loans are to fund Goodale Boulevard street improvements. The third is to fund the sewer rehabilitation project. The amounts due to the OPWC are payable solely from operating revenues. The loan agreements function similar to a line-of-credit agreement. Two of the OPWC loans are

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

being repaid from a non major special revenue fund and the third is being paid from the street construction, maintenance and repair. The loan agreements require semi-annual payments based on the actual amount loaned. The OPWC loans for the street improvements are interest free, but the sewer project loan has an interest rate of 3%.

- B.** Principal and interest requirements to retire long-term obligations outstanding at December 31, 2005 are follows:

Year	Mortgage Revenue Bonds			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2006	\$ 195,000	\$ 20,605	\$ 215,605	\$ 50,544	\$ 7,657	\$ 58,201
2007	205,000	10,660	215,660	50,963	7,237	58,200
2008	-	-	-	51,396	6,805	58,201
2009	-	-	-	51,841	6,359	58,200
2010	-	-	-	52,300	5,900	58,200
2011 - 2015	-	-	-	268,883	22,118	291,001
2016 - 2020	-	-	-	282,621	8,377	290,998
2021 - 2023	-	-	-	55,411	-	55,411
Total	\$ 400,000	\$ 31,265	\$ 431,265	\$ 863,959	\$ 64,453	\$ 928,412

- C.** The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2005, the City's total debt margin was \$20,235,671 and the unvoted debt margin was \$10,489,101; this amount included available funds of \$11,023.

NOTE 12 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

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

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

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

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 12 - OTHER EMPLOYEE BENEFITS - (Continued)

earned and may not be accrued. Permanent part time employees include the Clerk of Court or Finance Accounting Clerk that work more than 900 hours per year.

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

B. Health Care Benefits

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

C. Early Retirement Incentive Plan

The City has approved an early retirement incentive plan ("ERIP") for all city employees. The City will purchase, from OPERS, additional service credit for those employees who elect to participate in the plan. Participation was open to employees who were at least 50 years old, qualified for retirement with the years purchased by the City, and agreed to retire at the end of fiscal year 2005. The enrollment period for the plan was between March 1, 2005 and February 28, 2006. The credit could not exceed the lesser of three years or one-fifth of each member's total Ohio service. The City did not limit the number of employees participating in the plan in any one year. The total liability for the plan remaining at December 31, 2005 was \$160,661. The liability is recorded in the respective funds from which the employee was paid as part of compensated absences payable.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2005, the City contracted with Archer-Meek-Weiler Agency for insurance.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 13 - RISK MANAGEMENT – (Continued)

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

<u>Carrier/Type of Coverage</u>	<u>Deductible</u>	<u>Limit</u>
<u>Arch Insurance Company</u>		
Blanket Property	\$ 1,000	\$ 3,369,411
General Liability	-	3,000,000
Automobile	500	1,000,000
Police Professional Liability	2,500	1,000,000
Public Officials Liability	2,500	1,000,000
Crime	1,000	100,000
EDP	100	416,504
Umbrella	10,000	5,000,000
<u>Travelers Insurance</u>		
Boiler	1,000	3,000,000
Fiduciary/Bond	1,000	1,000,000

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

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

NOTE 14 - PENSION PLANS

A. Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 14 - PENSION PLANS - (Continued)

For the year ended December 31, 2005, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5% of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1% of their annual covered salary; members in public safety contributed 9%. The City's contribution rate for pension benefits for 2005 was 8.55%, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 11.7% of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2005, 2004, and 2003 were \$228,947, \$266,586, and \$223,090, respectively; 100% has been contributed for 2004 and 2003. 94% has been contributed for 2005, \$14,961 represents the unpaid portion which is reported as a liability in the respective funds. The City and plan members did not make any contributions to the member-directed plan for 2005.

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10.0% of their annual covered salary to fund pension obligations while the City is required to contribute 19.5% for police officers and 24.0% for firefighters. Contributions are authorized by state statute. The City's contributions to the OP&F for the years ended December 31, 2005, 2004, and 2003 were \$484,886, \$326,904, and \$487,648 respectively; 91% has been contributed for 2005 and 100% for the years 2004 and 2003. \$40,607, represents the unpaid portion of which is reported as a liability in the respective funds.

NOTE 15 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 local government employer contribution rate was 13.55% of covered payroll

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 15 - POSTRETIREMENT BENEFIT PLANS - (Continued)

(16.70% for public safety and law enforcement); 4.00% of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8.00%, an annual increase in active employee total payroll of 4.00% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50% and 6.3% based on additional annual pay increases. Health care premiums were assumed to increase 1.00% and 6.00% annually for the next eight years and 4.00% annually after nine years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 369,885 as of December 31, 2005. Actual employer contributions for 2005, which were used to fund postemployment benefits, were \$67,586. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2004 (the latest information available) were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS's health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5% of covered payroll and the

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 15 - POSTRETIREMENT BENEFIT PLANS - (Continued)

total firefighter employer contribution rate is 24% of covered payroll, of which 7.75% of covered payroll was applied to the postemployment health care program during 2005. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2005 that were used to fund postemployment benefits was \$111,650 for police and \$65,780 for firefighters. The OP&F's total health care expense for the year ended December 31, 2004 (the latest information available) was \$150,853,148, which was net of member contributions of \$17,207,506. The number of OP&F participants eligible to receive health care benefits as of December 31, 2004 (the latest information available), was 13,662 for police and 10,474 for firefighters.

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING

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

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

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING (CONTINUED)

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

Net Change in Fund Balance	General	SCMR
Budget basis	\$ (668,883)	\$ 8,299
Net adjustment for revenue accruals	183,628	23,193
Net adjustment for expenditure accruals	(213,411)	3,450
Net adjustment for other financing sources/(uses)	(14,583)	10,762
Adjustment for encumbrances	212,633	9,560
GAAP basis	\$ (500,616)	\$ 55,264

NOTE 17 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2005.

B. Litigation

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

NOTE 18 - CAPITAL LEASE RECEIVABLE

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

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

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

CITY OF GRANDVIEW HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 18 - CAPITAL LEASE RECEIVABLE - (Continued)

	<u>12/31/2005</u>
Total minimum lease payments to be received	\$ 431,265
Less: unearned interest	<u>(31,265)</u>
Net investment in direct financing leases	<u>\$ 400,000</u>

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

GENERAL FUND

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

NONMAJOR SPECIAL REVENUE FUNDS

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

Street Construction, Maintenance and Repair Fund

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

State Highway Improvement Fund

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

Board of Health Fund

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

Police Pension Fund

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

Fire Pension Fund

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

Motor Vehicle Permissive Tax Fund

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

Law Enforcement Trust Fund

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

DUI Education and Enforcement Fund

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

Mayor's Court Computer Fund

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

Community Events and Projects Fund

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

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

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Tax Abatement Fund

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

NIBRS2

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

Juvenile Task Force Fund

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

Domestic Violence Fund

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

Fire EMS Grant Fund

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

Senior Center Improvement Fund

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

Federal Emergency Management Agency Fund

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

McKinley Field Fund

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

Wyman Woods Fund

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

Municipal Swimming Pool Fund

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

Convention and Visitor's Bureau Fund

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

Coronary Care Fund

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

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

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Youth DARE Trust

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

K-9 Trust Fund

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

Tournament Trust

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

Youth Swim Trust

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

C. Ray Buck Sports Park Fund

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

Greenspace Parkland Trust Fund

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

Pierce Field Park Trust

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

NONMAJOR DEBT SERVICE FUNDS

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

Street Light Debt Service Fund

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

NONMAJOR CAPITAL PROJECTS FUNDS

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

General Improvement Fund

This fund accounts for revenues and expenditures for capital improvements.

Sewer Improvement Fund

This fund accounts for revenues and expenditures for sewer improvements.



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CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Municipal income taxes	\$ 3,156,812	\$ 3,456,812	\$ 3,168,333	\$ (288,479)
Property and other taxes	1,492,104	1,412,234	1,638,403	226,169
Charges for services	740,395	777,008	806,929	29,921
Licenses and permits	52,700	52,700	76,063	23,363
Fines and forfeitures	98,900	98,900	113,853	14,953
Intergovernmental	922,887	924,887	825,475	(99,412)
Investment income	65,000	65,000	28,611	(36,389)
Other	50,000	50,000	162	(49,838)
Total Revenues	<u>\$ 6,578,798</u>	<u>\$ 6,837,541</u>	<u>\$ 6,657,829</u>	<u>\$ (179,712)</u>
EXPENDITURES				
<i>Current:</i>				
General Government				
<u>Administration</u>				
Personal services	\$ 452,750	\$ 459,112	\$ 457,574	\$ 1,538
Contractual services	167,402	169,755	136,025	33,730
Materials & supplies	166,444	168,783	123,233	45,550
Capital outlay	39,907	40,468	22,374	18,094
Total Administration	<u>\$ 826,503</u>	<u>\$ 838,118</u>	<u>\$ 739,206</u>	<u>\$ 98,912</u>
<u>Finance/Legal/Council</u>				
Personal services	\$ 382,379	\$ 387,753	\$ 377,711	\$ 10,042
Contractual services	197,900	200,681	193,789	6,892
Materials & supplies	12,039	12,208	16,723	(4,515)
Capital outlay	14,753	14,960	13,021	1,939
Other	226,985	230,175	201,497	28,678
Total Finance/Legal/Council	<u>\$ 834,056</u>	<u>\$ 845,777</u>	<u>\$ 802,741</u>	<u>\$ 43,036</u>
Total General Government	<u>\$ 1,660,559</u>	<u>\$ 1,683,895</u>	<u>\$ 1,541,947</u>	<u>\$ 141,948</u>
Security of Persons & Property				
<u>Fire & Emergency</u>				
Personal services	\$ 1,603,310	\$ 1,625,842	\$ 1,616,533	\$ 9,309
Contractual services	9,861	10,000	9,248	752
Materials & supplies	72,505	73,523	58,853	14,670
Utility services	4,541	4,605	4,294	311
Capital outlay	42,966	43,570	43,296	274
Total Fire & Emergency	<u>\$ 1,733,183</u>	<u>\$ 1,757,540</u>	<u>\$ 1,732,224</u>	<u>\$ 25,316</u>
<u>Police</u>				
Personal services	\$ 1,959,706	\$ 1,987,246	\$ 1,981,253	\$ 5,993
Contractual services	25,245	25,600	23,035	2,565
Materials & supplies	124,604	126,355	100,859	25,496
Utility services	7,721	7,830	7,400	430
Capital outlay	64,827	65,738	63,914	1,824
Total Police	<u>\$ 2,182,103</u>	<u>\$ 2,212,769</u>	<u>\$ 2,176,461</u>	<u>\$ 36,308</u>
Total Security of Persons & Property	<u>\$ 3,915,286</u>	<u>\$ 3,970,309</u>	<u>\$ 3,908,685</u>	<u>\$ 61,624</u>

Continued

CITY OF GRANDVIEW HEIGHTS, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Transportation				
<u>Streets & Highways</u>				
Personal services	\$ 255,915	\$ 259,512	\$ 244,250	\$ 15,262
Contractual services	22,356	22,670	11,920	10,750
Materials & supplies	20,016	20,297	12,285	8,012
Utility services	15,985	16,210	15,915	295
Total Streets & Highways	\$ 314,272	\$ 318,689	\$ 284,370	\$ 34,319
<u>Sanitation</u>				
Personal services	\$ 404,147	\$ 409,827	\$ 409,824	\$ 3
Contractual services	103,308	104,760	102,991	1,769
Materials & supplies	68,549	69,512	57,347	12,165
Capital outlay	36,980	37,500	36,884	616
Total Sanitation	\$ 612,984	\$ 621,599	\$ 607,046	\$ 14,553
Total Transportation	\$ 927,256	\$ 940,288	\$ 891,416	\$ 48,872
Leisure Time Activity				
<u>Parks & Recreation</u>				
Personal services	\$ 617,160	\$ 625,833	\$ 622,667	\$ 3,166
Materials & supplies	125,499	127,263	111,578	15,685
Utility services	46,716	47,373	39,599	7,774
Capital outlay	25,615	25,975	25,611	364
Total Parks & Recreation	\$ 814,990	\$ 826,444	\$ 799,455	\$ 26,989
Total Leisure Time Activity	\$ 814,990	\$ 826,444	\$ 799,455	\$ 26,989
Total Expenditures	\$ 7,318,091	\$ 7,420,936	\$ 7,141,503	\$ 279,433
Excess/(deficiency) of revenues over/(under) expenditures	\$ (739,293)	\$ (583,395)	\$ (483,674)	\$ 99,721
<u>OTHER FINANCING SOURCES/(USES)</u>				
Sale of capital assets	\$ -	\$ -	\$ 4,308	\$ 4,308
Transfers out	(201,271)	(204,100)	(204,100)	-
Other financing sources	60,175	60,175	26,458	(33,717)
Other financing uses	-	-	(11,875)	(11,875)
Total Other Financing Sources/(Uses)	\$ (141,096)	\$ (143,925)	\$ (185,209)	\$ (41,284)
NET CHANGE IN FUND BALANCES	(880,389)	(727,320)	(668,883)	58,437
Fund Balances at Beginning of Year	711,379	711,379	711,379	-
Prior year encumbrances appropriated	226,693	226,693	226,693	-
FUND BALANCES AT END OF YEAR	\$ 57,683	\$ 210,752	\$ 269,189	\$ 58,437

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Equity in pooled cash and investments	\$ 418,506	\$ 11,023	\$ 331,462	\$ 760,991
<i>Receivables (net of allowance for uncollectibles):</i>				
Property taxes	131,860	-	-	131,860
Accounts	100	-	22,837	22,937
Intergovernmental	24,858	-	-	24,858
Total Assets	<u>\$ 575,324</u>	<u>\$ 11,023</u>	<u>\$ 354,299</u>	<u>\$ 940,646</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ 11,281	\$ 11,281
Unearned revenue	145,485	-	8,901	154,386
Total Liabilities	<u>\$ 145,485</u>	<u>\$ -</u>	<u>\$ 20,182</u>	<u>\$ 165,667</u>
<u>FUND BALANCES</u>				
Reserved for encumbrances	\$ 11,000	\$ -	\$ 79,353	\$ 90,353
Reserved for debt service	-	11,023	-	11,023
<i>Unreserved, undesignated reported in:</i>				
Special revenue funds	418,839	-	-	418,839
Capital projects funds	-	-	254,764	254,764
Total Fund Balances	<u>\$ 429,839</u>	<u>\$ 11,023</u>	<u>\$ 334,117</u>	<u>\$ 774,979</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 575,324</u>	<u>\$ 11,023</u>	<u>\$ 354,299</u>	<u>\$ 940,646</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Property and other taxes	\$ 106,804	\$ -	\$ -	\$ 106,804
Charges for services	11,425	-	204,672	216,097
Fines and forfeitures	6,781	-	38	6,819
Intergovernmental	112,326	-	1,026	113,352
Investment income	3,966	-	-	3,966
Other	58,148	-	-	58,148
Total Revenues	\$ 299,450	\$ -	\$ 205,736	\$ 505,186
EXPENDITURES				
<i>Current:</i>				
General government	\$ 6,245	\$ -	\$ -	\$ 6,245
Public safety	182,912	-	-	182,912
Health & welfare	31,868	-	-	31,868
Transportation	1,952	-	7,085	9,037
Leisure time activities	34,812	-	-	34,812
Capital outlay	-	-	107,277	107,277
<i>Debt service:</i>				
Principal retirement	22,164	335,000	13,477	370,641
Interest and fiscal charges	-	7,311	8,064	15,375
Total Expenditures	\$ 279,953	\$ 342,311	\$ 135,903	\$ 758,167
Excess of revenues over/(under) expenditures	\$ 19,497	\$ (342,311)	\$ 69,833	\$ (252,981)
OTHER FINANCING SOURCES				
Note issuance	\$ -	\$ 220,000	\$ -	\$ 220,000
Sale of capital assets	47,340	-	-	47,340
Transfers in	34,000	130,100	40,000	204,100
Total Other Financing Sources	\$ 81,340	\$ 350,100	\$ 40,000	\$ 471,440
NET CHANGE IN FUND BALANCES	100,837	7,789	109,833	218,459
Fund Balances at Beginning of Year	329,002	3,234	224,284	556,520
FUND BALANCES AT END OF YEAR	\$ 429,839	\$ 11,023	\$ 334,117	\$ 774,979

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2005

	State Highway Improvement	Board of Health	Police Pension	Fire Pension
<u>ASSETS</u>				
Equity in pooled cash and investments	\$ 43,170	\$ 13,083	\$ 5,038	\$ 5,038
<i>Receivables (net of allowance for uncollectibles):</i>				
Property taxes	-	-	65,930	65,930
Accounts	-	-	-	-
Intergovernmental	12,966	-	3,183	3,183
Total Assets	\$ 56,136	\$ 13,083	\$ 74,151	\$ 74,151
 <u>LIABILITIES</u>				
Unearned revenue	7,259	-	69,113	69,113
Total Liabilities	\$ 7,259	\$ -	\$ 69,113	\$ 69,113
 <u>FUND BALANCES</u>				
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ -
<i>Unreserved, undesignated reported in:</i>				
Special revenue funds	48,877	13,083	5,038	5,038
Total Fund Balances	\$ 48,877	\$ 13,083	\$ 5,038	\$ 5,038
TOTAL LIABILITIES & FUND BALANCES	\$ 56,136	\$ 13,083	\$ 74,151	\$ 74,151

Motor Vehicle Permissive Tax	Law Enforcement	DUI Education & Enforcement	Mayor's Court Computer	Community Events & Projects	Tax Abatement
\$ 74,289	\$ 7,298	\$ 15,628	\$ 15,487	\$ 3,678	\$ 6,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-	771	575	3,400	-
\$ 74,289	\$ 7,298	\$ 16,399	\$ 16,062	\$ 7,078	\$ 6,500
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -
74,289	7,298	16,399	6,062	7,078	6,500
\$ 74,289	\$ 7,298	\$ 16,399	\$ 16,062	\$ 7,078	\$ 6,500
\$ 74,289	\$ 7,298	\$ 16,399	\$ 16,062	\$ 7,078	\$ 6,500

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2005

	NIBRS2	Juvenile Task Force	Domestic Violence	Fire/EMS Grant
<u>ASSETS</u>				
Equity in pooled cash and investments	\$ 866	\$ 375	\$ 58	\$ 1,347
<i>Receivables (net of allowance for uncollectibles):</i>				
Property taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Total Assets	<u>\$ 866</u>	<u>\$ 375</u>	<u>\$ 58</u>	<u>\$ 1,347</u>
<u>LIABILITIES</u>				
Unearned revenue	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>FUND BALANCES</u>				
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ 1,000
<i>Unreserved, undesignated reported in:</i>				
Special revenue funds	866	375	58	347
Total Fund Balances	<u>\$ 866</u>	<u>\$ 375</u>	<u>\$ 58</u>	<u>\$ 1,347</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 866</u>	<u>\$ 375</u>	<u>\$ 58</u>	<u>\$ 1,347</u>

Senior Center Improvement	FEMA Grant	McKinley Field	Wyman Woods	Municipal Swimming Pool	Convention & Vistors Bureau
\$ 13,831	\$ 9,522	\$ 20	\$ 5	\$ 1,345	\$ 2,085
-	-	-	-	-	-
-	780	-	-	-	-
\$ 13,831	\$ 10,302	\$ 20	\$ 5	\$ 1,345	\$ 2,085
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13,831	10,302	20	5	1,345	2,085
\$ 13,831	\$ 10,302	\$ 20	\$ 5	\$ 1,345	\$ 2,085
\$ 13,831	\$ 10,302	\$ 20	\$ 5	\$ 1,345	\$ 2,085

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**CITY OF GRANDVIEW HEIGHTS, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 DECEMBER 31, 2005**

	<u>Coronary Care</u>	<u>Youth DARE Trust</u>	<u>K-9 Trust</u>	<u>Tournament Trust</u>
<u>ASSETS</u>				
Equity in pooled cash and investments	\$ 2,367	\$ 3,898	\$ 975	\$ 50
<i>Receivables (net of allowance for uncollectibles):</i>				
Property taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Total Assets	<u>\$ 2,367</u>	<u>\$ 3,898</u>	<u>\$ 975</u>	<u>\$ 50</u>
<u>LIABILITIES</u>				
Unearned revenue	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>FUND BALANCES</u>				
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ -
<i>Unreserved, undesignated reported in:</i>				
Special revenue funds	2,367	3,898	975	50
Total Fund Balances	<u>\$ 2,367</u>	<u>\$ 3,898</u>	<u>\$ 975</u>	<u>\$ 50</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 2,367</u>	<u>\$ 3,898</u>	<u>\$ 975</u>	<u>\$ 50</u>

Youth Swim Trust	C. Ray Buck Sports Park	Greenspace Parkland Trust	Pierce Field Park Trust	Total Nonmajor Special Revenue Funds
\$ 550	\$ 51,975	\$ 1,000	\$ 139,028	\$ 418,506
-	-	-	-	131,860
-	-	-	100	100
-	-	-	-	24,858
\$ 550	\$ 51,975	\$ 1,000	\$ 139,128	\$ 575,324
-	-	-	-	145,485
\$ -	\$ -	\$ -	\$ -	\$ 145,485
\$ -	\$ -	\$ -	\$ -	\$ 11,000
550	51,975	1,000	139,128	418,839
\$ 550	\$ 51,975	\$ 1,000	\$ 139,128	\$ 429,839
\$ 550	\$ 51,975	\$ 1,000	\$ 139,128	\$ 575,324

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	State Highway Improvement	Board of Health	Police Pension	Fire Pension
REVENUES				
Property and other taxes	\$ -	\$ -	\$ 53,402	\$ 53,402
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	30,419	-	6,323	6,323
Investment income	1,524	-	-	-
Other	-	-	-	-
Total Revenues	\$ 31,943	\$ -	\$ 59,725	\$ 59,725
EXPENDITURES				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	75,639	75,639
Health & welfare	-	31,868	-	-
Transportation	-	-	-	-
Leisure time activities	-	-	-	-
<i>Debt service:</i>				
Principal retirement	22,164	-	-	-
Total Expenditures	\$ 22,164	\$ 31,868	\$ 75,639	\$ 75,639
Excess of revenues over/(under) expenditures	\$ 9,779	\$ (31,868)	\$ (15,914)	\$ (15,914)
OTHER FINANCING SOURCES				
Sale of capital assets	-	-	-	-
Transfers in	-	32,000	-	-
Total Other Financing Sources	\$ -	\$ 32,000	\$ -	\$ -
NET CHANGE IN FUND BALANCES	\$ 9,779	\$ 132	\$ (15,914)	\$ (15,914)
Fund Balances at Beginning of Year	39,098	12,951	20,952	20,952
FUND BALANCES AT END OF YEAR	\$ 48,877	\$ 13,083	\$ 5,038	\$ 5,038

Motor Vehicle Permissive Tax	Law Enforcement	DUI Education & Enforcement	Mayor's Court Computer	Community Events & Projects	Tax Abatement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	6,625	500
-	225	2,331	4,225	-	-
16,487	21,430	7,957	-	-	-
2,442	-	-	-	-	-
-	-	-	-	13,490	-
\$ 18,929	\$ 21,655	\$ 10,288	\$ 4,225	\$ 20,115	\$ 500
-	-	-	1,945	-	-
-	21,430	-	-	-	-
-	-	-	-	-	-
1,952	-	-	-	-	-
-	-	4,599	-	19,811	-
-	-	-	-	-	-
\$ 1,952	\$ 21,430	\$ 4,599	\$ 1,945	\$ 19,811	\$ -
\$ 16,977	\$ 225	\$ 5,689	\$ 2,280	\$ 304	\$ 500
-	-	-	-	-	-
-	-	-	2,000	-	-
\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -
\$ 16,977	\$ 225	\$ 5,689	\$ 4,280	\$ 304	\$ 500
57,312	7,073	10,710	11,782	6,774	6,000
\$ 74,289	\$ 7,298	\$ 16,399	\$ 16,062	\$ 7,078	\$ 6,500

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2005

	NIBRS2	Juvenile Task Force	Domestic Violence	Fire/EMS Grant
REVENUES				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	1,000
Investment income	-	-	-	-
Other	-	-	-	-
Total Revenues	\$ -	\$ -	\$ -	\$ 1,000
EXPENDITURES				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	3,875
Health & welfare	-	-	-	-
Transportation	-	-	-	-
Leisure time activities	-	-	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ 3,875
Excess of revenues over/(under) expenditures	\$ -	\$ -	\$ -	\$ (2,875)
OTHER FINANCING SOURCES/(USES)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Total Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ (2,875)
Fund Balances at Beginning of Year	866	375	58	4,222
FUND BALANCES AT END OF YEAR	\$ 866	\$ 375	\$ 58	\$ 1,347

Secior Center Improvement	FEMA Grant	McKinley Field	Wyman Woods	Municipal Swimming Pool	Convention & Vistors Bureau
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	10,302	-	-	-	2,085
-	-	-	-	-	-
2,007	-	20	5	1,345	-
\$ 2,007	\$ 10,302	\$ 20	\$ 5	\$ 1,345	\$ 2,085
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,007	\$ 10,302	\$ 20	\$ 5	\$ 1,345	\$ 2,085
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,007	\$ 10,302	\$ 20	\$ 5	\$ 1,345	\$ 2,085
11,824	-	-	-	-	-
\$ 13,831	\$ 10,302	\$ 20	\$ 5	\$ 1,345	\$ 2,085

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CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2005

	Coronary Care	Youth DARE Trust	K-9 Trust	Tournament Trust
<u>REVENUES</u>				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	4,300
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	2,079
Total Revenues	\$ -	\$ -	\$ -	\$ 6,379
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	4,300	-	-	-
Public safety	-	-	-	6,329
Health & welfare	-	-	-	-
Transportation	-	-	-	-
Leisure time activities	-	-	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Total Expenditures	\$ 4,300	\$ -	\$ -	\$ 6,329
Excess of revenues over/(under) expenditures	\$ (4,300)	\$ -	\$ -	\$ 50
<u>OTHER FINANCING SOURCES/(USES)</u>				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Total Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCES	\$ (4,300)	\$ -	\$ -	\$ 50
Fund Balances at Beginning of Year	6,667	3,898	975	-
FUND BALANCES AT END OF YEAR	\$ 2,367	\$ 3,898	\$ 975	\$ 50

Youth Swim Trust	C. Ray Buck Sports Park	Greenspace Parkland Trust	Pierce Field Park Trust	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 106,804
-	-	-	-	11,425
-	-	-	-	6,781
-	-	-	10,000	112,326
-	-	-	-	3,966
-	-	-	39,202	58,148
\$ -	\$ -	\$ -	\$ 49,202	\$ 299,450
-	-	-	-	6,245
-	-	-	-	182,912
-	-	-	-	31,868
-	-	-	-	1,952
-	10,402	-	-	34,812
-	-	-	-	22,164
\$ -	\$ 10,402	\$ -	\$ -	\$ 279,953
\$ -	\$ (10,402)	\$ -	\$ 49,202	\$ 19,497
-	-	-	47,340	47,340
-	-	-	-	34,000
\$ -	\$ -	\$ -	\$ 47,340	\$ 81,340
\$ -	\$ (10,402)	\$ -	\$ 96,542	\$ 100,837
550	62,377	1,000	42,586	329,002
\$ 550	\$ 51,975	\$ 1,000	\$ 139,128	\$ 429,839

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ 232,975	\$ 232,975	\$ 351,987	\$ 119,012
Investment income	17,000	17,000	15,055	(1,945)
Total Revenues	<u>\$ 249,975</u>	<u>\$ 249,975</u>	<u>\$ 367,042</u>	<u>\$ 117,067</u>
<u>EXPENDITURES</u>				
<i>Current:</i>				
Transportation				
<u>Streets & Highways</u>				
Personal services	\$ 175,000	\$ 175,000	\$ 175,000	\$ -
Contractual services	44,464	44,464	16,632	27,832
Materials & supplies	157,144	157,144	118,547	38,597
Capital outlay	147,813	147,813	34,069	113,744
Total Transportation	<u>\$ 524,421</u>	<u>\$ 524,421</u>	<u>\$ 344,248</u>	<u>\$ 180,173</u>
<i>Debt service:</i>				
Principal retirement	14,500	14,500	14,495	5
Total Debt Service	<u>\$ 14,500</u>	<u>\$ 14,500</u>	<u>\$ 14,495</u>	<u>\$ 5</u>
Total Expenditures	<u>\$ 538,921</u>	<u>\$ 538,921</u>	<u>\$ 358,743</u>	<u>\$ 180,178</u>
NET CHANGE IN FUND BALANCES	<u>\$ (288,946)</u>	<u>\$ (288,946)</u>	<u>\$ 8,299</u>	<u>\$ 297,245</u>
Fund Balances at Beginning of Year	348,664	348,664	348,664	-
Prior year encumbrances appropriated	39,233	39,233	39,233	-
FUND BALANCES AT END OF YEAR	<u>\$ 98,951</u>	<u>\$ 98,951</u>	<u>\$ 396,196</u>	<u>\$ 297,245</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
<u>REVENUES</u>				
Intergovernmental	\$ 19,200	\$ 19,200	\$ 28,538	\$ 9,338
Investment income	7,995	7,995	1,524	(6,471)
Total Revenues	\$ 27,195	\$ 27,195	\$ 30,062	\$ 2,867
<u>EXPENDITURES</u>				
<i>Debt service:</i>				
Principal retirement	22,165	22,165	22,164	1
Total Debt Service	\$ 22,165	\$ 22,165	\$ 22,164	\$ 1
Total Expenditures	\$ 22,165	\$ 22,165	\$ 22,164	\$ 1
NET CHANGE IN FUND BALANCES	\$ 5,030	\$ 5,030	\$ 7,898	\$ 2,868
Fund Balances at Beginning of Year	35,272	35,272	35,272	-
FUND BALANCES AT END OF YEAR	\$ 40,302	\$ 40,302	\$ 43,170	\$ 2,868

CITY OF GRANDVIEW HEIGHTS, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BOARD OF HEALTH
 FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>EXPENDITURES</u>				
<i>Current:</i>				
<u>Public Health & Welfare</u>				
Board of Health				
Contractual services	\$ 32,000	\$ 32,000	\$ 31,868	\$ 132
Total Public Health & Welfare	<u>32,000</u>	<u>32,000</u>	<u>31,868</u>	<u>132</u>
Total Expenditures	<u>\$ 32,000</u>	<u>\$ 32,000</u>	<u>\$ 31,868</u>	<u>\$ 132</u>
Excess of revenues over/(under) expenditures	<u>\$ (32,000)</u>	<u>\$ (32,000)</u>	<u>\$ (31,868)</u>	<u>\$ 132</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers in	32,000	32,000	32,000	-
Total Other Financing Sources	<u>\$ 32,000</u>	<u>\$ 32,000</u>	<u>\$ 32,000</u>	<u>\$ -</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 132</u>	<u>\$ 132</u>
Fund Balances at Beginning of Year	12,951	12,951	12,951	-
FUND BALANCES AT END OF YEAR	<u>\$ 12,951</u>	<u>\$ 12,951</u>	<u>\$ 13,083</u>	<u>\$ 132</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Property and other taxes	\$ 52,422	\$ 52,422	\$ 53,402	\$ 980
Intergovernmental	8,003	8,003	6,323	(1,680)
Total Revenues	\$ 60,425	\$ 60,425	\$ 59,725	\$ (700)
<u>EXPENDITURES</u>				
<i>Current:</i>				
Security of Persons & Property				
<u>Police</u>				
Personal services	\$ 75,000	\$ 75,000	\$ 74,998	\$ 2
Other	1,000	1,000	641	359
Total Security of Persons & Property	\$ 76,000	\$ 76,000	\$ 75,639	\$ 361
Total Expenditures	\$ 76,000	\$ 76,000	\$ 75,639	\$ 361
NET CHANGE IN FUND BALANCES	\$ (15,575)	\$ (15,575)	\$ (15,914)	\$ (339)
Fund Balances at Beginning of Year	20,952	20,952	20,952	-
FUND BALANCES AT END OF YEAR	\$ 5,377	\$ 5,377	\$ 5,038	\$ (339)

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE PENSION
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property and other taxes	\$ 52,422	\$ 52,422	\$ 53,402	\$ 980
Intergovernmental	8,003	8,003	6,323	(1,680)
Total Revenues	\$ 60,425	\$ 60,425	\$ 59,725	\$ (700)
EXPENDITURES				
<i>Current:</i>				
Security of Persons & Property				
<u>Fire</u>				
Personal services	\$ 75,000	\$ 75,000	\$ 74,998	\$ 2
Other	1,000	1,000	641	359
Total Security of Persons & Property	\$ 76,000	\$ 76,000	\$ 75,639	\$ 361
Total Expenditures	\$ 76,000	\$ 76,000	\$ 75,639	\$ 361
NET CHANGE IN FUND BALANCES	\$ (15,575)	\$ (15,575)	\$ (15,914)	\$ (339)
Fund Balances at Beginning of Year	20,952	20,952	20,952	-
FUND BALANCES AT END OF YEAR	\$ 5,377	\$ 5,377	\$ 5,038	\$ (339)

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE PERMISSIVE TAX
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 20,000	\$ 20,000	\$ 16,487	\$ (3,513)
Investment income	2,500	2,500	2,442	(58)
Total Revenues	\$ 22,500	\$ 22,500	\$ 18,929	\$ (3,571)
EXPENDITURES				
<i>Current:</i>				
Transportation				
<u>Streets & Highways</u>				
Capital outlay	\$ 26,348	\$ 26,348	\$ 8,300	\$ 18,048
Total Transportation	\$ 26,348	\$ 26,348	\$ 8,300	\$ 18,048
Total Expenditures	\$ 26,348	\$ 26,348	\$ 8,300	\$ 18,048
NET CHANGE IN FUND BALANCES	\$ (3,848)	\$ (3,848)	\$ 10,629	\$ 14,477
Fund Balances at Beginning of Year	56,525	56,525	56,525	-
Prior year encumbrances appropriated	7,135	7,135	7,135	-
FUND BALANCES AT END OF YEAR	\$ 59,812	\$ 59,812	\$ 74,289	\$ 14,477

CITY OF GRANDVIEW HEIGHTS, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ 225	\$ 225
Intergovernmental	33,000	21,530	21,530	-
Total Revenues	\$ 33,000	\$ 21,530	\$ 21,755	\$ 225
EXPENDITURES				
<i>Current:</i>				
Security of Persons & Property				
<u>Police</u>				
Capital outlay	\$ 33,000	\$ 21,430	\$ 21,430	\$ -
Total Security of Persons & Property	\$ 33,000	\$ 21,430	\$ 21,430	\$ -
Total Expenditures	\$ 33,000	\$ 21,430	\$ 21,430	\$ -
NET CHANGE IN FUND BALANCES	\$ -	\$ 100	\$ 325	\$ 225
Fund Balances at Beginning of Year	6,973	6,973	6,973	-
FUND BALANCES AT END OF YEAR	\$ 6,973	\$ 7,073	\$ 7,298	\$ 225

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DUI EDUCATION AND ENFORCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and forfeitures	\$ -	\$ -	\$ 1,736	\$ 1,736
Intergovernmental	4,400	4,400	7,957	3,557
Total Revenues	\$ 4,400	\$ 4,400	\$ 9,693	\$ 5,293
<u>EXPENDITURES</u>				
<i>Current:</i>				
Security of Persons & Property				
<u>Police</u>				
Personal services	\$ 4,400	\$ 4,400	\$ 4,400	\$ -
Materials & supplies	-	198	199	(1)
Total Security of Persons & Property	\$ 4,400	\$ 4,598	\$ 4,599	\$ (1)
Total Expenditures	\$ 4,400	\$ 4,598	\$ 4,599	\$ (1)
NET CHANGE IN FUND BALANCES	\$ -	\$ (198)	\$ 5,094	\$ 5,292
Fund Balances at Beginning of Year	10,534	10,534	10,534	-
FUND BALANCES AT END OF YEAR	\$ 10,534	\$ 10,336	\$ 15,628	\$ 5,292

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT COMPUTER
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and forfeitures	\$ 5,000	\$ 5,000	\$ 4,050	\$ (950)
Total Revenues	\$ 5,000	\$ 5,000	\$ 4,050	\$ (950)
<u>EXPENDITURES</u>				
<i>Current:</i>				
General Government				
<u>Finance/Legal/Council</u>				
Contractual services	\$ 2,400	\$ 2,400	\$ 1,945	\$ 455
Materials & supplies	1,000	1,000	-	1,000
Capital outlay	10,000	10,000	10,000	-
Total General Government	13,400	13,400	11,945	1,455
Total Expenditures	\$ 13,400	\$ 13,400	\$ 11,945	\$ 1,455
Excess of revenues over/(under) expenditures	\$ (8,400)	\$ (8,400)	\$ (7,895)	\$ 505
<u>OTHER FINANCING SOURCES</u>				
Transfers in	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
Total Other Financing Sources	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
NET CHANGE IN FUND BALANCES	\$ (6,400)	\$ (6,400)	\$ (5,895)	\$ 505
Fund Balances at Beginning of Year	1,382	1,382	1,382	-
Prior year encumbrances appropriated	10,000	10,000	10,000	-
FUND BALANCES AT END OF YEAR	\$ 4,982	\$ 4,982	\$ 5,487	\$ 505

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY EVENTS AND PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for services	\$ 10,000	\$ 3,225	\$ 3,225	\$ -
Other	-	13,490	13,490	-
Total Revenues	\$ 10,000	\$ 16,715	\$ 16,715	\$ -
<u>Expenditures:</u>				
<i>Current:</i>				
Leisure time activity				
<u>General government</u>				
Materials & supplies	\$ 10,000	\$ 22,000	\$ 19,811	\$ 2,189
Total Leisure Time Activity	\$ 10,000	\$ 22,000	\$ 19,811	\$ 2,189
Total Expenditures	\$ 10,000	\$ 22,000	\$ 19,811	\$ 2,189
NET CHANGE IN FUND BALANCES	\$ -	\$ (5,285)	\$ (3,096)	\$ 2,189
Fund Balances at Beginning of Year	6,774	6,774	6,774	-
FUND BALANCES AT END OF YEAR	\$ 6,774	\$ 1,489	\$ 3,678	\$ 2,189

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX ABATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 500	\$ 500	\$ 500	\$ -
Total Revenues	\$ 500	\$ 500	\$ 500	\$ -
 NET CHANGE IN FUND BALANCES	 \$ 500	 \$ 500	 \$ 500	 \$ -
Fund Balances at Beginning of Year	6,000	6,000	6,000	-
FUND BALANCES AT END OF YEAR	\$ 6,500	\$ 6,500	\$ 6,500	\$ -

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NIBRS2
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund Balances at Beginning of Year	\$ 866	\$ 866	\$ 866	\$ -
FUND BALANCES AT END OF YEAR	<u>\$ 866</u>	<u>\$ 866</u>	<u>\$ 866</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
JUVENILE TASK FORCE
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund Balances at Beginning of Year	\$ 375	\$ 375	\$ 375	\$ -
FUND BALANCES AT END OF YEAR	<u>\$ 375</u>	<u>\$ 375</u>	<u>\$ 375</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DOMESTIC VIOLENCE
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund Balances at Beginning of Year	\$ 58	\$ 58	\$ 58	\$ -
FUND BALANCES AT END OF YEAR	<u>\$ 58</u>	<u>\$ 58</u>	<u>\$ 58</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE EMS GRANT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 2,000	\$ 1,000	\$ (1,000)
Total Revenues	\$ -	\$ 2,000	\$ 1,000	\$ (1,000)
EXPENDITURES				
<i>Current:</i>				
Security of Persons & Property				
<u>Fire</u>				
Personal services	\$ -	\$ 500	\$ 500	\$ -
Materials & supplies	4,009	5,159	4,010	1,149
Capital outlay	-	500	500	-
Total Security of Persons & Property	\$ 4,009	\$ 6,159	\$ 5,010	\$ 1,149
Total Expenditures	\$ 4,009	\$ 6,159	\$ 5,010	\$ 1,149
NET CHANGE IN FUND BALANCES	\$ (4,009)	\$ (4,159)	\$ (4,010)	\$ 149
Fund Balances at Beginning of Year	-	-	-	-
Prior year encumbrances appropriated	4,357	4,357	4,357	-
FUND BALANCES AT END OF YEAR	\$ 348	\$ 198	\$ 347	\$ 149

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SENIOR CENTER IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Other	\$ -	\$ -	\$ 2,007	\$ 2,007
Total Revenues	\$ -	\$ -	\$ 2,007	\$ 2,007
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ 2,007	\$ 2,007
Fund Balances at Beginning of Year	11,824	11,824	11,824	-
FUND BALANCES AT END OF YEAR	\$ 11,824	\$ 11,824	\$ 13,831	\$ 2,007

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA GRANT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ -	\$ 9,522	\$ 9,522
Total Revenues	\$ -	\$ -	\$ 9,522	\$ 9,522
 NET CHANGE IN FUND BALANCES	 \$ -	 \$ -	 \$ 9,522	 \$ 9,522
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ 9,522	\$ 9,522

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
McKINLEY FIELD
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Other	\$ -	\$ -	\$ 20	\$ 20
Total Revenues	\$ -	\$ -	\$ 20	\$ 20
 NET CHANGE IN FUND BALANCES	 \$ -	 \$ -	 \$ 20	 \$ 20
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ 20	\$ 20

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WYMAN WOODS
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Other	\$ -	\$ -	\$ 5	\$ 5
Total Revenues	\$ -	\$ -	\$ 5	\$ 5
 NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ 5	\$ 5
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ 5	\$ 5

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL SWIMMING POOL
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Other	\$ -	\$ -	\$ 1,345	\$ 1,345
Total Revenues	\$ -	\$ -	\$ 1,345	\$ 1,345
 NET CHANGE IN FUND BALANCES	 \$ -	 \$ -	 \$ 1,345	 \$ 1,345
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ 1,345	\$ 1,345

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CONVENTION AND VISITOR'S BUREAU
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ -	\$ 2,085	\$ 2,085
Total Revenues	\$ -	\$ -	\$ 2,085	\$ 2,085
 NET CHANGE IN FUND BALANCES	 \$ -	 \$ -	 \$ 2,085	 \$ 2,085
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ 2,085	\$ 2,085

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CORONARY CARE
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>EXPENDITURES</u>				
<i>Current:</i>				
Security of Persons & Property				
<u>Fire</u>				
Capital outlay	\$ 4,300	\$ 4,300	\$ 4,300	\$ -
Total Security of Persons & Property	<u>4,300</u>	<u>4,300</u>	<u>4,300</u>	<u>-</u>
Total Expenditures	<u>\$ 4,300</u>	<u>\$ 4,300</u>	<u>\$ 4,300</u>	<u>\$ -</u>
NET CHANGE IN FUND BALANCES	\$ (4,300)	\$ (4,300)	\$ (4,300)	\$ -
Fund Balances at Beginning of Year	2,367	2,367	2,367	-
Prior year encumbrances appropriated	<u>4,300</u>	<u>4,300</u>	<u>4,300</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 2,367</u></u>	<u><u>\$ 2,367</u></u>	<u><u>\$ 2,367</u></u>	<u><u>\$ -</u></u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH DARE TRUST
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund Balances at Beginning of Year	\$ 3,898	\$ 3,898	\$ 3,898	\$ -
FUND BALANCES AT END OF YEAR	<u>\$ 3,898</u>	<u>\$ 3,898</u>	<u>\$ 3,898</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
K-9 TRUST
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund Balances at Beginning of Year	\$ 975	\$ 975	\$ 975	\$ -
FUND BALANCES AT END OF YEAR	<u>\$ 975</u>	<u>\$ 975</u>	<u>\$ 975</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TOURNAMENT TRUST
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for services	\$ 6,000	\$ 6,237	\$ 4,300	\$ (1,937)
Other	2,000	2,000	2,079	79
Total Revenues	\$ 8,000	\$ 8,237	\$ 6,379	\$ (1,858)
<u>EXPENDITURES</u>				
<i>Current:</i>				
Leisure time activity				
<u>Parks & Recreation</u>				
Materials & supplies	\$ 6,000	\$ 6,000	\$ 4,093	\$ 1,907
Other	2,000	2,237	2,236	1
Total Leisure Time Activity	\$ 8,000	\$ 8,237	\$ 6,329	\$ 1,908
Total Expenditures	\$ 8,000	\$ 8,237	\$ 6,329	\$ 1,908
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ 50	\$ 50
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ 50	\$ 50

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH SWIM TRUST
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund Balances at Beginning of Year	\$ 550	\$ 550	\$ 550	\$ -
FUND BALANCES AT END OF YEAR	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
C. RAY BUCK SPORTS PARK
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>EXPENDITURES</u>				
<i>Current:</i>				
Leisure time activity				
<u>Parks & Recreation</u>				
Materials & supplies	\$ 12,000	\$ 12,000	\$ 10,402	\$ 1,598
Total Leisure Time Activity	<u>12,000</u>	<u>12,000</u>	<u>10,402</u>	<u>1,598</u>
Total Expenditures	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 10,402</u>	<u>\$ 1,598</u>
NET CHANGE IN FUND BALANCES	\$ (12,000)	\$ (12,000)	\$ (10,402)	\$ 1,598
Fund Balances at Beginning of Year	<u>62,377</u>	<u>62,377</u>	<u>62,377</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 50,377</u>	<u>\$ 50,377</u>	<u>\$ 51,975</u>	<u>\$ 1,598</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GREENSPACE PARKLAND TRUST
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund Balances at Beginning of Year	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PIERCE FIELD PARK TRUST
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ -	\$ 10,000	\$ 10,000
Other	-	35,000	39,102	4,102
Total Revenues	\$ -	\$ 35,000	\$ 49,102	\$ 14,102
Excess of revenues over/(under) expenditures	\$ -	\$ 35,000	\$ 49,102	\$ 14,102
<u>OTHER FINANCING SOURCES</u>				
Sale of capital assets	\$ -	\$ 47,340	\$ 47,340	\$ -
Total Other Financing Sources	\$ -	\$ 47,340	\$ 47,340	\$ -
NET CHANGE IN FUND BALANCES	\$ -	\$ 82,340	\$ 96,442	\$ 14,102
Fund Balances at Beginning of Year	42,586	42,586	42,586	-
FUND BALANCES AT END OF YEAR	\$ 42,586	\$ 124,926	\$ 139,028	\$ 14,102

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET LIGHT DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>EXPENDITURES</u>				
<i>Debt service:</i>				
Principal retirement	\$ 335,000	\$ 335,000	\$ 335,000	\$ -
Interest and fiscal charges	15,100	15,100	7,327	7,773
Total Expenditures	<u>\$ 350,100</u>	<u>\$ 350,100</u>	<u>\$ 342,327</u>	<u>\$ 7,773</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>\$ (350,100)</u>	<u>\$ (350,100)</u>	<u>\$ (342,327)</u>	<u>\$ 7,773</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers in	\$ 220,000	\$ 220,000	\$ 130,100	\$ (89,900)
Sale of capital assets	130,100	130,100	220,016	89,916
Total Other Financing Sources	<u>\$ 350,100</u>	<u>\$ 350,100</u>	<u>\$ 350,116</u>	<u>\$ 16</u>
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ 7,789	\$ 7,789
Fund Balances at Beginning of Year	3,234	3,234	3,234	-
FUND BALANCES AT END OF YEAR	<u>\$ 3,234</u>	<u>\$ 3,234</u>	<u>\$ 11,023</u>	<u>\$ 7,789</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2005**

	General Improvement	Sewer Improvement	Total Nonmajor Capital Projects Funds
<u>ASSETS</u>			
Equity in pooled cash and cash equivalents	\$ 218,644	\$ 112,818	\$ 331,462
<i>Receivables (net of allowances for uncollectibles):</i>			
Accounts	22,837	-	22,837
Total Assets	\$ 241,481	\$ 112,818	\$ 354,299
<u>LIABILITIES</u>			
Accounts payable	\$ 4,196	\$ 7,085	\$ 11,281
Unearned revenue	8,901	-	8,901
Total Liabilities	\$ 13,097	\$ 7,085	\$ 20,182
<u>FUND BALANCES</u>			
Reserved for encumbrances	\$ 23,470	\$ 55,883	\$ 79,353
<i>Unreserved, undesignated, reported in:</i>			
Capital projects funds	204,914	49,850	254,764
Total Fund Balances	\$ 228,384	\$ 105,733	\$ 334,117
TOTAL LIABILITIES & FUND BALANCES	\$ 241,481	\$ 112,818	\$ 354,299

CITY OF GRANDVIEW HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>General Improvement</u>	<u>Sewer Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES			
Charges for services	\$ 87,738	\$ 116,934	\$ 204,672
Fines and forfeitures	38	-	38
Intergovernmental	1,026	-	1,026
Total Revenues	\$ 88,802	\$ 116,934	\$ 205,736
EXPENDITURES			
<i>Current:</i>			
Transportation	\$ -	\$ 7,085	\$ 7,085
Capital outlay	58,668	48,609	107,277
<i>Debt service:</i>			
Principal retirement	-	13,477	13,477
Interest and fiscal charges	-	8,064	8,064
Total Expenditures	\$ 58,668	\$ 77,235	\$ 135,903
Excess of revenues over/(under) expenditures	\$ 30,134	\$ 39,699	\$ 69,833
OTHER FINANCING SOURCES			
Transfers in	\$ -	\$ 40,000	\$ 40,000
Total Other Financing Sources	\$ -	\$ 40,000	\$ 40,000
NET CHANGE IN FUND BALANCES	\$ 30,134	\$ 79,699	\$ 109,833
Fund Balances at Beginning of Year	198,250	26,034	224,284
FUND BALANCES AT END OF YEAR	\$ 228,384	\$ 105,733	\$ 334,117

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,026	\$ 1,026
Charges for services	68,625	84,637	86,574	1,937
Total Revenues	\$ 68,625	\$ 84,637	\$ 87,600	\$ 2,963
EXPENDITURES				
<i>Current:</i>				
General Government				
<u>General government</u>				
Capital outlay	\$ 3,844	\$ 42,344	\$ 16,075	\$ 26,269
Total General Government	\$ 3,844	\$ 42,344	\$ 16,075	\$ 26,269
Transportation				
<u>Streets and highways</u>				
Contractual services	\$ 16,999	\$ 8,499	\$ 7,100	\$ 1,399
Materials and supplies	35,000	35,000	34,676	324
Capital outlay	-	39,650	25,675	13,975
Total Transportation	\$ 51,999	\$ 83,149	\$ 67,451	\$ 15,698
Total Expenditures	\$ 55,843	\$ 125,493	\$ 83,526	\$ 41,967
Excess of revenues over/(under) expenditures	\$ 12,782	\$ (40,856)	\$ 4,074	\$ 44,930
OTHER FINANCING SOURCES				
Damage reimbursement	\$ -	\$ -	\$ 499	\$ 499
Total Other Financing Sources	\$ -	\$ -	\$ 499	\$ 499
NET CHANGE IN FUND BALANCES	\$ 12,782	\$ (40,856)	\$ 4,573	\$ 45,429
Fund Balances at Beginning of Year	175,561	175,561	175,561	-
Prior year encumbrances appropriated	10,844	10,844	10,844	-
FUND BALANCES AT END OF YEAR	\$ 199,187	\$ 145,549	\$ 190,978	\$ 45,429

CITY OF GRANDVIEW HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER IMPROVEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for services	\$ -	\$ 100,000	\$ 126,645	\$ 26,645
Total Revenues	\$ -	\$ 100,000	\$ 126,645	\$ 26,645
<u>EXPENDITURES</u>				
<i>Current:</i>				
Transportation				
<u>Streets and highways</u>				
Contractual services	\$ 26,320	\$ 132,320	\$ 64,765	\$ 67,555
Capital outlay	-	692,400	55,000	637,400
Total Transportation	\$ 26,320	\$ 824,720	\$ 119,765	\$ 704,955
<i>Debt service:</i>				
Principal retirement	\$ 12,889	\$ 13,478	\$ 13,477	\$ 1
Interest and fiscal charges	8,653	8,064	8,064	-
Total Debt Service	\$ 21,542	\$ 21,542	\$ 21,541	\$ 1
Total Expenditures	\$ 47,862	\$ 846,262	\$ 141,306	\$ 704,956
Excess of revenues over/(under) expenditures	\$ (47,862)	\$ (746,262)	\$ (14,661)	\$ 731,601
<u>OTHER FINANCING SOURCES</u>				
Transfers in	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Loan issuance	-	743,400	-	(743,400)
Total Other Financing Sources	\$ 40,000	\$ 783,400	\$ 40,000	\$ (743,400)
NET CHANGE IN FUND BALANCES	\$ (7,862)	\$ 37,138	\$ 25,339	\$ (11,799)
Fund Balances at Beginning of Year	18,158	18,158	18,158	-
Prior year encumbrances appropriated	6,353	6,353	6,353	-
FUND BALANCES AT END OF YEAR	\$ 16,649	\$ 61,649	\$ 49,850	\$ (11,799)

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

Agency Fund

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

Mayor's Court

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

CITY OF GRANDVIEW HEIGHTS, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	Beginning Balance 12/31/2004	Additions	Reductions	Ending Balance 12/31/2005
<u>ASSETS</u>				
Equity in pooled cash and cash equivalents	\$ 1,887	\$ 930	\$ -	\$ 2,817
<i>Receivables (net of allowance for uncollectibles):</i>				
Accounts	8,245	952	-	9,197
Total Assets	<u>\$ 10,132</u>	<u>\$ 1,882</u>	<u>\$ -</u>	<u>\$ 12,014</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 10,132	\$ 1,882	\$ -	\$ 12,014
Total Liabilities	<u>\$ 10,132</u>	<u>\$ 1,882</u>	<u>\$ -</u>	<u>\$ 12,014</u>



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STATISTICAL SECTION

CITY OF GRANDVIEW HEIGHTS, OHIO

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

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

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

CITY OF GRANDVIEW HEIGHTS, OHIO
CHANGES IN NET ASSETS
LAST TWO YEARS (a)
(accrual basis of accounting)

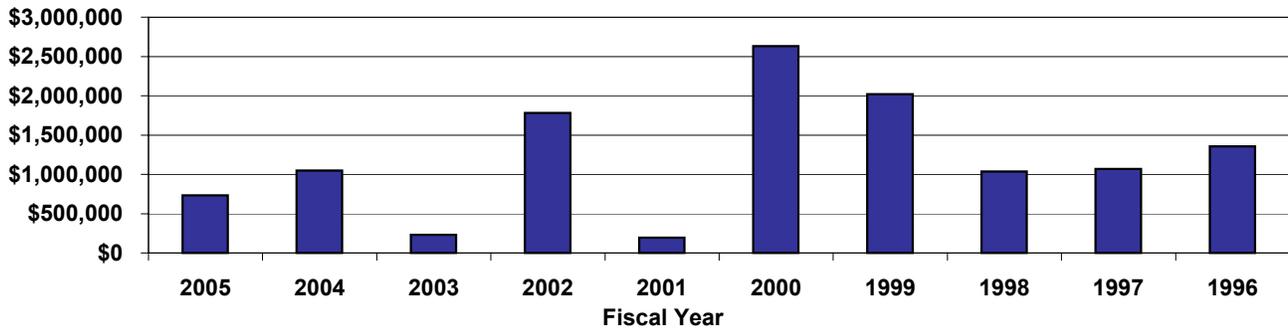
	Fiscal Year	
<u>Program Revenues:</u>	<u>2005</u>	<u>2004</u>
Governmental Activities		
Charges for Services:		
General Government	\$ 165,083	\$ 145,008
Security of Persons & Property	546,146	313,295
Public Health Services	120,857	115,103
Transportation	131,657	90,834
Leisure Time Activities	251,661	227,898
Operating Grants & Contributions	457,437	484,031
Capital Grants & Contributions	24,276	-
	<u>\$ 1,697,117</u>	<u>\$ 1,376,169</u>
<i>Total Governmental Activities Program Revenues</i>		
<u>Expenses:</u>		
Governmental Activities		
General Government	\$ 1,530,412	\$ 1,373,306
Security of Persons & Property	4,060,294	3,999,902
Public Health Services	31,868	31,199
Transportation	1,304,154	1,176,973
Leisure Time Activities	888,488	704,961
Basic Utility Services	65,674	112,592
Interest & Fiscal Charges	48,174	55,069
	<u>\$ 7,929,064</u>	<u>\$ 7,454,002</u>
<i>Total Governmental Activities Expenses</i>		
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>\$ (6,231,947)</u>	<u>\$ (6,077,833)</u>
<u>General Revenues and Other Changes in Net Assets</u>		
Governmental Activities		
Taxes:		
Property & Other Local Taxes Levied For:		
General Purposes	\$ 1,439,355	\$ 1,480,632
Police and fire pensions	106,158	107,808
Municipal Income Taxes Levied For:		
General Purposes	3,447,179	2,818,456
Grants and Entitlements not Restricted to Specific Programs	959,886	1,241,372
Investment Earnings	50,104	70,840
Lease	214,855	213,430
Miscellaneous	76,355	139,629
Special item	45,789	-
	<u>\$ 6,339,681</u>	<u>\$ 6,072,167</u>
<i>Total Governmental Activities</i>		
<i>Total Primary Government Change in Net Assets</i>	<u>\$ 107,734</u>	<u>\$ (5,666)</u>

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

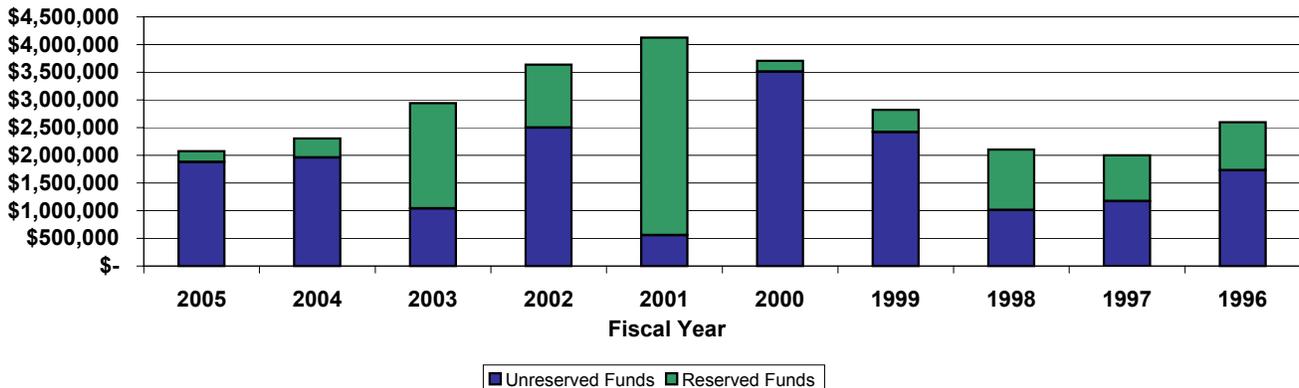
CITY OF GRANDVIEW HEIGHTS, OHIO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

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

Unreserved General Fund Balance

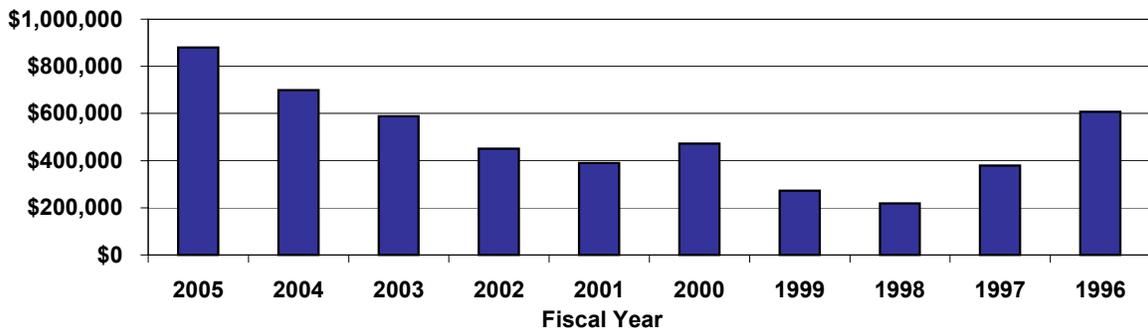


All Governmental Funds Reserved/Unreserved Fund Balance

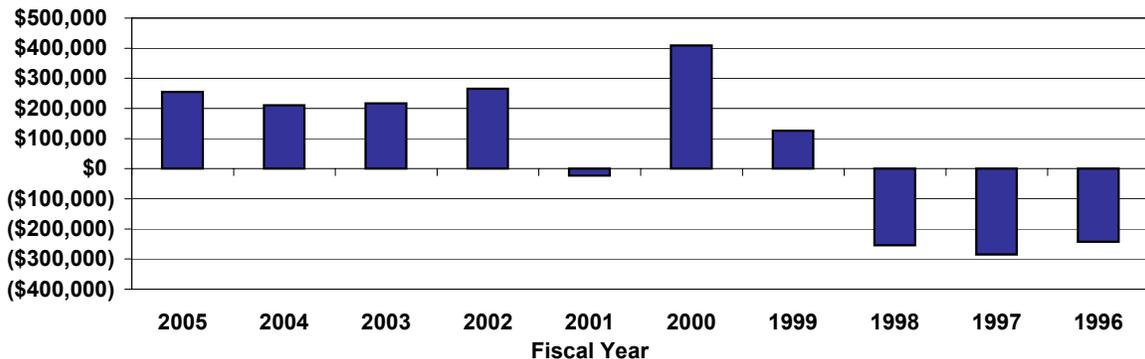


<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
\$ 3,091,378	\$ 154,164	\$ 75,847	\$ 71,903	\$ 39,094	\$ 80,075
<u>193,283</u>	<u>2,630,256</u>	<u>2,018,330</u>	<u>1,036,448</u>	<u>1,067,061</u>	<u>1,356,310</u>
\$ 3,284,661	\$ 2,784,420	\$ 2,094,177	\$ 1,108,351	\$ 1,106,155	\$ 1,436,385
\$ 476,960	\$ 39,890	\$ 325,949	\$ 1,016,593	\$ 790,823	\$ 786,648
389,964	472,708	273,020	219,298	378,845	607,058
-	-	998	11,998	11,998	11,998
<u>(23,002)</u>	<u>408,846</u>	<u>126,167</u>	<u>(254,301)</u>	<u>(285,083)</u>	<u>(243,010)</u>
\$ 843,922	\$ 921,444	\$ 726,134	\$ 993,588	\$ 896,583	\$ 1,162,694
\$ 4,128,583	\$ 3,705,864	\$ 2,820,311	\$ 2,101,939	\$ 2,002,738	\$ 2,599,079

Unreserved Special Revenue Fund Balance

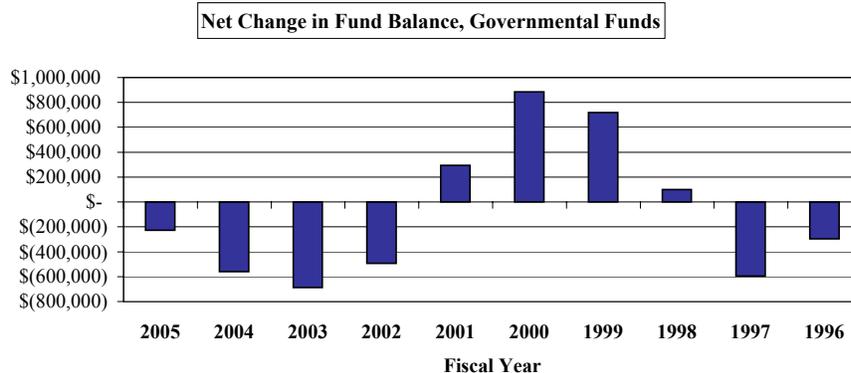


Unreserved Capital Projects Fund Balance



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

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Revenues:				
Municipal income tax	\$ 3,334,135	\$ 2,809,215	\$ 3,354,944	\$ 3,538,669
Property and other taxes	1,571,355	1,611,839	1,499,012	1,494,919
Charges for services	1,057,546	781,606	644,704	613,060
Licenses, permits & fees	76,063	51,062	34,014	26,286
Fines and forfeitures	121,418	100,720	73,355	78,505
Intergovernmental	1,459,706	1,633,145	1,568,948	1,430,951
Investment Income	50,104	70,840	100,608	169,898
Miscellaneous	281,406	280,352	344,693	370,486
Total Revenues	\$ 7,951,733	\$ 7,338,779	\$ 7,620,278	\$ 7,722,774
Expenditures:				
Current:				
General government	\$ 1,508,045	\$ 1,340,210	\$ 1,271,972	\$ 1,214,082
Security of persons and property	3,870,414	3,875,942	3,948,678	3,703,386
Public health and welfare	31,868	31,199	31,199	36,835
Transportation	1,209,774	1,124,026	1,136,907	1,090,844
Leisure time activities	842,853	635,219	677,800	90,224
Utility services	65,674	112,592	116,326	676,543
Other	-	-	-	87,770
Capital outlay	303,060	434,443	758,220	1,152,338
Debt service:				
Principal retirement	581,303	666,727	745,110	187,233
Interest & fiscal charges	48,045	55,015	88,940	101,296
Total Expenditures	\$ 8,461,036	\$ 8,275,373	\$ 8,775,152	\$ 8,340,551
Excess of Revenues Over (Under) Expenditures	\$ (509,303)	\$ (936,594)	\$ (1,154,874)	\$ (617,777)
Other Financing Sources (Uses):				
Sale of capital assets	\$ 4,308	\$ -	\$ 9,931	\$ -
Loan issuance	-	-	18,557	113,853
Note issuance	220,000	-	440,000	-
Bond issuance	10,762	335,000	-	-
Capital lease transaction	-	41,576	-	10,568
Other sources uses	-	-	-	-
Transfers in	204,100	152,480	87,140	1,562,459
Transfers out	(204,100)	(152,480)	(87,140)	(1,562,459)
Total Other Financing Sources (Uses)	\$ 235,070	\$ 376,576	\$ 468,488	\$ 124,421
Special item:				
Sale of land	\$ 47,340	\$ -	\$ -	\$ -
Net Change in Fund Balances	\$ (226,893)	\$ (560,018)	\$ (686,386)	\$ (493,356)
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	7.7%	9.2%	10.4%	4.0%



<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
\$ 3,639,651	\$ 3,876,770	\$ 3,669,203	\$ 3,382,604	\$ 3,143,497	\$ 3,141,860
1,575,105	1,564,338	1,521,419	1,167,732	1,129,271	1,110,017
582,089	656,663	605,570	564,115	566,559	627,082
25,049	19,295	25,710	23,597	52,706	57,385
91,357	82,884	108,737	122,632	133,333	100,118
1,780,780	1,680,582	1,559,541	1,225,175	1,516,138	998,144
155,575	155,632	135,544	125,868	147,002	182,275
468,086	348,458	427,215	355,754	306,252	274,423
\$ 8,317,692	\$ 8,384,622	\$ 8,052,939	\$ 6,967,477	\$ 6,994,758	\$ 6,491,304

\$ 1,212,730	\$ 930,998	\$ 1,174,667	\$ 1,040,971	\$ 1,089,408	\$ 1,064,983
3,535,848	3,293,286	3,150,976	3,056,145	2,814,671	2,778,438
32,606	44,904	43,976	41,313	39,655	38,060
963,325	970,109	881,713	741,787	815,833	571,781
654,722	597,333	641,814	607,943	586,493	727,296
95,769	74,907	449,302	417,615	438,908	432,571
1,591	272,218	-	-	-	-
1,457,930	1,253,765	897,742	613,939	1,450,325	813,835
266,459	305,009	221,264	215,862	209,210	190,965
114,767	118,156	131,459	141,850	146,596	180,348
\$ 8,335,747	\$ 7,860,685	\$ 7,592,913	\$ 6,877,425	\$ 7,591,099	\$ 6,798,277

\$ (18,055) \$ 523,937 \$ 460,026 \$ 90,052 \$ (596,341) \$ (306,973)

\$ 6,209	\$ 7,728	\$ 125	\$ 9,149	\$ -	\$ 11,718
306,833	-	258,221	-	-	-
-	353,888	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
731,457	858,726	530,253	1,099,598	1,358,256	867,928
(731,457)	(858,726)	(530,253)	(1,099,598)	(1,358,256)	(867,928)
\$ 313,042	\$ 361,616	\$ 258,346	\$ 9,149	\$ -	\$ 11,718

\$ - \$ - \$ - \$ - \$ - \$ -

\$ 294,987 \$ 885,553 \$ 718,372 \$ 99,201 \$ (596,341) \$ (295,255)

5.5% 6.4% 5.3% 5.7% 5.8% 6.2%

**CITY OF GRANDVIEW HEIGHTS, OHIO
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS**

(modified accrual basis of accounting - \$000's omitted)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Income Tax</u>	<u>Hotel Tax</u>	<u>Gasoline & Motor Veh</u>	<u>Total Tax Revenues</u>
2005	\$ 1,571.4	\$ 3,334.1	\$ 6.3	\$ 405.6	\$ 5,317.4
2004	1,611.8	2,809.2	-	369.9	4,790.9
2003	1,499.0	3,354.9	-	241.0	5,095.0
2002	1,494.9	3,538.7	-	240.2	5,273.8
2001	1,575.1	3,639.7	-	226.9	5,441.7
2000	1,564.3	3,876.8	-	240.8	5,681.9
1999	1,521.4	3,669.2	-	286.3	5,476.9
1998	1,167.7	3,382.6	-	360.8	4,911.2
1997	1,129.3	3,143.5	-	245.1	4,517.8
1996	1,110.0	3,141.9	-	239.8	4,491.6

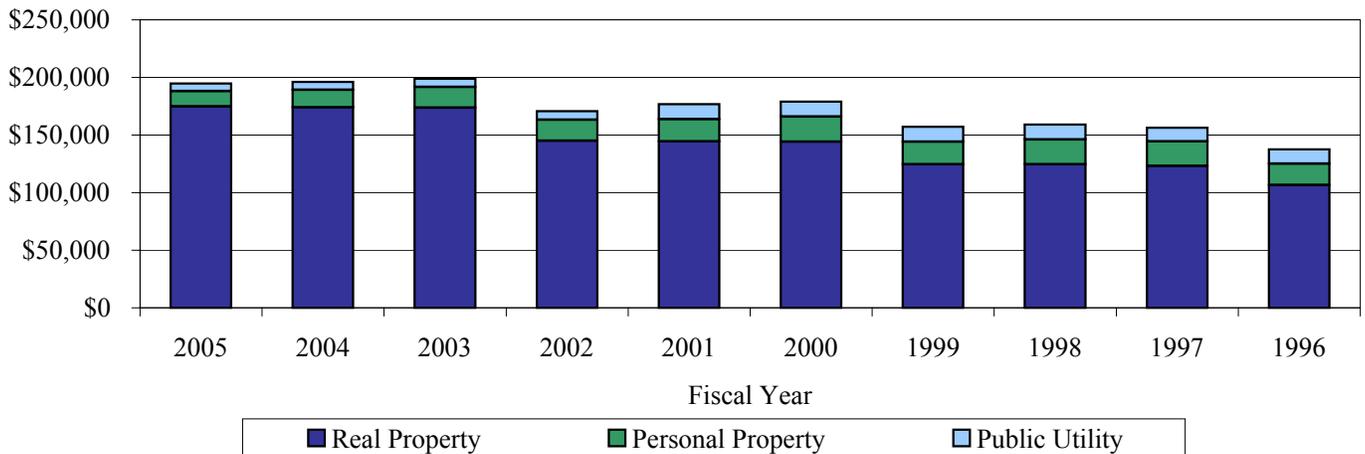
Only cash basis data available.

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

Tax Year	Collection Year	Real Property		Personal Property		Public Utility		TOTAL	
		Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual
1995	1996	\$106,748	\$304,993	\$18,498	\$73,991	\$12,250	\$35,001	\$137,496	\$413,985
1996	1997	\$123,338	\$352,395	\$21,031	\$84,125	\$11,932	\$34,090	\$156,301	\$470,610
1997	1998	\$124,541	\$355,831	\$21,667	\$86,667	\$13,039	\$37,253	\$159,246	\$479,751
1998	1999	\$124,610	\$356,029	\$19,719	\$78,877	\$12,882	\$36,806	\$157,212	\$471,712
1999	2000	\$144,272	\$412,206	\$21,777	\$87,106	\$13,018	\$37,195	\$179,067	\$536,507
2000	2001	\$144,496	\$412,847	\$19,217	\$76,867	\$13,210	\$37,744	\$176,924	\$527,458
2001	2002	\$144,963	\$414,181	\$18,280	\$73,119	\$7,388	\$21,110	\$170,631	\$508,410
2002	2003	\$173,674	\$496,212	\$18,156	\$75,650	\$6,949	\$19,854	\$198,779	\$591,716
2003	2004	\$174,156	\$497,588	\$15,183	\$66,012	\$6,805	\$19,442	\$196,143	\$583,042
2004	2005	\$174,818	\$499,481	\$13,188	\$57,340	\$6,704	\$19,155	\$194,711	\$575,976

Source: Franklin County, Ohio; County Auditor

Assessed Valuations by Property Type
Collection Years 1996-2005 (\$000's omitted)

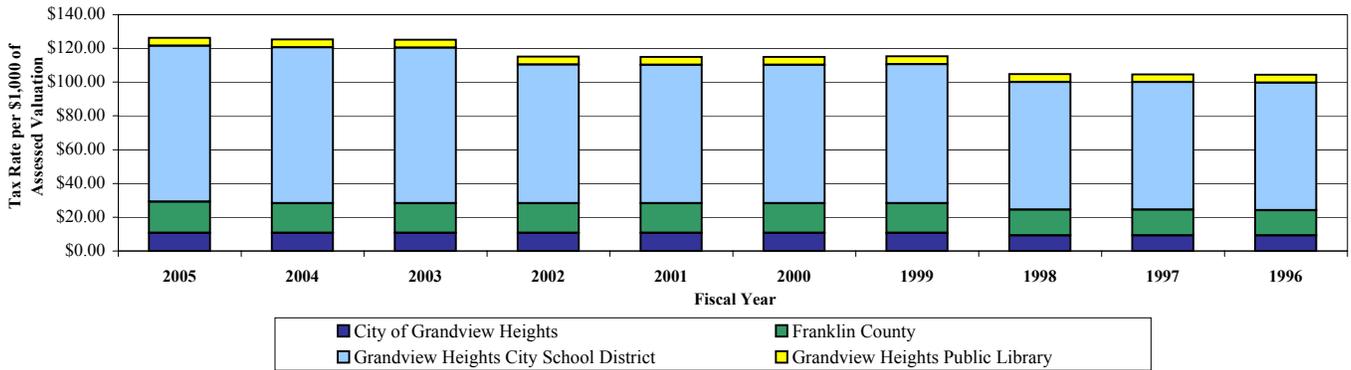


CITY OF GRANDVIEW HEIGHTS, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
RATES EXPRESSED PER \$1,000 OF ASSESSED VALUATION
LAST TEN YEARS

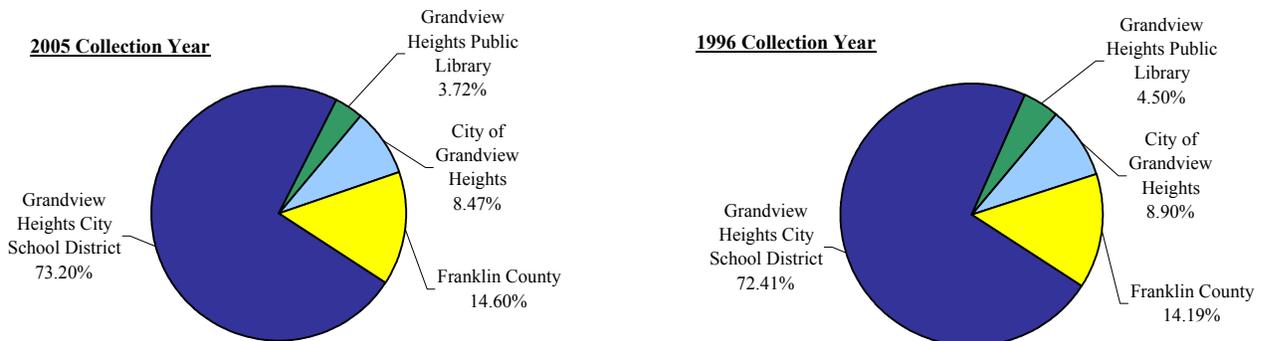
Tax Year	Collection Year	City of Grandview Heights	Franklin County	Grandview Heights City School District	Grandview Heights Public Library	TOTAL	Res/Agr Effective Rate	Com/Ind Effective Rate
1995	1996	\$9.30	\$14.82	\$75.62	\$4.70	\$104.44	\$65.9273	\$82.9529
1996	1997	\$9.30	\$15.12	\$75.55	\$4.70	\$104.67	\$65.1811	\$81.9324
1997	1998	\$9.30	\$15.22	\$75.53	\$4.70	\$104.75	\$58.1863	\$79.8766
1998	1999	\$10.70	\$17.54	\$82.32	\$4.70	\$115.26	\$58.3470	\$79.8745
1999	2000	\$10.70	\$17.64	\$81.82	\$4.70	\$114.86	\$70.9715	\$91.2948
2000	2001	\$10.70	\$17.64	\$81.97	\$4.70	\$115.01	\$63.3449	\$87.8017
2001	2002	\$10.70	\$17.64	\$82.17	\$4.70	\$115.21	\$63.4357	\$87.6917
2002	2003	\$10.70	\$17.64	\$92.12	\$4.70	\$125.16	\$63.4904	\$87.7132
2003	2004	\$10.70	\$17.64	\$92.33	\$4.70	\$125.37	\$65.1613	\$90.1249
2004	2005	\$10.70	\$18.44	\$92.45	\$4.70	\$126.29	\$66.4980	\$92.2907

Source: Franklin County, Ohio; County Auditor

Assessed Property Tax Rates - By Entity
Collection Years 2004 - 1995



2005 - 1996 Property Tax Breakdown
by Government Entity



**CITY OF GRANDVIEW HEIGHTS
TOP PRINCIPAL PROPERTY TAXPAYERS
December 31, 2005**

Rank	Taxpayer Name	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>			
1.	Columbus Southern Power	\$4,651,880	2.04%
2.	Columbia Gas of Ohio Inc	3,058,050	1.34%
<u>Real Estate</u>			
1.	Olentangy Commerce Center LP	5,391,940	2.36%
2.	Penn Traffic	1,556,390	0.68%
3.	Woodhill Garden	981,930	0.43%
4.	Court Realty Ltd	957,250	0.42%
5.	Popajack LLC	900,320	0.39%
6.	Tarbill Family LP	875,010	0.38%
7.	Jamestown Apartments Corp	875,000	0.38%
8.	5700 Greenpointe LLC	854,540	0.37%
9.	William E Benua TR	760,950	0.33%
10.	Ideal Investment	647,510	0.28%
<u>Tangible Personal Property</u>			
1.	Loeb Electric Company	1,392,720	0.61%
2.	Capital Wholesale Drug Company	397,965	0.17%
3.	Carro Printing Corp	373,500	0.16%
4.	Bearing Distributors Inc	312,563	0.14%
5.	Mindleaders Com Inc.	300,668	0.13%
6.	Floyd Bell Associates Inc	294,555	0.13%
7.	Global Living LLC	247,956	0.11%
8.	Time Warner Entertainment Company LP	216,870	0.09%
9.	C.W. Demary Service Inc.	202,598	0.09%
10.	Installed Building Products	130,035	0.06%
ALL OTHERS		<u>203,083,526</u>	<u>88.89%</u>
TOTAL ASSESSED VALUATION		<u>\$228,463,726</u>	<u>100.00%</u>

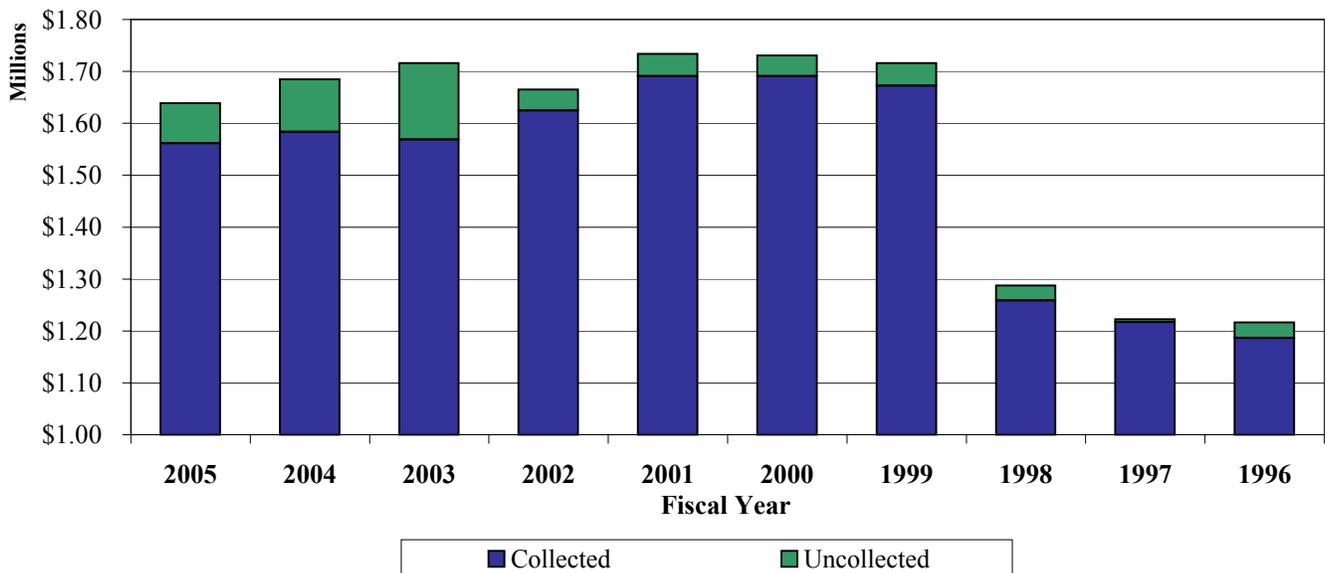
**CITY OF GRANDVIEW HEIGHTS, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Tax Year	Collection Year	Total Tax Levy	Current Collection	Delinquent Collection *	Total Tax Collections	Accumulated Outstanding Delinquent Taxes	Percent of Total Collections to Tax Levy	Percent of Delinquent Taxes to Total Tax Levy
1995	1996	\$ 1,203,459	\$ 1,186,177	\$ 31,085	\$ 1,217,262	\$ 59,539	101.15%	4.95%
1996	1997	\$ 1,247,885	\$ 1,217,036	\$ 30,150	\$ 1,247,186	\$ 34,832	99.94%	2.79%
1997	1998	\$ 1,247,759	\$ 1,258,715	\$ 32,010	\$ 1,290,725	\$ 31,741	103.44%	2.54%
1998	1999	\$ 1,704,292	\$ 1,672,787	\$ 20,421	\$ 1,693,208	\$ 54,369	99.35%	3.19%
1999	2000	\$ 1,722,467	\$ 1,691,061	\$ 36,069	\$ 1,727,130	\$ 58,007	100.27%	3.37%
2000	2001	\$ 1,717,429	\$ 1,691,082	\$ 48,302	\$ 1,739,384	\$ 52,620	101.28%	3.06%
2001	2002	\$ 1,661,761	\$ 1,624,621	\$ 41,005	\$ 1,665,626	\$ 52,009	100.23%	3.13%
2002	2003	\$ 1,704,160	\$ 1,568,725	\$ 28,213	\$ 1,596,938	\$ 171,171	93.71%	10.04%
2003	2004	\$ 1,685,540	\$ 1,583,743	\$ 124,511	\$ 1,708,254	\$ 147,774	101.35%	8.77%
2004	2005	\$ 1,628,655	\$ 1,561,778	\$ 102,766	\$ 1,664,544	\$ 122,048	102.20%	7.49%
Ten Year Average		\$ 1,552,341	\$ 1,505,573	\$ 49,453	\$ 1,555,026	\$ 78,411	100.17%	5.05%

Source: Franklin County, Ohio; County Auditor

* Represents collection of delinquent prior period taxes during the indicated collection year.

**Property Tax Levies - Collected vs Delinquent
Collection Years 2005-1996**

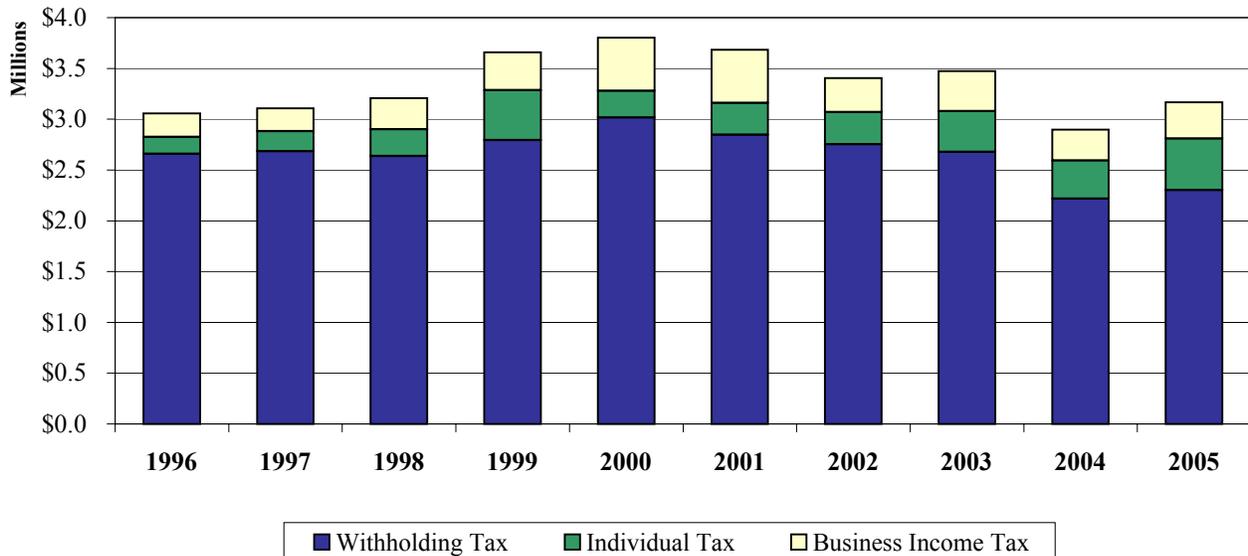


CITY OF GRANDVIEW HEIGHTS, OHIO
INCOME TAX COLLECTIONS
LAST TEN YEARS
(Cash Basis)

Tax Year	Tax Rate	Withholding Tax	Individual Tax	Business Income Tax	Inter-City Transfers	Total Tax Collections	Total General Fund Revenues	Total Income Taxes as a % of Total General Fund Revenues
1996	2.0%	\$ 2,658,379	\$ 168,267	\$ 228,975	\$ 166,999	\$ 3,222,620	\$ 5,989,009	53.81%
1997	2.0%	\$ 2,683,122	\$ 199,612	\$ 224,516	\$ 60,929	\$ 3,168,179	\$ 5,956,957	53.18%
1998	2.0%	\$ 2,638,068	\$ 261,009	\$ 307,465	\$ 83,619	\$ 3,290,161	\$ 6,167,854	53.34%
1999	2.0%	\$ 2,794,062	\$ 492,957	\$ 370,754	\$ 33,084	\$ 3,690,857	\$ 6,925,392	53.29%
2000	2.0%	\$ 3,016,094	\$ 263,464	\$ 524,210	\$ 1,207	\$ 3,804,975	\$ 7,185,603	52.95%
2001	2.0%	\$ 2,848,347	\$ 311,404	\$ 522,647	\$ 11,724	\$ 3,694,122	\$ 7,392,863	49.97%
2002	2.0%	\$ 2,754,701	\$ 314,365	\$ 336,957	\$ (55)	\$ 3,405,968	\$ 7,052,685	48.29%
2003	2.0%	\$ 2,679,253	\$ 401,388	\$ 391,960	\$ 100	\$ 3,472,701	\$ 6,914,095	50.23%
2004	2.0%	\$ 2,217,335	\$ 374,771	\$ 306,626	\$ -	\$ 2,898,732	\$ 6,581,916	44.04%
2005	2.5%*	\$ 2,301,243	\$ 507,106	\$ 359,984	\$ -	\$ 3,168,333	\$ 6,688,374	47.37%
Ten Year Average		\$ 2,659,060	\$ 329,434	\$ 357,409	\$ 35,761	\$ 3,381,665	\$ 6,685,475	50.58%

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

Income Tax Revenues by Type
Collection Years 1996 - 2005



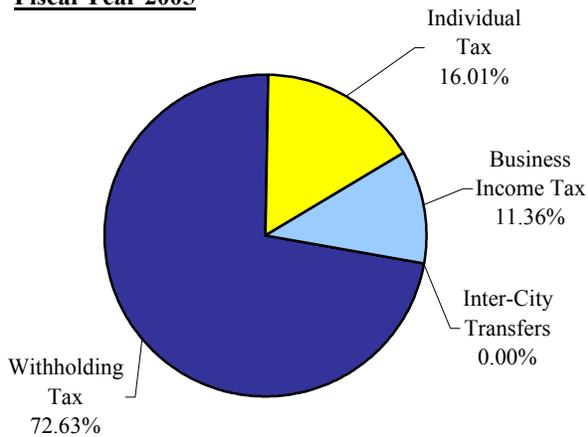
Source: Regional Income Tax Agency & City financial reports

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

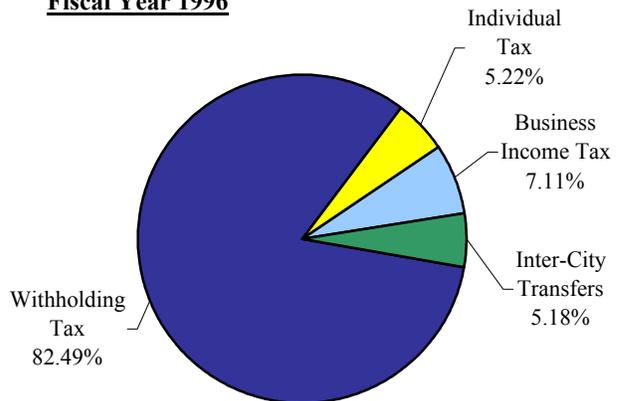
	<u>Fiscal Year 2005</u>		<u>Fiscal Year 1996</u>	
Withholding Tax	\$ 2,301,243	72.63%	\$ 2,658,379	82.49%
Individual Tax	507,106	16.01%	168,267	5.22%
Business Income Tax	359,984	11.36%	228,975	7.11%
Inter-City Transfers	-	0.00%	<u>166,999</u>	<u>5.18%</u>
Total Income Tax Collections	\$ 3,168,333	100.00%	\$ 3,222,620	100.00%

**2005 - 1996 Income Tax Breakdown
by Tax Type**

Fiscal Year 2005



Fiscal Year 1996

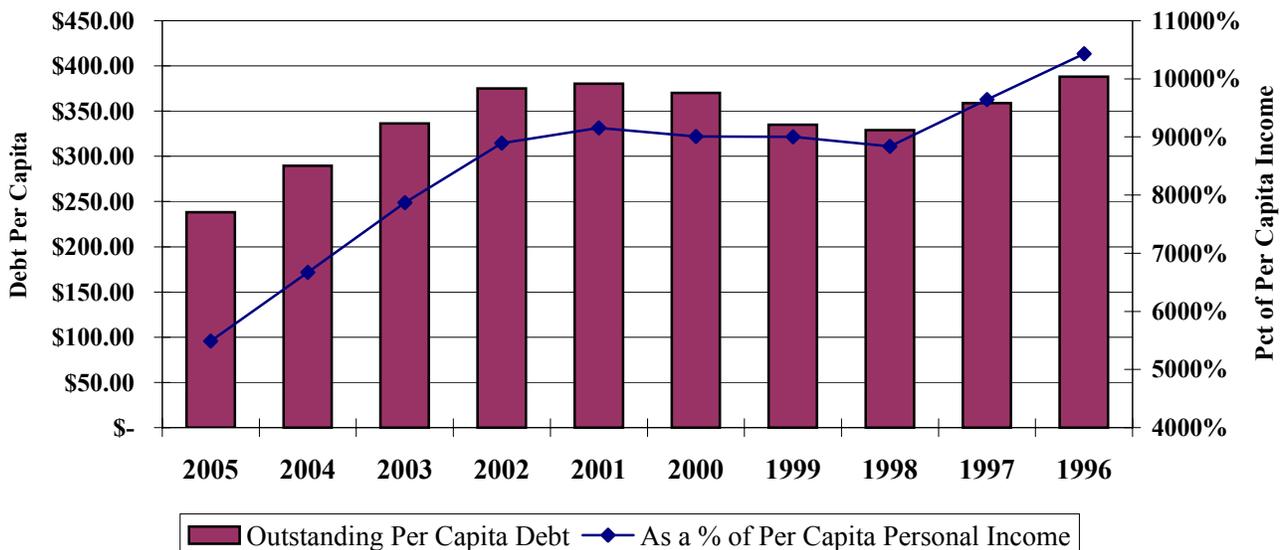


CITY OF GRANDVIEW HEIGHTS, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Mortgage Revenue Bonds	General Obligation Bonds	General Obligation Notes	OPWC Loans	Total Debt	Percent of Per Capita Income	Total Debt Per Capita
2005	\$ 400,000	\$ -	\$ 220,000	\$ 889,078	\$ 1,509,078	5488.56%	\$238.36
2004	\$ 585,000	\$ -	\$ 335,000	\$ 914,095	\$ 1,834,095	6670.65%	\$289.70
2003	\$ 760,000	\$ -	\$ 440,000	\$ 963,836	\$ 2,163,836	7869.93%	\$336.26
2002	\$ 930,000	\$ 535,000	\$ -	\$ 979,515	\$ 2,444,515	8890.76%	\$374.98
2001	\$ 1,090,000	\$ 535,000	\$ -	\$ 892,483	\$ 2,517,483	9156.15%	\$380.46
2000	\$ 1,245,000	\$ 620,000	\$ -	\$ 612,109	\$ 2,477,109	9009.31%	\$369.99
1999	\$ 1,395,000	\$ 695,000	\$ -	\$ 258,221	\$ 2,348,221	9004.61%	\$334.98
1998	\$ 1,535,000	\$ 770,000	\$ -	\$ -	\$ 2,305,000	8838.87%	\$328.82
1997	\$ 1,670,000	\$ 845,000	\$ -	\$ -	\$ 2,515,000	9644.14%	\$358.77
1996	\$ 1,800,000	\$ 920,000	\$ -	\$ -	\$ 2,720,000	10430.25%	\$388.02

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

Total Outstanding Debt Ratio Analysis
2005 - 1996

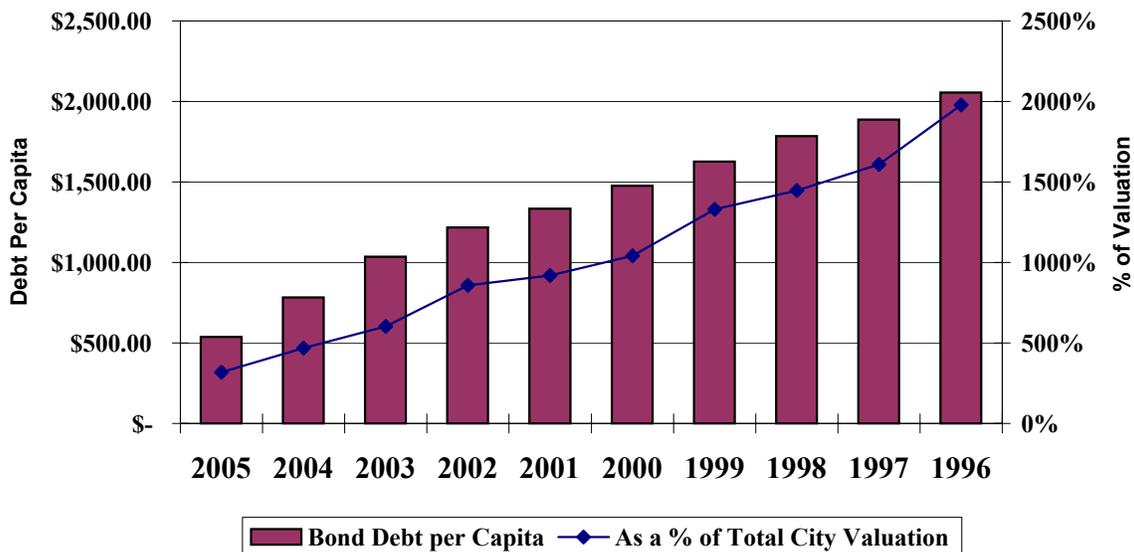


CITY OF GRANDVIEW HEIGHTS, OHIO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Fiscal Year	General Bonded Debt Outstanding			Total	Percent of Actual Taxable Property Value	Per Capita
	Mortgage Revenue Bonds	General Obligation Bonds	General Obligation Notes			
2005	\$ 400,000	\$ -	\$ 220,000	\$ 620,000	318.42%	\$536.80
2004	\$ 585,000	\$ -	\$ 335,000	\$ 920,000	469.04%	\$782.31
2003	\$ 760,000	\$ -	\$ 440,000	\$ 1,200,000	603.69%	\$1,036.27
2002	\$ 930,000	\$ 535,000	\$ -	\$ 1,465,000	858.58%	\$1,216.78
2001	\$1,090,000	\$ 535,000	\$ -	\$ 1,625,000	918.48%	\$1,334.15
2000	\$1,245,000	\$ 620,000	\$ -	\$ 1,865,000	1041.51%	\$1,476.64
1999	\$1,395,000	\$ 695,000	\$ -	\$ 2,090,000	1329.42%	\$1,626.46
1998	\$1,535,000	\$ 770,000	\$ -	\$ 2,305,000	1447.45%	\$1,784.06
1997	\$1,670,000	\$ 845,000	\$ -	\$ 2,515,000	1609.07%	\$1,888.14
1996	\$1,800,000	\$ 920,000	\$ -	\$ 2,720,000	1978.24%	\$2,054.38

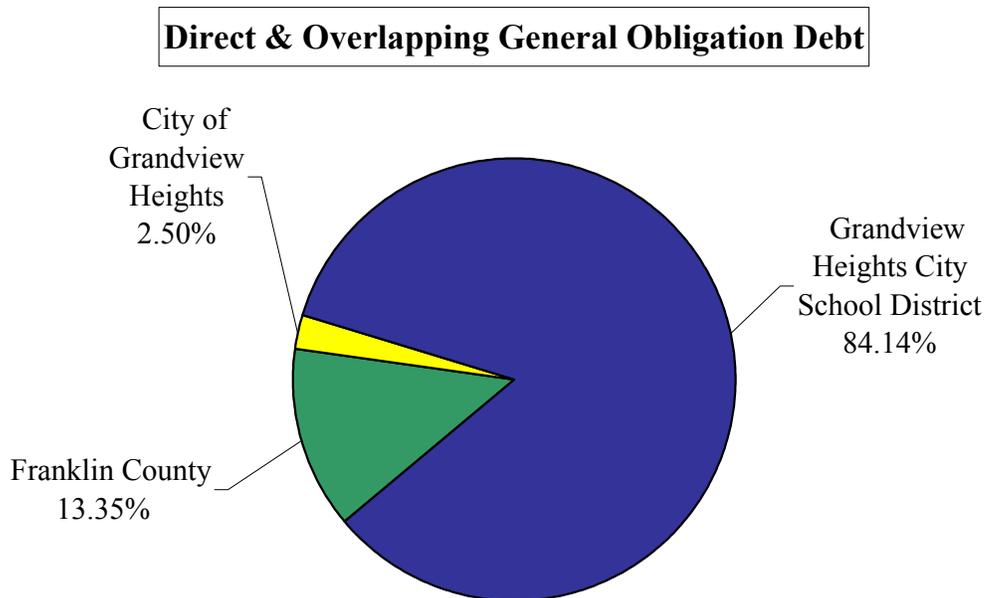
Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Total General Bonded Debt Outstanding
2005-1996 Ratio Analysis



CITY OF GRANDVIEW HEIGHTS
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
As of December 31, 2005
(\$000's omitted)

Governmental Unit	Assessed Valuation	Gross General Obligation	Percent Applicable to District	Amount Applicable to District
<u>Direct</u>				
City of Grandview Heights	\$228,463.7	\$220.0	100.00%	\$220.0
<u>Overlapping</u>				
Franklin County	\$28,168,095.4	\$144,596.9	0.81%	\$1,172.8
Grandview Heights City School District	\$270,019.7	\$8,735.0	84.61%	\$7,390.7
Total Overlapping Debt		<u>\$153,331.9</u>		<u>\$8,563.5</u>
Total Direct & Overlapping Debt		<u><u>\$153,551.9</u></u>		<u><u>\$8,783.5</u></u>

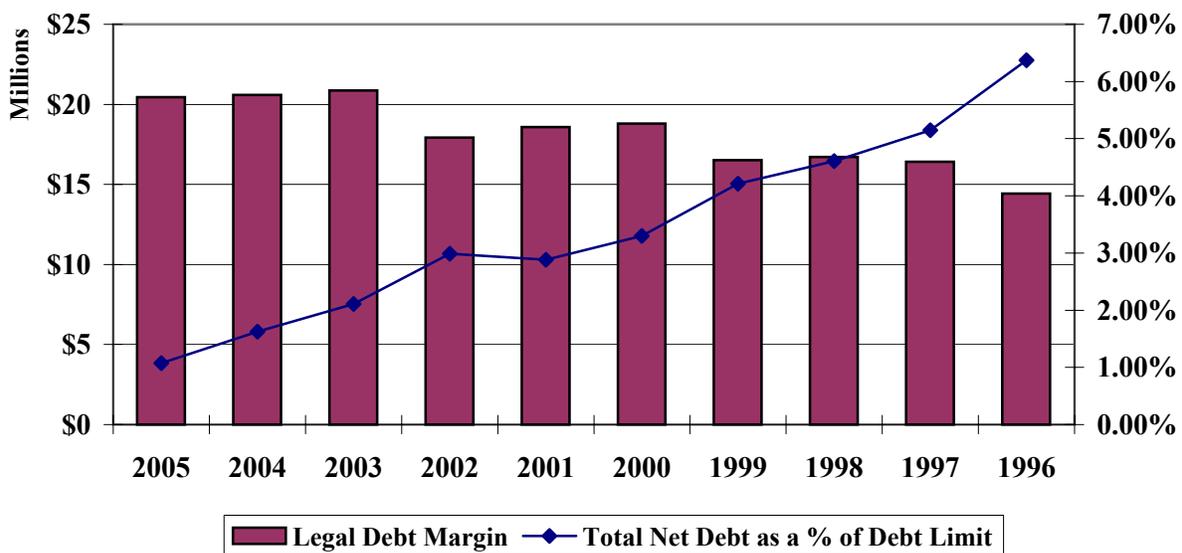


CITY OF GRANDVIEW HEIGHTS, OHIO
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Debt Service Available Balance	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2005	\$20,444,648	\$ 220,000	\$ 11,023	\$ 20,235,671	1.08%
2004	\$20,595,048	\$ 335,000	\$ 3,234	\$ 20,263,282	1.63%
2003	\$20,871,799	\$ 440,000	\$ 2,278	\$ 20,434,077	2.11%
2002	\$17,916,279	\$ 535,000	\$ -	\$ 17,381,279	2.99%
2001	\$18,576,972	\$ 535,000	\$ -	\$ 18,041,972	2.88%
2000	\$18,802,026	\$ 620,000	\$ -	\$ 18,182,026	3.30%
1999	\$16,507,221	\$ 695,000	\$ 998	\$ 15,813,219	4.21%
1998	\$16,720,825	\$ 770,000	\$ 11,998	\$ 15,962,823	4.61%
1997	\$16,411,609	\$ 845,000	\$ 11,998	\$ 15,578,607	5.15%
1996	\$14,437,041	\$ 920,000	\$ 11,998	\$ 13,529,039	6.37%

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

Legal Debt Margin Analysis
2005-1996



**CITY OF GRANDVIEW HEIGHTS, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
FISCAL YEARS 1996-2005**

Fiscal Year	Population	Per Capita Income	Median Age	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2005	6,331 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,155	4.8%
2004	6,331 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,176	4.3%
2003	6,435 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,158	4.9%
2002	6,519 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,204	4.4%
2001	6,617 ⁽¹⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,218	2.7%
2000	6,695 ⁽²⁾	\$27,495 ⁽²⁾	36.8 ⁽²⁾	1,263	2.7%
1999	7,010 ⁽³⁾	\$26,078 ⁽³⁾	33.5 ⁽³⁾	1,285	2.5%
1998	7,010 ⁽³⁾	\$26,078 ⁽³⁾	33.5 ⁽³⁾	1,292	2.5%
1997	7,010 ⁽³⁾	\$26,078 ⁽³⁾	33.5 ⁽³⁾	1,332	2.7%
1996	7,010 ⁽³⁾	\$26,078 ⁽³⁾	33.5 ⁽³⁾	1,324	2.9%

OTHER MISCELLANEOUS INFORMATION ⁽⁶⁾

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

Area in square miles 1.24

City Acreage by class:

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

Facilities & Services

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

Sources:

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

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

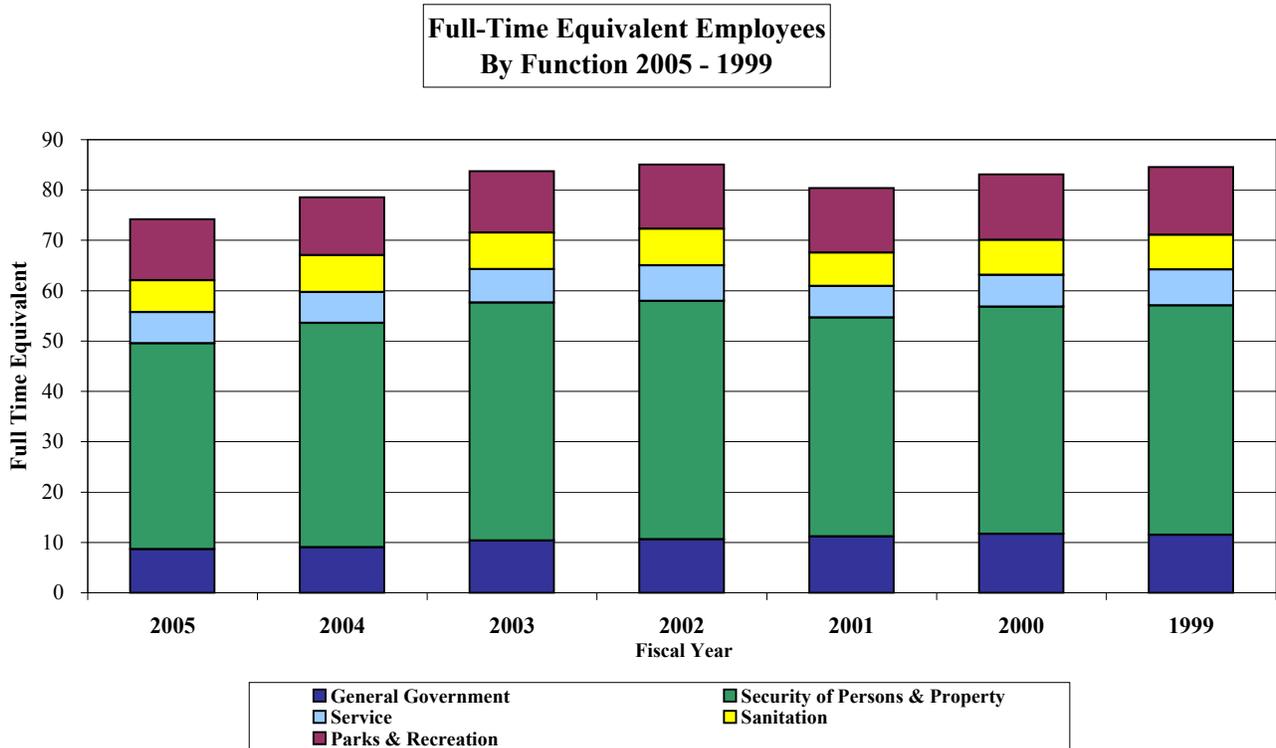
Employer	2005			1996		
	Payroll Tax Withholding	Rank	Percent of Total Withholding	Payroll Tax Withholding	Rank	Percent of Total Withholding
Grandview Hts Board of Education	\$ 184,328	1	8.01%	\$ 135,593	3	5.87%
Loeb Electric Company	158,705	2	6.90%	101,728	4	4.41%
Mindleaders Com Inc.	95,202	3	4.14%	-	NA	0.00%
Columbia Gas of Ohio	92,528	4	4.02%	267,659	2	11.60%
City of Grandview Heights	91,222	5	3.96%	60,291	10	2.61%
The W. W. Williams Company	84,491	6	3.67%	41,945	13	1.82%
Floyd Bell Associates	58,140	7	2.53%	66,046	8	2.86%
Carro Printing Corp.	55,722	8	2.42%	92,661	5	4.01%
Limbach Company, LLC	53,063	9	2.31%	-	NA	0.00%
Installed Building Products	35,954	10	1.56%	-	NA	0.00%
Total of Top Ten	\$ 909,355		39.52%	\$ 765,923		33.18%
Total Withholdings - All Employers	\$2,301,243			\$2,308,291		

Source: Regional Income Tax Agency (RITA) records.
'NA' indicates no data available for time period.

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

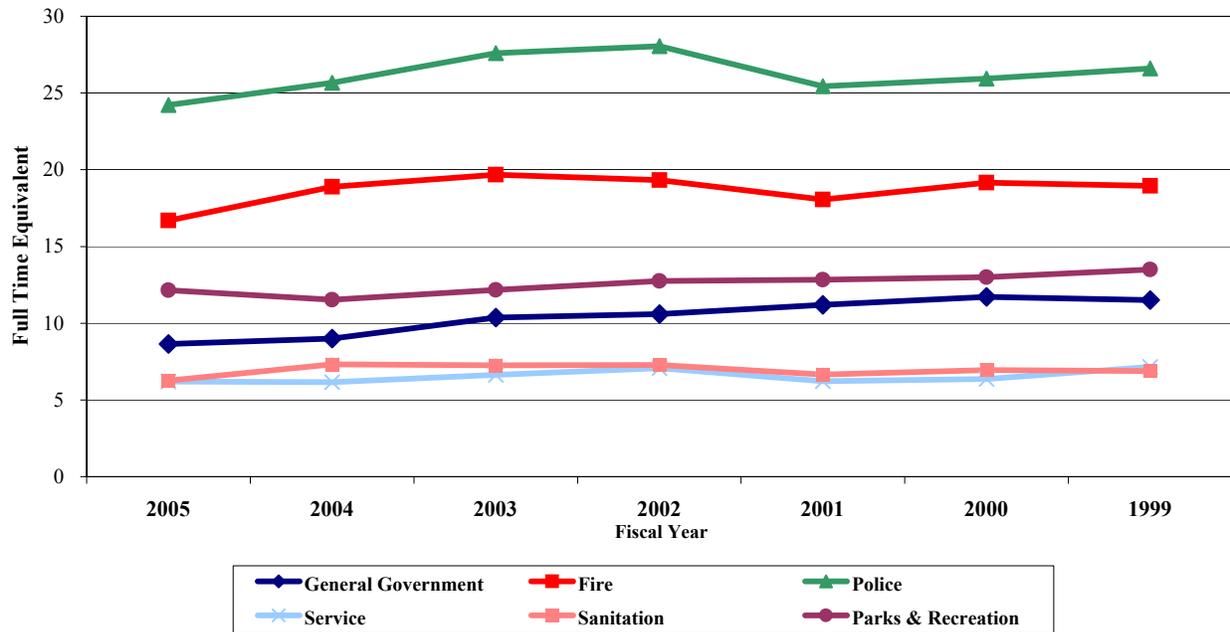
Function/Program	2005	2004	2003	2002
General government	8.653	9.007	10.375	10.593
Administration	3.823	3.990	5.424	5.709
Finance	2.996	3.017	2.952	2.884
Legal Department	0.827	1.000	1.000	1.000
Building & Zoning	1.007	1.000	0.999	1.000
Security of persons & property	40.909	44.557	47.282	47.372
Fire/EMS	16.694	18.886	19.678	19.318
Police	19.468	20.898	22.950	23.111
Communications	4.747	4.773	4.654	4.943
Service	6.208	6.163	6.642	7.074
Sanitation	6.271	7.328	7.248	7.278
Parks & Recreation	12.159	11.524	12.169	12.755
Total Full-Time Equivalent (FTE)	74.200	78.579	83.716	85.072

Source: City payroll systems



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

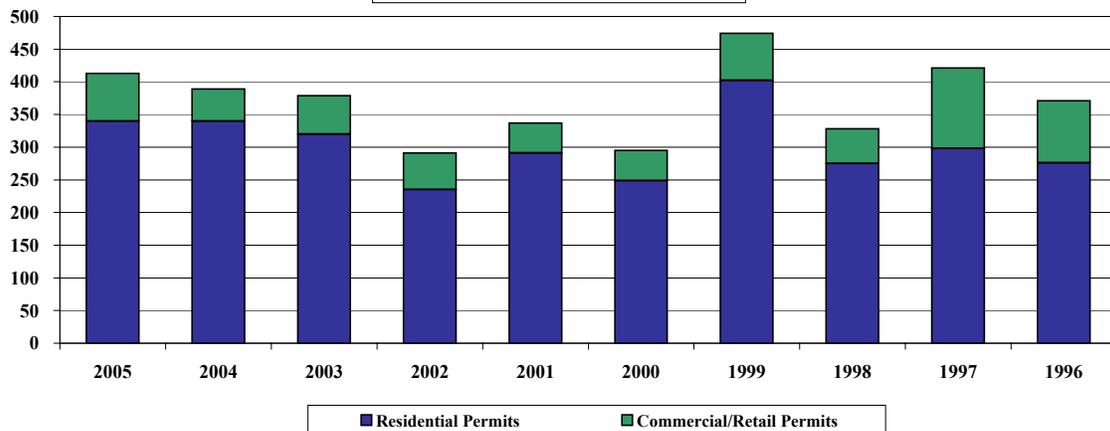
**Full-Time Equivalent Employees
By Function 2005 - 1999**



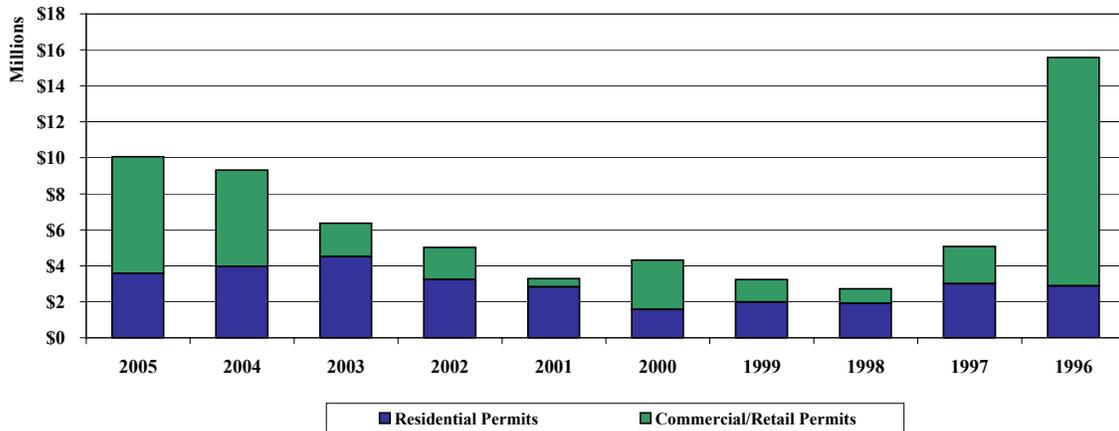
**CITY OF GRANDVIEW HEIGHTS, OHIO
CONSTRUCTION ACTIVITY
FISCAL YEARS 1996-2005**

Fiscal Year	Residential			Commercial/Retail				Total		
	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value	
2005	340	\$3,565,370	\$10,486	73	\$6,497,793	\$89,011	413	\$10,063,163	\$24,366	
2004	340	\$3,964,297	\$11,660	49	\$5,356,396	\$109,314	389	\$9,320,693	\$23,961	
2003	320	\$4,504,043	\$14,075	59	\$1,857,555	\$31,484	379	\$6,361,598	\$16,785	
2002	235	\$3,237,460	\$13,776	56	\$1,792,858	\$32,015	291	\$5,030,318	\$17,286	
2001	291	\$2,830,635	\$9,727	46	\$459,206	\$9,983	337	\$3,289,841	\$9,762	
2000	249	\$1,578,399	\$6,339	46	\$2,729,846	\$59,344	295	\$4,308,245	\$14,604	
1999	402	\$1,974,593	\$4,912	72	\$1,265,960	\$17,583	474	\$3,240,553	\$6,837	
1998	275	\$1,918,000	\$6,975	53	\$802,149	\$15,135	328	\$2,720,149	\$8,293	
1997	298	\$3,004,467	\$10,082	123	\$2,073,850	\$16,861	421	\$5,078,317	\$12,063	
1996	276	\$2,884,926	\$10,453	95	\$12,698,314	\$133,666	371	\$15,583,240	\$42,003	

**Number of Building Permits Issued
2005 - 1996**



**Total Value of Building Permits Issued
2005 - 1996**





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

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

Source: City Department Directors.
Grandview Heights City School District website
Grandview Heights Public Library

'NA' indicates that the data was not available
for that specific time period.

2001	2000	1999	1998	1997	1996
425	NA	NA	NA	NA	NA
290	NA	NA	NA	NA	NA
1,677	NA	NA	NA	NA	NA
1,299	NA	NA	NA	NA	NA
27	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
3,696.8	3,729.6	3,467.5	3,528.0	NA	NA
141.1	141.1	NA	NA	NA	NA
1,093.7	849.2	NA	NA	NA	NA
0.950	0.720	-	0.360	NA	NA
10-15 (est)	10-15 (est)	10-15 (est)	10-15 (est)	NA	NA
1,866	2,316	NA	NA	NA	NA
440	420	NA	NA	NA	NA
191	70	NA	NA	NA	NA
\$6.57	\$4.60	NA	NA	NA	NA
80	49	NA	NA	NA	NA
4,325	5,048	6,169	NA	NA	NA
1,501	1,540	1,693	NA	NA	NA
1,218	1,263	1,285	NA	NA	NA
177	175	170	164	163	163
114	113	110	111	110	110
10.684	11.177	11.682	NA	NA	NA
160,052	157,044	NA	NA	NA	NA
738,844	679,393	NA	NA	NA	NA
902,072	902,214	NA	NA	NA	NA

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

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

2001	2000	1999	1998	1997	1996
1	1	1	1	1	1
9	9	9	9	9	9
0	0	0	0	0	0
1	1	1	1	1	1
2	2	2	2	2	2
2	2	2	2	2	2
3	3	3	3	3	3
3	3	4	3	3	3
7	7	7	7	7	7
4	4	4	4	4	4
2	2	2	2	2	2
20.37	20.37	20.37	20.37	20.37	20.37
424	424	424	424	424	424
159	159	159	159	159	159
10	10	10	10	10	10
5	5	5	5	5	5
35	35	35	35	35	35
2	2	2	2	2	2
1	1	1	1	1	1
4	4	4	4	4	4
4	4	4	4	4	4
1	1	1	1	1	1
5.93	5.93	5.93	5.93	5.93	5.93
208	208	208	208	208	208
20.76	20.76	20.76	20.76	20.76	20.76
11.1	11.1	11.1	11.1	11.1	11.1
0	0	0	0	0	0
3,000	3,000	3,000	3,000	3,000	3,000



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**Auditor of State
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

CITY OF GRANDVIEW HEIGHTS

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 3, 2006**