



Dave Yost • Auditor of State



CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY

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**CITY OF CLEVELAND HEIGHTS  
 CUYAHOGA COUNTY  
 SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
 FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>Federal Grantor/Pass Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>		
<i>Direct Program:</i>		
Community Development Block Grant	14.218	\$1,719,462
Homelessness Prevention and Rapid Re-Housing Program - ARRA	14.257	557,925
<i>Passed through the Ohio Department of Development:</i>		
Neighborhood Stabilization Program	14.256	713,883
<i>Passed through Cuyahoga County Housing Consortium:</i>		
HOME Investment Partnership Program	14.239	111,566
<i>Passed through Cuyahoga Department of Development:</i>		
Lead Safe Cuyahoga Program	14.900	<u>(10,980)</u>
Sub-Total Passed Through Programs		<u>814,469</u>
<b>Total U.S. Department of Housing and Urban Development</b>		<u>3,091,856</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>		
<i>Passed through Ohio Department of Aging and the Western Reserve Area Agency on Aging:</i>		
Title III-B of the Older Americans Act	93.044	<u>2,639</u>
<b>Total U.S. Department of Health and Human Services</b>		<u>2,639</u>
<b>U.S. DEPARTMENT OF ENERGY</b>		
<i>Direct Program:</i>		
Energy Efficient and Conservation Block Grant	81.128	<u>19,726</u>
<b>Total U.S. Department of Energy Grants</b>		<u>19,726</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>		
<i>Passed through Greater Cleveland Regional Transit Authority:</i>		
Federal Transit Formula Grant	20.507	<u>71,500</u>
<b>Total U.S. Department of Transportation</b>		<u>71,500</u>
<b>Total Federal Awards Expenditures</b>		<u><u>\$3,185,721</u></u>

**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2011**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS**

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

These loans are collateralized by equipment and mortgages.

Activity in the CDBG revolving loan fund during 2011 is as follows:

Beginning loans receivable balance as of January 1, 2011	\$1,642,342
Loans made	15,000
Loan principal repaid	<u>(180,012)</u>
Ending loans receivable balance as of December 31, 2011	1,477,330
Cash balance on hand in the revolving loan fund as of December 31, 2011	30,744
Total value of revolving loan fund portion of the CDBG 14.218 program	1,508,073
Other grants administered through the 14.218 program	<u>1,716,462</u>
Total CDBG 14.218 program	<u><u>\$3,224,535</u></u>

**NOTE C – LEAD SAFE CUYAHOGA PROGRAM NEGATIVE EXPENDITURES**

The City reported negative expenditures for the Lead Safe Cuyahoga Program in the amount of \$10,980. This was due to timing issues involving contracted services utilized in this program when the City made draw-downs and was reimbursed.



# Dave Yost • Auditor of State

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

City of Cleveland Heights  
Cuyahoga County  
40 Severance Circle  
Cleveland Heights, Ohio 44118

To the Members of City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Cuyahoga County, (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 11, 2012, wherein we noted the City implemented Governmental Accounting Standard No. 54 and restated their December 31, 2010 Governmental Funds fund balances. In addition, the City reclassified three funds from the Business-Type Activities to the Governmental Activities causing the December 31, 2010 net assets of the Governmental Activities and Business-Type Activities to be restated. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2011-001.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated July 11, 2012.

The City's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the City's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, City Council, federal awarding agencies and pass-through entities, and others within the City. We intend it for no one other than these specified parties.



**Dave Yost**  
Auditor of State

July 11, 2012



# Dave Yost • Auditor of State

## **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND ON THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

City of Cleveland Heights  
Cuyahoga County  
40 Severance Circle  
Cleveland Heights, Ohio 44118

To the Members of City Council:

### **Compliance**

We have audited the compliance of the City of Cleveland Heights (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the City of Cleveland Heights' major federal programs for the year ended December 31, 2011. The *summary of auditor's results* section of the accompanying schedule of findings identifies the City's major federal programs. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to opine on the City's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with these requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2011.

### **Internal Control Over Compliance**

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We did note a certain matter not requiring inclusion in this report that we reported to the City's management in a separate letter dated July 11, 2012.

### **Schedule of Federal Awards Expenditures**

We have also audited and issued our unqualified opinion on the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Cleveland Heights (the City) as of and for the year ended December 31, 2011, and have issued our report thereon dated July 11, 2012, wherein we noted the City implemented Government Accounting Standard No. 54 and restated their December 31, 2010 Governmental Funds fund balance. In addition, the City reclassified three funds from the Business-Type Activities to the Governmental Activities causing the December 31, 2010 net assets of the Governmental Activities and Business-Type Activities to be restated. Our audit was performed to form an opinion on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

City of Cleveland Heights  
Cuyahoga County  
Independent Accountants' Report on Compliance with Requirements  
Applicable to Each Major Federal Program and on Internal Control  
Over Compliance Required by OMB Circular A-133, and on the  
Federal Awards Expenditures Schedule  
Page 3

We intend this report solely for the information and use of management, City Council, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State

July 11, 2012

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**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2011**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	CFDA #14.218 – Community Development Block Grant  CFDA #14.257 – Homeless Prevention and Rapid Re-Housing Program
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2011  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
---

**FINDING NUMBER 2011-001**

**Proper Certification of Funds – Material Noncompliance**

Ohio Rev. Code Section 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Further, contracts and orders for expenditures lacking prior certification shall be null and void.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" certificate – If the fiscal officer can certify that both at the time the contract or order was made ("then"), and at the time the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the City can authorize the drawing of a warrant for the payment of the amount due. The City has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the City.

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

3. Super Blanket Certificate – The City may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

During our testing, we noted nine of 22 transactions, or \$16,664 of \$25,587, in which the transaction was not certified by the fiscal officer at the time the commitment was incurred, and there was no evidence the City followed the aforementioned exceptions. Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2011  
(Continued)**

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS  
(Continued)**

**FINDING NUMBER 2011-001  
(Continued)**

**Proper Certification of Funds – Material Noncompliance (Continued)**

We recommend the City certify purchases to which section 5705.41(D) applies. To improve controls over disbursements and to help reduce the possibility of the City's funds exceeding budgetary spending limitations, we recommend the Fiscal Officer certify that funds are or will be available prior to obligation by the City. When prior certification is not possible, "then and now" certification should be used. The fiscal officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

*Officials Response:* The City will continue to convey a strong message to Department Heads and their responsible purchasing personnel that proper prior encumbrance of transaction is essential to the City's budgetary control process. Further emphasis must be given to the increased usage of "Regular" Blanket Purchase Orders and "Super" Blanket Purchase Orders. Also, an effective increased utilization of City Purchasing Cards, which already have inherent internal controls for certain transactions, will also continue to be investigated. Further, the City will work with its MIS Department to explore the possibility of utilizing "Then & Now Certificates" within the workings of its Budget and Accounts Payable System.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
DECEMBER 31, 2011**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2010-001	Illegal Advances	Yes	
2010-002	Proper Certification of Funds	No	Re-Issued as Finding 2011-001

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# Cleveland Heights ohio



PER  
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comprehensive annual financial report 2011

◀ Introductory Section

◀ Financial Section

◀ Statistical Section



#### ON THE COVER:

The City of Cleveland Heights introduced a new and improved website - [www.clevelandheights.com](http://www.clevelandheights.com) has been given a fresh new look and has been reorganized for easy navigation. The site provides users with an abundance of online services and information-focused components. Features include multiple dynamic city and community calendars, online payment options for utility, ticket and tax payments, and much more.



Cleveland Heights ohio



CLEVELAND HEIGHTS, OH

## POLICE DEPARTMENT

Putting the Police closer to the community they serve

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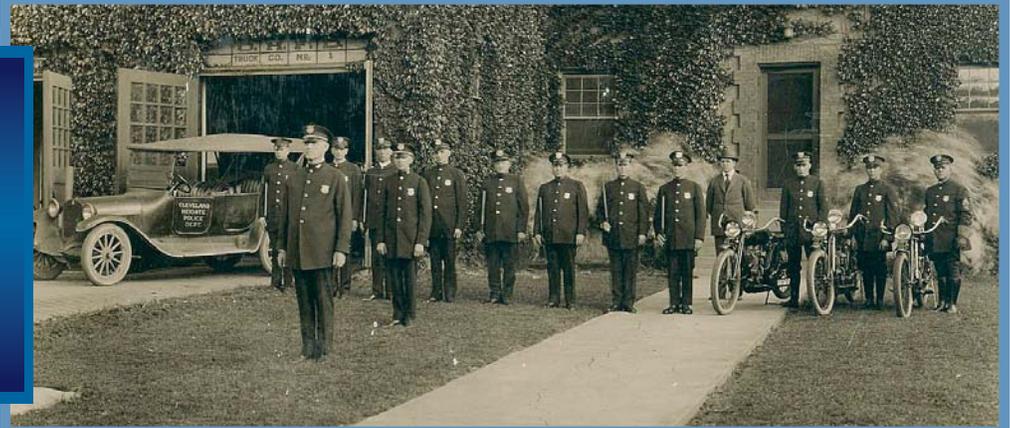
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# INTRODUCTORY SECTION

Having their own sub-website is another step toward increased communication between the Cleveland Heights Police Department and our residents. The site contains important links, frequently called numbers and useful information.

# CAFR

## Comprehensive Annual Financial Report

for the fiscal year ended December 31, 2011

Prepared by  
The Department of Finance  
Thomas K. Malone, director  
Tom Raguz, assistant director

**City of Cleveland Heights, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2011*  
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July 11, 2012

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

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

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

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

#### CITY ORGANIZATION

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

The City Manager, under authority granted by the City Charter, has the power to appoint and to remove all administrative officers and employees. His appointment of the Directors of Law, Finance, and Planning requires the approval of a majority of the members of Council. A Vice City Manager and two Assistants to the City Manager work with the City Manager in handling the administrative operations of the City, including the areas of personnel, budget and capital projects.

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

## ECONOMIC CONDITIONS

The City continued to benefit due to its proximity to the major cultural, educational, and medical facilities in northeastern Ohio. These facilities include the University Circle area comprised of Case Western Reserve University and its associated University Hospitals, Severance Hall for the Performing Arts which also serves as resident base to the internationally-acclaimed Cleveland Symphony Orchestra, and the Cleveland Clinic, a world-renowned medical research and treatment facility. In addition, the City is strategically located to facilitate efficient and quick access to the downtown Cleveland business district, sports facilities for the Cleveland Indians major league baseball team, the Cleveland Cavaliers professional basketball team, the Cleveland Browns professional football team, the Great Lakes Science Center, and the National Rock and Roll Hall of Fame. As a result, the City's unemployment rate in April 2011 was 5.2 percent as compared to a Cuyahoga County rate of 7.1 percent, a State of Ohio rate of 7.4 percent, and a national rate of 8.1 percent.

The City of Cleveland Heights has felt the effects of the same economic downturn that stalled the economy of the State of Ohio and the nation as a whole in the earlier years of this decade. The City is optimistic that the next few years will bring closure to this period of downturn. The City is currently budgeting 2012 using the same conservative approach of the past few years. The State of Ohio intends to continue reducing financial support to cities. Revenues are being scrutinized for opportunities to create new revenue sources or to maximize the revenue from existing sources. Expenditures are being closely monitored at the department level as well as the City Manager level. City Council reviews the budget and financial status of the City on a regular basis.

2011 income tax collections remained relatively strong and accounted for almost 49 percent of all General Fund receipts.

## MAJOR INITIATIVES

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

Cain Park, the municipally-owned outdoor theatrical complex, is home to both the Alma Theater and the Dina Rees Evans Amphitheater. Orchestral, dance, and theatrical performances produced during 2011 included: Bela Fleck and the Flecktones, Chris Botti, Terrance Simien, the Rippingtons, Gaelic Storm and Rockapella. The Cain Park Arts Festival was again well attended in 2011 and is recognized as one of the best such events in the United States.

Resurfacing of Monticello Boulevard was completed at a cost of \$1,814,661. The County funded \$1,422,744 of this project and the City funded \$391,917.

Terrace Construction completed the Whitby Water Lines at a cost of \$213,554. Community Development Block Grant money in the amount of \$199,883 was used to fund the majority of this project.

Various road resurfacing and surface treatment projects were completed during the year at a cost of \$1,102,487 to the City.

## PLANNED DEVELOPMENT PROJECTS FOR 2012

Resurfacing of approximately 12 streets and surface treatment of approximately 40 streets as well as a Kent Waterline Project and engineering for Mayfield Road are some of the projects to be started and/or completed in 2012.

## CITY UTILITIES

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

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

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) Program is administered by the Planning and Development Department. In 2011, the City received \$1.699 million in CDBG dollars which were allocated to an array of projects including housing preservation, commercial district improvements, youth programs, senior services and fair housing.

## CITY SERVICES

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

In addition to the basic services just described, the City continues to offer superior recreational facilities for its residents. The City operates a total of six municipal parks, which include one swimming pool and

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

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

In keeping with its primarily residential character, the City operates an urban forestry department which is funded mainly through an annual special assessment on all properties. With the addition of new equipment and manpower, the department was able to concentrate on removing and replanting Cleveland Heights' aging urban forest. During 2009, the Forestry Department planted 145 trees (size 2.5" – 3" caliper) and removed 361 hazardous trees and trimmed 495 hazardous trees. The trimming and removal of hazardous trees resulted in 172 loads of wood chips and 70 loads of logs which are then offered to residents. The City received its 31st Tree City USA Award, sponsored by the National Arbor Day Foundation in cooperation with the U.S. Forest Service, the U.S. Conference of Mayors, the National Association of State Foresters, and the National League of Cities.

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

## FINANCIAL INFORMATION

### **Accounting Policies and Budgetary Control**

The City of Cleveland Heights utilizes automated governmental accounting software developed and licensed by New World System Software. This software controls budgetary, accounting, payroll and capital assets.

The City of Cleveland Heights's accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. These funds are segregated for the purposes of carrying on specific activities or attaining certain objectives in accordance with the special regulations, restrictions, or limitations.

The annual budget serves as the foundation for the City of Cleveland Heights's financial planning and control. The legal level of control has been established by Council at the department level for personal services, capital outlay, and other than personal services expenditures for all funds.

The City Manager or Assistant to the City Manager is authorized to transfer budgeted amounts within each fund (between departments), as long as the total amount appropriated by City Council is at the legal level of control. The City did have amendments to the original appropriations ordinance to account for new funds and increased grants received during 2011.

### INTERNAL ACCOUNTING AND REPORTING CONTROL

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

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

### INDEPENDENT AUDIT

The financial records, books of accounts, and transactions of the City of Cleveland Heights, Ohio, for the year ended December 31, 2011, have been audited by the State Auditor's Office. The auditor's unqualified opinion has been included in this report.

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

## CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cleveland Heights, Ohio, for its comprehensive annual financial report for the fiscal year ended December 31, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

A Certificate of Achievement is valid for a period of only one year. The City of Cleveland Heights, Ohio, has received a Certificate of Achievement for the last twenty-seven consecutive years (fiscal years ended December 31, 1984 through December 31, 2010). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

### ACKNOWLEDGMENTS

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

### POSTSCRIPT

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

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

To maintain our housing stock at optimum value.

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

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

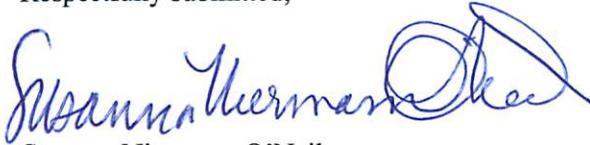
To actively engage in an on-going dialogue with neighborhood groups and residents so that changing needs of our community shape our services.

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

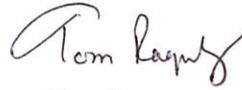
To assure a high return to our residents on every tax dollar.”

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

Respectfully submitted,



Susanna Niermann O'Neil  
Acting City Manager



Tom Raguz  
Acting Director of Finance

**CITY OF CLEVELAND HEIGHTS, OHIO**

**PRINCIPAL OFFICIALS  
DECEMBER 31, 2011**

***ELECTED OFFICIALS***

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Mayor .....	Edward J. Kelley
Vice Mayor .....	Phyllis L. Evans
Council Member .....	Bonita W. Caplan
Council Member .....	Cheryl L. Stephens
Council Member .....	Kenneth R. Montlack
Council Member .....	Jason S. Stein
Council Member .....	Dennis R. Wilcox
Municipal Judge.....	A. Deane Buchanon

***APPOINTED OFFICIALS***

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City Manager .....	Robert C. Downey*
Vice City Manager/ Director of Community Services .....	Susanna Niermann O’Neil
Assistant to the City Manager.....	Eddie L. Carter
Director of Finance .....	Thomas K. Malone**
Assistant Director of Finance.....	Tom Raguz
Director of Law.....	John H. Gibbon
First Assistant Director of Law.....	Laure A. Wagner
Assistant Director of Law .....	William R. Hanna
Assistant Director of Law .....	L. James Juliano, Jr.
Assistant Director of Law .....	Kim Segebarth
Director of Planning.....	Richard E. Wong
Director of Public Safety .....	Robert C. Downey
Director of Public Works .....	Alex Mannarino
Chief of Fire.....	Kevin C. Mohr
Chief of Police .....	Jeffrey E. Robertson

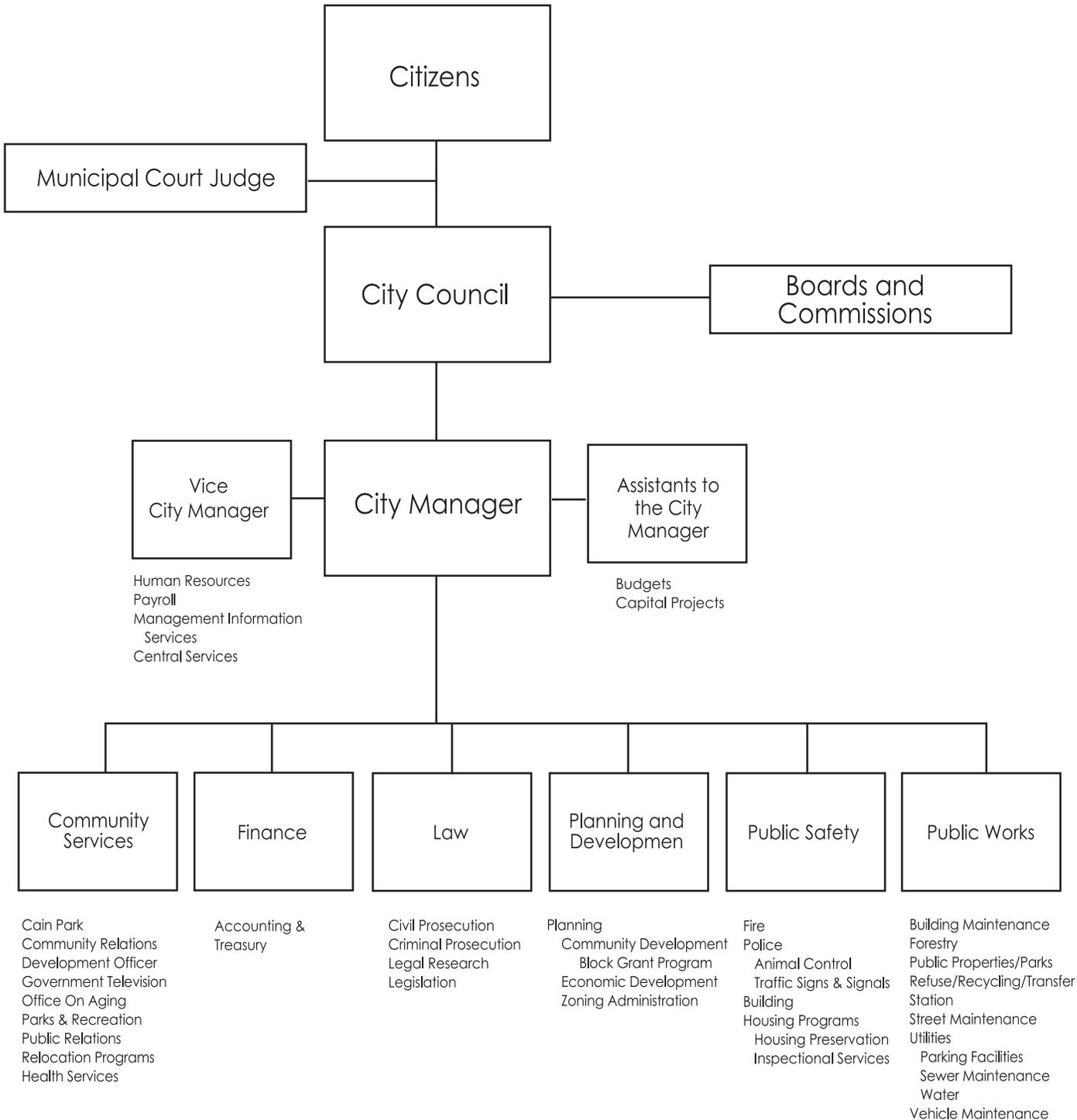
\*Robert C. Downey was City Manager until April 13, 2012. Susan Niermann O’Neil is the acting City Manager effective April 16, 2012.

\*\*Thomas K. Malone was Director of Finance until February 28, 2012. Tom Raguz is the acting Director of Finance effective February 28, 2012.



# CLEVELAND HEIGHTS

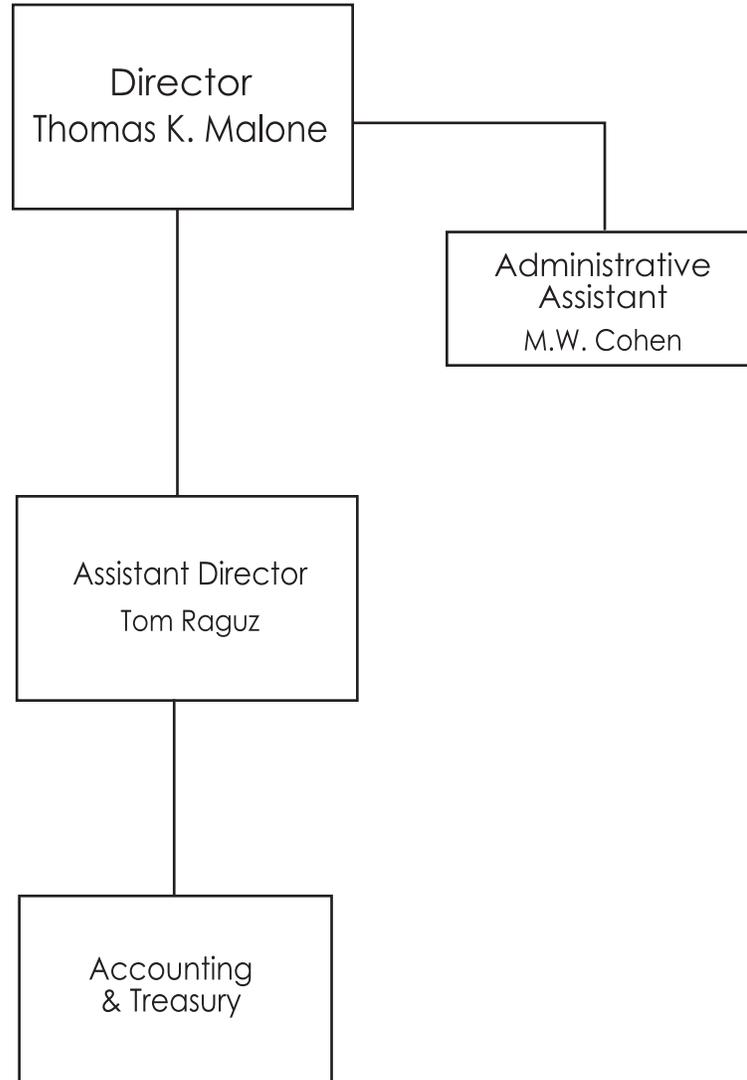
## CITY ORGANIZATION AS OF DECEMBER 31, 2011





# CLEVELAND HEIGHTS

## DEPARTMENT OF FINANCE ORGANIZATION AS OF DECEMBER 31, 2011



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cleveland Heights  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

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.



*Linda C. Dandson*

President

*Jeffrey R. Emer*

Executive Director



Contact Us

Location

Business Directory

Restaurant Guide

Commercial Districts

Partners & Business  
Resources

Opening a Business  
in Cleveland Heights

## FINANCIAL SECTION

Economic Development continues to be a high priority for Cleveland Heights. The website offers information on opening a business, loans and programs available for business owners, and information on each commercial district, including the Special Improvement Districts: Cedar Fairmount, Cedar Lee and Coventry Village. A complete Business Directory and a Restaurant Guide may be found on [www.clevelandheights.com](http://www.clevelandheights.com).



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Cleveland Heights  
Cuyahoga County  
40 Severance Circle  
Cleveland Heights, Ohio 44118

To the Members of City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2011, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Cuyahoga County, Ohio, as of December 31, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the City implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the December 31, 2010 fund balances of the Governmental Funds due to a change in fund structure. In addition, the City reclassified the Off-Street Parking, Ambulance Services and Cedar Lee Parking Deck funds from the Business-Type Activities to the Governmental Activities. Due to this reclassification, the December 31, 2010 net assets of the Governmental Activities and Business-Type Activities were restated.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2012, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Lausche Building, 615 Superior Ave., NW, Twelfth Floor, Cleveland, Ohio 44113-1801  
Phone: 216-787-3665 or 800-626-2297 Fax: 216-787-3361  
[www.ohioauditor.gov](http://www.ohioauditor.gov)

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

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

July 11, 2012

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

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The discussion and analysis of the City of Cleveland Heights's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key Financial highlights for 2011 are as follows:

- Overall, governmental activities revenues of \$59.4 million exceeded the expenses which came in at \$53.5 million consequently increasing the net assets by \$5.9 million for the year 2011. The total net assets were \$88.2 million compared to \$82.3 million for the previous year.
- Total liabilities decreased by \$2,746,646, which is attributed mainly to paying down on long-term debt obligations.
- The City is committed to providing the Citizens of Cleveland Heights with the highest quality of services while maintaining efficiency and cost effectiveness. The City actively pursues grants to offset costs of providing services and to offer new programs.

### **Overview of the Financial Statements**

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

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Cleveland Heights's finances, in a manner similar to private-sector businesses. The statement of net assets and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also looks at the City's most significant funds with all other funds presented in total in one column.

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

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

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

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

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

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

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

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

The City of Cleveland Heights maintains 42 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances, for the general fund and bond retirement fund, which are considered to be major funds. Data from the other 40 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

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

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

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

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

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

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

**Other information** In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all nonmajor funds. This information can be found on pages 65 through 93 of this report.

### **Government-Wide Financial Analysis**

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

**The City of Cleveland Heights as a Whole**

Recall that the Statement of Net Assets looks at the City as a whole. The following table 1 provides a summary of the City's net assets for 2011 compared to 2010.

NET ASSETS  
TABLE 1

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$46,576,458	\$42,804,332	\$4,307,592	\$4,812,943	\$50,884,050	\$47,617,275
Capital Assets, Net	81,330,999	82,179,857	23,095,078	23,664,370	104,426,077	105,844,227
<i>Total Assets</i>	<u>127,907,457</u>	<u>124,984,189</u>	<u>27,402,670</u>	<u>28,477,313</u>	<u>155,310,127</u>	<u>153,461,502</u>
Current and Other Liabilities	14,542,239	13,990,384	1,013,516	810,940	15,555,755	14,801,324
Long-Term Liabilities:						
Due within One Year	5,217,328	6,746,696	309,176	317,531	5,526,504	7,064,227
Due in More than One Year	19,917,263	21,910,617	1,735,805	1,705,805	21,653,068	23,616,422
<i>Total Liabilities</i>	<u>39,676,830</u>	<u>42,647,697</u>	<u>3,058,497</u>	<u>2,834,276</u>	<u>42,735,327</u>	<u>45,481,973</u>
Invested in Capital Assets, Net of Related Debt	61,517,702	60,655,783	21,461,778	21,995,967	82,979,480	82,651,750
Restricted for:						
Capital Projects	994,098	1,747,382	0	0	994,098	1,747,382
Debt Service	3,955,343	3,790,860	0	0	3,955,343	3,790,860
Other Purposes	7,974,275	4,674,589	0	0	7,974,275	4,674,589
Unrestricted	13,789,209	11,467,878	2,882,395	3,647,070	16,671,604	15,114,948
<i>Total Net Assets</i>	<u>\$88,230,627</u>	<u>\$82,336,492</u>	<u>\$24,344,173</u>	<u>\$25,643,037</u>	<u>\$112,574,800</u>	<u>\$107,979,529</u>

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

Total assets in governmental activities increased by \$2,923,268 from 2010 to 2011 as a result of the increase in income tax receivables. During 2011, the City switched to RITA to handle income tax collections. The City's total liabilities in governmental activities decreased by \$2,970,867 as long-term debt was repaid.

Our total net assets of the City's governmental activities increased \$5,894,135 (7.16 percent) during the current year due to revenues exceeding expenses. In order to further understand what makes up the changes in net assets for the current year, the following table 2 gives readers further details regarding the results of activities for the current year.

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

**CHANGES IN NET ASSETS**

TABLE 2

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$12,259,889	\$13,619,223	\$11,710,515	\$12,746,117	\$23,970,404	\$26,365,340
Operating Grants and Contributions	4,953,832	2,913,883	0	0	4,953,832	2,913,883
Capital Grants and Contributions	0	2,493,496	0	547,852	0	3,041,348
<b>Total Program Revenues</b>	<b>17,213,721</b>	<b>19,026,602</b>	<b>11,710,515</b>	<b>13,293,969</b>	<b>28,924,236</b>	<b>32,320,571</b>
<b>General Revenues:</b>						
Property Taxes	10,296,446	11,165,318	0	0	10,296,446	11,165,318
Municipal Income Taxes	24,162,250	20,202,521	0	0	24,162,250	20,202,521
Other Local Taxes	273,716	0	0	0	273,716	0
Grants and Entitlements	4,919,000	7,521,076	0	0	4,919,000	7,521,076
Franchise Taxes	565,476	0	0	0	565,476	0
Payment in Lieu of Taxes	141,241	0	0	0	141,241	0
Investment Income	127,999	169,445	0	4,085	127,999	173,530
Miscellaneous	1,694,674	1,295,993	22,685	7,757	1,717,359	1,303,750
<b>Total General Revenues</b>	<b>42,180,802</b>	<b>40,354,353</b>	<b>22,685</b>	<b>11,842</b>	<b>42,203,487</b>	<b>40,366,195</b>
<i>Total Revenues</i>	<i>59,394,523</i>	<i>59,380,955</i>	<i>11,733,200</i>	<i>13,305,811</i>	<i>71,127,723</i>	<i>72,686,766</i>
<b>Program Expenses</b>						
General Government	15,240,828	16,283,136	0	0	(15,240,828)	(16,283,136)
Public Safety	19,139,951	19,266,592	0	0	(19,139,951)	(19,266,592)
Public Health Services	342,507	360,546	0	0	(342,507)	(360,546)
Transportation	5,620,385	6,755,636	0	0	(5,620,385)	(6,755,636)
Community Development	6,330,335	7,154,037	0	0	(6,330,335)	(7,154,037)
Sanitation	2,470,427	2,396,825	0	0	(2,470,427)	(2,396,825)
Culture and Recreation	3,466,238	3,562,465	0	0	(3,466,238)	(3,562,465)
Interest and Fiscal Charges	904,102	96,930	0	0	(904,102)	(96,930)
Water	0	0	10,800,301	10,633,390	(10,800,301)	(10,633,390)
Sewer	0	0	2,217,378	1,741,080	(2,217,378)	(1,741,080)
<b>Total Program Expenses</b>	<b>53,514,773</b>	<b>55,876,167</b>	<b>13,017,679</b>	<b>12,374,470</b>	<b>(66,532,452)</b>	<b>(68,250,637)</b>
<i>Increase (Decrease) in Net Assets</i>						
<i>Before Transfers and Contributions</i>	<i>5,879,750</i>	<i>3,504,788</i>	<i>(1,284,479)</i>	<i>931,341</i>	<i>4,595,271</i>	<i>4,436,129</i>
Transfers	14,385	0	(14,385)	0	0	0
<b>Change in Net Assets</b>	<b>5,894,135</b>	<b>3,504,788</b>	<b>(1,298,864)</b>	<b>931,341</b>	<b>4,595,271</b>	<b>4,436,129</b>
<i>Net Assets Beginning of Year - Restated</i>	<i>82,336,492</i>	<i>78,831,704</i>	<i>25,643,037</i>	<i>24,711,696</i>	<i>107,979,529</i>	<i>103,543,400</i>
<b>Net Assets End of Year</b>	<b>\$88,230,627</b>	<b>\$82,336,492</b>	<b>\$24,344,173</b>	<b>\$25,643,037</b>	<b>\$112,574,800</b>	<b>\$107,979,529</b>

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

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***Governmental Activities***

Governmental activities increased the City's net assets by \$5,894,135 during 2011, as compared to \$3,504,788 during 2010. Total revenues slightly increased by \$13,568 due to an increase in income taxes, which was offset by a decrease in grants and entitlements and property tax revenues. Program expenses decreased by \$2,361,394, primarily due to decreases in transportation, public safety and community development expenses.

Several types of revenues fund our governmental activities, with the City income tax being the biggest contributor. The income tax rate was 2.0 percent for 2011. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 50 percent credit to a maximum of one-half of one percent of income earned outside the City.

The income tax revenue for 2011 was \$24,162,250, an increase of \$3,959,729 or 19.6 percent from 2010. During 2011, the City transferred income tax services to RITA. The increase was due to the local economy which sustained and even increased employment levels due to the nature of their business. Of the \$42,180,802 in total general revenues, income tax accounted for 57.28 percent, as compared to 50.06 percent of the total during 2010. Property taxes for 2011 were \$10,296,446, a \$868,872 decrease from 2010. The decrease was due to the general devaluation of properties within the entire northeast region as well as in Cuyahoga County.

Charges for services decreased for 2011 by \$1,359,334 (9.98 percent) due to decreases in refuse collection, parking meters and recreation charges.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations. During 2011, the City received \$4.9 million in grants and entitlements primarily for street and housing projects compared to \$7.5 million received in 2010. The decrease was attributable primarily to a decrease in local government funding during 2011. Investment earnings decreased by \$41,446 from 2010 due to fewer investments made during 2011.

The largest program function for the City for 2011 is public safety, with program expenses of \$19,139,951 as compared to \$19,266,592 in 2010, a decrease of 0.66 percent. This was due to a decrease in salary expenditures. The next largest program is general government which accounts for the basic operations of the City including council, city manager, finance, income tax department, law, service administration, county auditor, municipal court, among other services. General government expenses of \$15,240,828 decreased by \$1,042,308, as compared to \$16,283,136 for 2010 due to layoffs in income tax department and also budget constraints.

The next largest program expense for 2011 is community development, with program expenses of \$6,330,335 as compared to \$7,154,037 in 2010, a decrease of 11.51 percent. Contributing factors to this included decreases in contractual amounts paid for rubbish collection and snow removal including the cost of salt purchases.

Transportation expense decreased by \$1,135,251, or 16.8 percent during 2011 due to less costs for road maintenance projects compared to the preceding year. Culture and recreation decreased by \$96,227 mainly due to less projects related to recreation facility. Expenses for sanitation services increased from 2010 to 2011 by \$73,602 or 2.07 percent due to increase in operating costs.

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As can be seen on the table 2, all programs have a heavy reliance on general revenues, with 71.02 percent of total 2011 revenues coming from general revenues.

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

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

### ***Business-Type Activities and Enterprise Funds***

The Business-Type activities of the City, which include the City's water and sewer operations, decreased the City's net assets by \$1,298,864 during 2011, as compared to an increase of net assets of \$931,341 during 2010. The decrease in net assets in business-type activities is mainly due to a decrease in water revenue due to foreclosures and delinquencies.

Program expenses exceeded program revenues in the amount of \$1,307,164 for the water and sewer operations in 2011. This is due to increased contributions required for the improved maintenance program for water and sewers through the water and sewer administrations.

### **Financial Analysis of the Government's Funds**

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

### **Governmental Funds**

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

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

As of the end of the current year, the City of Cleveland Heights's governmental funds reported combined ending fund balances of \$16,116,218. Nonspendable fund balance of \$377,849 includes inventory. Fund balance in the amount of \$588,507 is restricted for road improvements, police and fire department operations. Fund balance in the amount of \$1,263,138 is committed to ambulance services, Police Facility improvement and Ring road construction. Assigned fund balance includes \$5,334,476 for future earned benefits, economic development and capital improvements. Unassigned fund balances of \$1,776,829 represents all balances not previously classified.

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
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All governmental funds had total revenues of \$53,561,208 and expenditures of \$56,923,214. Both revenues and expenditures decreased from the previous year. The decrease in revenues was attributable to decreases in property taxes, grants and entitlements and miscellaneous revenues. The decrease in expenditures was due to the decrease in capital outlay as the City spent less money in capital assets acquisition.

**General Fund**

The general fund is the chief operating fund of the City. At the end of the current year, total fund balance for the general fund was \$8,024,661, of which \$282,323 was nonspendable because of inventory, \$4,978,336 was assigned to future severance payments and encumbrances, and \$2,764,002 was unassigned for financial reporting purposes. Total fund balance of the City's general fund decreased by \$403,051. The City's management monitors the budget on a monthly basis to keep it in line with current expenditures.

**General Bond Retirement Fund**

The bond retirement debt service fund accounts for resources used for the retirement of long-term debt. At the end of the current year, total fund balance was \$2,132,699, which was a decrease from the prior year mainly due to principal and interest payments exceeding revenues.

***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of 2011 the City amended its general fund budget on various occasions. The City does allow small interdepartmental budget changes that modify line items within the accounting system which are within their appropriation category (salaries and other expenses). The general fund supports many of our major activities such as our police and fire departments as well as most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the general fund, original budgeted revenues and final budgeted revenues were \$39,797,775 while actual revenues were at \$39,704,458. Original general fund budgeted expenditures were \$38,598,432, and the final amended budget was \$38,362,052. Actual general fund expenditures were \$38,055,293 or \$306,759 less than budgeted due to the City closely monitoring spending.

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
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*Unaudited*

**Capital Assets and Debt Administration**

*Capital Assets*

Table 3 shows 2011 balances of capital assets as compared to 2010.

**CAPITAL ASSETS  
(NET OF DEPRECIATION)**

TABLE 3

	Governmental Activities		Business-Type Activities	
	2011	2010	2011	2010
Land	\$5,304,746	\$5,457,355	\$0	\$0
Construction in Progress	2,035,422	346,122	62,985	0
Land Improvements	1,355,385	1,479,062	0	0
Buildings and Improvements	38,097,656	38,967,637	116,342	125,870
Machinery & Equipment	6,124,870	6,415,170	700,296	870,965
Intangible Assets	32,707	0	0	0
Infrastructure:				
Streets and Sidewalks	27,366,047	28,457,350	0	0
Off-street Parking Lots	1,014,166	1,057,161	0	0
Water Lines	0	0	14,295,356	14,544,413
Sanitary Sewers Lines	0	0	5,717,396	5,847,919
Storm Sewer Lines	0	0	2,202,703	2,275,203
<b>Total</b>	<b>\$81,330,999</b>	<b>\$82,179,857</b>	<b>\$23,095,078</b>	<b>\$23,664,370</b>

The most significant increases in governmental capital assets came in construction in progress, which increased \$1,689,300 during 2011 relating to street construction projects. Total capital assets for governmental and business-type activities decreased compared to 2010, due to current year depreciation outpacing current year additions.

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

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

***Debt***

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

**OUTSTANDING DEBT**

TABLE 4

	Governmental Activities		Business - Type Activities	
	2011	2010	2011	2010
General Obligation Bonds	\$13,721,132	\$15,664,721	\$0	\$0
Special Assessment Bonds	2,703,837	2,789,433	0	0
Long-Term Notes	0	1,850,000	0	0
Short-Term Notes	1,703,000	0	0	0
OPWC Loans	1,307,256	1,399,070	1,043,867	1,172,917
OWDA Loans	0	0	589,433	495,486
<b>Total</b>	<b>\$19,435,225</b>	<b>\$21,703,224</b>	<b>\$1,633,300</b>	<b>\$1,668,403</b>

The general obligation bonds are composed of (1) 1999 Pension Fund; (2) 2001 Off-Street Refunding Bonds, (3) 2001 Recreational Facilities; (4) 2008 Recreational Facilities Refunding Bonds; and (5) 2008 Cedar Lee Parking Deck Bonds.

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

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

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

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

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$85,102,415 at December 31, 2011.

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

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*  
*Unaudited*

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**Current Financial Related Activities**

The City of Cleveland Heights maintained a Standard and Poor's Aa2 rating for 2011.

The Administration and City Council developed a master plan for the acquisition of equipment and the building or upgrading of City facilities. As a result, we have seen a remarkable increase in our capital assets over that period of time and the expansion of all City services. The 2011 year is no different as the City completed the street and other infrastructure improvements.

**Contacting the City's Finance Department**

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

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# **BASIC FINANCIAL STATEMENTS**

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**City of Cleveland Heights, Ohio**

*Statement of Net Assets*

*December 31, 2011*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$14,797,892	\$1,268,701	\$16,066,593
Materials and Supplies Inventory	377,849	13,791	391,640
Accrued Interest Receivable	58,335	0	58,335
Accounts Receivable	1,073,712	3,018,456	4,092,168
Internal Balances	(6,644)	6,644	0
Intergovernmental Receivable	2,765,181	0	2,765,181
Municipal Income Taxes Receivable	11,308,905	0	11,308,905
Property Taxes Receivable	11,263,909	0	11,263,909
Special Assessments Receivable	2,972,967	0	2,972,967
Notes Receivable	1,517,881	0	1,517,881
Deferred Charges	255,885	0	255,885
Assets Held For Resale	190,586	0	190,586
Nondepreciable Capital Assets	7,340,168	62,985	7,403,153
Depreciable Capital Assets, Net	73,990,831	23,032,093	97,022,924
<i>Total Assets</i>	<u>127,907,457</u>	<u>27,402,670</u>	<u>155,310,127</u>
<b>Liabilities</b>			
Accounts Payable	987,872	872,625	1,860,497
Contracts Payable	238,939	8,339	247,278
Accrued Wages	486,493	29,948	516,441
Matured Compensated Absences	79,587	0	79,587
Retainage Payable	23,279	0	23,279
Accrued Interest Payable	66,523	0	66,523
Intergovernmental Payable	1,250,125	102,604	1,352,729
Deferred Revenue	9,492,321	0	9,492,321
Claims Payable	214,100	0	214,100
Notes Payable	1,703,000	0	1,703,000
Long-Term Liabilities:			
Due Within One Year	5,217,328	309,176	5,526,504
Due In More Than One Year	19,917,263	1,735,805	21,653,068
<i>Total Liabilities</i>	<u>39,676,830</u>	<u>3,058,497</u>	<u>42,735,327</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	61,517,702	21,461,778	82,979,480
Restricted for:			
Capital Projects	994,098	0	994,098
Debt Service	3,955,343	0	3,955,343
Community Development	1,301,185	0	1,301,185
Municipal Court Special Projects	1,434,882	0	1,434,882
Public Safety	2,719,526	0	2,719,526
Other Purposes	2,518,682	0	2,518,682
Unrestricted	13,789,209	2,882,395	16,671,604
<i>Total Net Assets</i>	<u>\$88,230,627</u>	<u>\$24,344,173</u>	<u>\$112,574,800</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2011

	Expenses	Program Revenues	
		Charges for Services and Operating Assessments	Operating Grants and Contributions
<b>Governmental Activities</b>			
General Government	\$15,240,828	\$5,173,902	\$7,219
Public Safety	19,139,951	4,063,337	1,523,231
Public Health Services	342,507	60,043	5,510
Transportation	5,620,385	575,647	0
Community Development	6,330,335	1,264,852	3,383,785
Sanitation	2,470,427	394,745	0
Culture and Recreation	3,466,238	727,363	34,087
Interest and Fiscal Charges	904,102	0	0
<i>Total Governmental Activities</i>	<u>53,514,773</u>	<u>12,259,889</u>	<u>4,953,832</u>
<b>Business-Type Activities</b>			
Water	10,800,301	10,125,904	0
Sewer	2,217,378	1,584,611	0
<i>Total Business-Type Activities</i>	<u>13,017,679</u>	<u>11,710,515</u>	<u>0</u>
<i>Total</i>	<u>\$66,532,452</u>	<u>\$23,970,404</u>	<u>\$4,953,832</u>

**General Revenues**

Property Taxes Levied for:

- General Purposes
- Police Pension
- Fire Pension
- Debt Service
- Capital Outlay

Municipal Income Taxes Levied for:

- General Purposes
- Other Local Taxes
- Grants and Entitlements not Restricted  
to Specific Programs
- Franchise Taxes
- Payment in Lieu of Taxes
- Investment Earnings
- Miscellaneous

*Total General Revenues Before Transfers*

Transfers

*Total General Revenues and Transfers*

*Change in Net Assets*

*Net Assets Beginning of Year*

- Restated (See Note 3)

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$10,059,707)	\$0	(\$10,059,707)
(13,553,383)	0	(13,553,383)
(276,954)	0	(276,954)
(5,044,738)	0	(5,044,738)
(1,681,698)	0	(1,681,698)
(2,075,682)	0	(2,075,682)
(2,704,788)	0	(2,704,788)
(904,102)	0	(904,102)
<u>(36,301,052)</u>	<u>0</u>	<u>(36,301,052)</u>
0	(674,397)	(674,397)
<u>0</u>	<u>(632,767)</u>	<u>(632,767)</u>
0	(1,307,164)	(1,307,164)
<u>(36,301,052)</u>	<u>(1,307,164)</u>	<u>(37,608,216)</u>
6,955,676	0	6,955,676
238,627	0	238,627
238,627	0	238,627
2,306,722	0	2,306,722
556,794	0	556,794
24,162,250	0	24,162,250
273,716	0	273,716
4,919,000	0	4,919,000
565,476	0	565,476
141,241	0	141,241
127,999	0	127,999
<u>1,694,674</u>	<u>22,685</u>	<u>1,717,359</u>
42,180,802	22,685	42,203,487
<u>14,385</u>	<u>(14,385)</u>	<u>0</u>
42,195,187	8,300	42,203,487
5,894,135	(1,298,864)	4,595,271
<u>82,336,492</u>	<u>25,643,037</u>	<u>107,979,529</u>
<u>\$88,230,627</u>	<u>\$24,344,173</u>	<u>\$112,574,800</u>

**City of Cleveland Heights, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2011*

	General	General Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$5,338,555	\$3,485,699	\$5,973,638	\$14,797,892
Materials and Supplies Inventory	282,323	0	95,526	377,849
Accrued Interest Receivable	58,335	0	0	58,335
Accounts Receivable	476,919	0	596,793	1,073,712
Interfund Receivable	267,939	0	0	267,939
Intergovernmental Receivable	1,818,837	174,244	772,100	2,765,181
Municipal Income Taxes Receivable	11,308,905	0	0	11,308,905
Property Taxes Receivable	7,596,590	2,532,196	1,135,123	11,263,909
Special Assessments Receivable	0	0	2,972,967	2,972,967
Notes Receivable	0	0	1,517,881	1,517,881
Assets Held For Resale	0	0	190,586	190,586
<i>Total Assets</i>	<u>\$27,148,403</u>	<u>\$6,192,139</u>	<u>\$13,254,614</u>	<u>\$46,595,156</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$428,700	\$0	\$559,172	\$987,872
Contracts Payable	0	0	238,939	238,939
Accrued Wages	451,513	0	34,980	486,493
Retainage Payable	0	0	23,279	23,279
Interfund Payable	6,454	0	268,129	274,583
Intergovernmental Payable	504,477	0	745,648	1,250,125
Deferred Revenue	17,653,011	2,706,440	5,075,609	25,435,060
Matured Compensated Absences Payable	79,587	0	0	79,587
Notes Payable	0	1,353,000	350,000	1,703,000
<i>Total Liabilities</i>	<u>19,123,742</u>	<u>4,059,440</u>	<u>7,295,756</u>	<u>30,478,938</u>
<b>Fund Balances</b>				
Nonspendable	282,323	0	95,526	377,849
Restricted	0	2,132,699	5,231,227	7,363,926
Committed	0	0	1,263,138	1,263,138
Assigned	4,978,336	0	356,140	5,334,476
Unassigned (Deficit)	2,764,002	0	(987,173)	1,776,829
<i>Total Fund Balances</i>	<u>8,024,661</u>	<u>2,132,699</u>	<u>5,958,858</u>	<u>16,116,218</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$27,148,403</u>	<u>\$6,192,139</u>	<u>\$13,254,614</u>	<u>\$46,595,156</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2011*

<b>Total Governmental Fund Balances</b>		\$16,116,218
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		81,330,999
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Charges for Services	671,873	
Property Taxes	1,771,588	
Municipal Income Tax	8,508,152	
Intergovernmental	2,018,159	
Special Assessments	<u>2,972,967</u>	
Total		15,942,739
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		(214,100)
Bond issuance costs will be amortized over the life of the bonds on the statement of net assets.		255,885
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(66,523)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(13,721,131)	
Special Assessment Bonds	(2,703,837)	
OPWC Loans	(1,307,256)	
Capital Lease Obligation Payable	(408,081)	
Retrospective Workers' Compensation	(750,106)	
Compensated Absences Payable	<u>(6,244,180)</u>	
Total		<u>(25,134,591)</u>
<i>Net Assets of Governmental Activities</i>		<u><u>\$88,230,627</u></u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2011*

	General	General Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$6,782,760	\$2,249,083	\$1,008,210	\$10,040,053
Municipal Income Taxes	19,359,768	0	0	19,359,768
Other Local Taxes	119,319	0	154,397	273,716
Charges for Services	2,542,197	0	2,367,668	4,909,865
Licenses, Permits and Fees	1,630,829	0	34,141	1,664,970
Fines and Forfeitures	2,308,455	0	481,407	2,789,862
Intergovernmental	4,610,998	329,479	5,043,367	9,983,844
Special Assessments	2,802	138,128	1,798,359	1,939,289
Interest	127,836	0	163	127,999
Rentals	29,731	0	24,840	54,571
Contributions and Donations	2,000	0	13,880	15,880
Franchise Taxes	565,476	0	0	565,476
Payment in Lieu of Taxes	0	0	141,241	141,241
Miscellaneous	1,615,445	1,125	78,104	1,694,674
<i>Total Revenues</i>	<u>39,697,616</u>	<u>2,717,815</u>	<u>11,145,777</u>	<u>53,561,208</u>
<b>Expenditures</b>				
Current:				
General Government	12,816,780	1,368	1,827,198	14,645,346
Public Safety	15,106,580	0	4,629,959	19,736,539
Public Health Services	339,912	0	45,804	385,716
Transportation	3,279,055	0	1,778,227	5,057,282
Community Development	1,942,782	0	4,001,767	5,944,549
Sanitation	2,248,499	0	0	2,248,499
Culture and Recreation	1,794,494	0	683,027	2,477,521
Capital Outlay	0	0	1,276,062	1,276,062
Debt Service:				
Principal Retirement	78,657	3,705,000	535,239	4,318,896
Interest and Fiscal Charges	8,784	809,471	14,549	832,804
<i>Total Expenditures</i>	<u>37,615,543</u>	<u>4,515,839</u>	<u>14,791,832</u>	<u>56,923,214</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,082,073</u>	<u>(1,798,024)</u>	<u>(3,646,055)</u>	<u>(3,362,006)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	34,260	0	0	34,260
OPWC Loan Issued	0	0	57,420	57,420
Transfers In	75,330	139,863	2,593,514	2,808,707
Transfers Out	(2,594,714)	0	(199,608)	(2,794,322)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,485,124)</u>	<u>139,863</u>	<u>2,451,326</u>	<u>106,065</u>
<i>Net Change in Fund Balances</i>	(403,051)	(1,658,161)	(1,194,729)	(3,255,941)
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	<u>8,427,712</u>	<u>3,790,860</u>	<u>7,153,587</u>	<u>19,372,159</u>
<i>Fund Balances End of Year</i>	<u>\$8,024,661</u>	<u>\$2,132,699</u>	<u>\$5,958,858</u>	<u>\$16,116,218</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2011*

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**Net Change in Fund Balances - Total Governmental Funds** (\$3,255,941)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Asset Additions	3,953,971	
Current Year Depreciation	(4,516,729)	
Total		(562,758)

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. (286,100)

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

Delinquent Property Taxes	256,393	
Municipal Income Taxes	4,802,482	
Intergovernmental	(126,892)	
Special Assessments	229,459	
Charges for Services	671,873	
Total		5,833,315

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

General Obligation Bond Anticipation Notes	1,850,000	
General Obligation Bonds	2,005,000	
Special Assessment Bonds	85,000	
OPWC Loans Payable	149,234	
Capital Leases	229,662	
Total		4,318,896

OPWC loans issued in the governmental funds increase long-term liabilities in the statement of net assets. (57,420)

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

Accrued Interest	8,755	
Amortization of Bond Premium	28,434	
Amortization of Bond Issuance Costs	(19,240)	
Amortization of Loss on Refunding	(89,247)	
Total		(71,298)

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

Compensated Absences	72,165	
Retrospective Workers' Compensation	117,376	
Total		189,541

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. (214,100)

*Change in Net Assets of Governmental Activities* \$5,894,135

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$7,452,341	\$7,452,341	\$6,782,760	(\$669,581)
Municipal Income Taxes	18,804,022	18,804,022	19,214,462	410,440
Other Local Taxes	116,770	116,770	119,319	2,549
Charges for Services	2,677,831	2,677,831	2,736,281	58,450
Licenses, Permits and Fees	1,582,869	1,582,869	1,617,419	34,550
Fines and Forfeitures	2,292,921	2,292,921	2,342,969	50,048
Intergovernmental	4,661,226	4,661,226	4,762,968	101,742
Special Assessments	2,742	2,742	2,802	60
Interest	96,019	96,019	98,115	2,096
Rentals	29,096	29,096	29,731	635
Contributions and Donations	1,957	1,957	2,000	43
Franchise Taxes	500,000	500,000	553,362	53,362
Miscellaneous	1,579,981	1,579,981	1,442,270	(137,711)
<i>Total Revenues</i>	<u>39,797,775</u>	<u>39,797,775</u>	<u>39,704,458</u>	<u>(93,317)</u>
<b>Expenditures</b>				
Current:				
General Government	13,687,185	13,440,663	13,255,779	184,884
Public Safety	15,115,212	14,984,134	14,955,208	28,926
Public Health Services	343,375	343,575	343,207	368
Transportation	3,074,410	3,229,830	3,211,282	18,548
Community Development	2,148,530	2,227,003	2,193,345	33,658
Sanitation	2,166,700	2,217,517	2,220,310	(2,793)
Culture and Recreation	2,063,020	1,919,330	1,876,162	43,168
<i>Total Expenditures</i>	<u>38,598,432</u>	<u>38,362,052</u>	<u>38,055,293</u>	<u>306,759</u>
<i>Excess of Revenues Over Expenditures</i>	<u>1,199,343</u>	<u>1,435,723</u>	<u>1,649,165</u>	<u>213,442</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	33,528	33,528	34,260	732
Advances In	26,075	26,075	26,075	0
Advances Out	0	0	(43,800)	(43,800)
Transfers In	54,873	54,873	60,000	5,127
Transfers Out	(2,389,560)	(2,902,200)	(2,887,811)	14,389
<i>Total Other Financing Sources (Uses)</i>	<u>(2,275,084)</u>	<u>(2,787,724)</u>	<u>(2,811,276)</u>	<u>(23,552)</u>
<i>Net Change in Fund Balance</i>	(1,075,741)	(1,352,001)	(1,162,111)	189,890
<i>Fund Balance Beginning of Year</i>	5,937,303	5,937,303	5,937,303	0
Unexpended Prior Year Encumbrances	57,798	57,798	57,798	0
<i>Fund Balance End of Year</i>	<u>\$4,919,360</u>	<u>\$4,643,100</u>	<u>\$4,832,990</u>	<u>\$189,890</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**

*Statement of Fund Net Assets*

*Proprietary Funds*

*December 31, 2011*

	Business Type Activities - Enterprise Funds			Governmental
	Water	Sewer	Total	Activities - Internal Service Fund
<b>Assets</b>				
<i>Current Assets</i>				
Equity in Pooled Cash and				
Cash Equivalents	\$814,504	\$454,197	\$1,268,701	\$0
Materials and Supplies Inventory	11,258	2,533	13,791	0
Accounts Receivable	2,716,610	301,846	3,018,456	0
Interfund Receivable	6,644	0	6,644	0
<i>Total Current Assets</i>	<u>3,549,016</u>	<u>758,576</u>	<u>4,307,592</u>	<u>0</u>
<i>Noncurrent Assets</i>				
Nondepreciable Capital Assets	62,985	0	62,985	0
Depreciable Capital Assets, Net	14,987,020	8,045,073	23,032,093	0
Total Noncurrent Assets	<u>15,050,005</u>	<u>8,045,073</u>	<u>23,095,078</u>	<u>0</u>
<i>Total Assets</i>	<u>18,599,021</u>	<u>8,803,649</u>	<u>27,402,670</u>	<u>0</u>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	861,457	11,168	872,625	0
Contracts Payable	0	8,339	8,339	0
Claims Payable	0	0	0	214,100
Accrued Wages	16,754	13,194	29,948	0
Intergovernmental Payable	87,046	15,558	102,604	0
Compensated Absences Payable	145,778	56,405	202,183	0
OPWC Loans - Current	65,415	31,484	96,899	0
OWDA Loans - Current	10,094	0	10,094	0
<i>Total Current Liabilities</i>	<u>1,186,544</u>	<u>136,148</u>	<u>1,322,692</u>	<u>214,100</u>
<i>Long-Term Liabilities</i>				
Compensated Absences Payable	131,241	78,257	209,498	0
OPWC Loan Payable	577,315	369,653	946,968	0
OWDA Loan Payable	255,766	323,573	579,339	0
<i>Total Long-Term Liabilities</i>	<u>964,322</u>	<u>771,483</u>	<u>1,735,805</u>	<u>0</u>
<i>Total Liabilities</i>	<u>2,150,866</u>	<u>907,631</u>	<u>3,058,497</u>	<u>214,100</u>
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	14,141,415	7,320,363	21,461,778	0
Unrestricted (Deficit)	2,306,740	575,655	2,882,395	(214,100)
<i>Total Net (Deficit) Assets</i>	<u>\$16,448,155</u>	<u>\$7,896,018</u>	<u>\$24,344,173</u>	<u>(\$214,100)</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2011*

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Sewer	Total	
<b>Operating Revenues</b>				
Charges for Services	\$9,807,446	\$1,584,611	\$11,392,057	\$4,346,483
Tap-In-Fees	318,458	0	318,458	0
Miscellaneous	0	22,685	22,685	0
<i>Total Operating Revenues</i>	<u>10,125,904</u>	<u>1,607,296</u>	<u>11,733,200</u>	<u>4,346,483</u>
<b>Operating Expenses</b>				
Personal Services	1,211,996	922,184	2,134,180	0
Other Than Personal Services	9,166,783	999,021	10,165,804	271,147
Depreciation	416,873	264,843	681,716	0
Claims	0	0	0	4,289,436
<i>Total Operating Expenses</i>	<u>10,795,652</u>	<u>2,186,048</u>	<u>12,981,700</u>	<u>4,560,583</u>
<i>Operating Loss</i>	<u>(669,748)</u>	<u>(578,752)</u>	<u>(1,248,500)</u>	<u>(214,100)</u>
<b>Non-Operating Expenses</b>				
Interest and Fiscal Charges	0	(7,151)	(7,151)	0
Loss on Disposal of Capital Assets	(4,649)	(24,179)	(28,828)	0
<i>Total Non Operating Expenses</i>	<u>(4,649)</u>	<u>(31,330)</u>	<u>(35,979)</u>	<u>0</u>
<i>Loss Before Transfers</i>	<u>(674,397)</u>	<u>(610,082)</u>	<u>(1,284,479)</u>	<u>(214,100)</u>
Transfers Out	(10,900)	(3,485)	(14,385)	0
<i>Change in Net Assets</i>	<u>(685,297)</u>	<u>(613,567)</u>	<u>(1,298,864)</u>	<u>(214,100)</u>
<i>Net Assets Beginning of Year - Restated (see Note 3)</i>	<u>17,133,452</u>	<u>8,509,585</u>	<u>25,643,037</u>	<u>0</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$16,448,155</u>	<u>\$7,896,018</u>	<u>\$24,344,173</u>	<u>(\$214,100)</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2011

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Sewer	Total	
<b><i>Increase (Decrease) In Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$9,922,123	\$1,598,091	\$11,520,214	4,346,483
Cash Received from Other Operating Sources	0	22,685	22,685	0
Cash Received from Tap-In Fees	318,458	0	318,458	0
Cash Payments to Suppliers for Goods and Services	(9,000,210)	(1,002,926)	(10,003,136)	(271,147)
Cash Payments for Claims	0	0	0	(4,075,336)
Cash Payments for Employee Services and Benefits	(1,164,086)	(870,203)	(2,034,289)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>76,285</u>	<u>(252,353)</u>	<u>(176,068)</u>	<u>0</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfer Out	(10,900)	(3,485)	(14,385)	0
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of Capital Assets	(141,252)	0	(141,252)	0
OWDA Loan Issued	99,937	14,569	114,506	0
Principal Paid on OPWC Loans	(74,601)	(54,449)	(129,050)	0
Principal Paid on OWDA Loans	(9,167)	(11,392)	(20,559)	0
Interest Paid on OWDA Loans	0	(7,151)	(7,151)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(125,083)</u>	<u>(58,423)</u>	<u>(183,506)</u>	<u>0</u>
<i>Net Decrease In Cash and Cash Equivalents</i>	(59,698)	(314,261)	(373,959)	0
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>874,202</u>	<u>768,458</u>	<u>1,642,660</u>	<u>0</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$814,504</u>	<u>\$454,197</u>	<u>\$1,268,701</u>	<u>\$0</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2011

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Sewer	Total	
<b>Reconciliation of Operating Loss to Net Cash Provided by (Used) for Operating Activities</b>				
<i>Operating Loss</i>	(\$669,748)	(\$578,752)	(\$1,248,500)	(\$214,100)
Adjustments:				
Depreciation	416,873	264,843	681,716	0
(Increase)/Decrease in Assets:				
Accounts Receivable	121,321	13,480	134,801	0
Materials and Supplies Inventory	1,745	1,490	3,235	0
Interfund Receivable	(6,644)	0	(6,644)	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	108,330	(7,195)	101,135	0
Contracts Payable	0	8,339	8,339	0
Accrued Wages	4,018	3,380	7,398	0
Compensated Absences	23,705	33,043	56,748	0
Intergovernmental Payable	78,340	9,019	87,359	0
Claims Payable	(1,655)	0	(1,655)	214,100
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$76,285</u>	<u>(\$252,353)</u>	<u>(\$176,068)</u>	<u>\$0</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2011*

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**Assets**

Equity in Pooled Cash and Cash Equivalents	<u><u>\$1,452,350</u></u>
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**Liabilities**

Deposits Held and Due to Others	<u><u>\$1,452,350</u></u>
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See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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**Note 1 – Reporting Entity**

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

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

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

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

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

**Note 2 – Summary of Significant Accounting Policies**

The financial statements of the City of Cleveland Heights have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements after November 30, 1989 to its business-type activities and its enterprise funds. The more significant of the City's accounting policies are described below.

***Basis of Presentation***

The City's basic financial statements consist of government-wide statements, including a statement of net 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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
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government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

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

***Fund Accounting***

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

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

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

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

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
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**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

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

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

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

**Fiduciary Funds** Fiduciary fund reporting focuses on net 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 program. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City only utilizes the agency fund type. The City's primary agency funds account for the municipal court and construction deposits.

**Measurement Focus**

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

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

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Basis of Accounting***

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

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlement and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 9). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest, grants and entitlements and rentals.

***Deferred 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, 2011, but which were levied to finance year 2012 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Budgetary Data***

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations resolution is City Council's authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by Council at the department level for personal services, capital outlay, and other than personal services expenditures for all funds. The City Manager or Assistant to the City Manager is authorized to transfer budgeted amounts within each fund (between departments), as long as the total amount appropriated by City Council is at the legal level of control.

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

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

***Pooled Cash and Cash Equivalents***

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

During 2011, investments were limited to non-negotiable certificates of deposit, federal home loan bank bonds, school district bonds, municipal bonds, county notes, federal national mortgage association notes, federal farm credit bank notes, Central Ohio solid waste notes and STAR Ohio. Non-negotiable certificates of deposit are reported at cost. Investments are reported at fair value, which is based on quoted market price or current share.

The City of Cleveland Heights has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2011. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold at December 31, 2011.

Interest earnings are allocated to City funds according to State statutes, City Charter, grant requirements, or debt related restrictions. Interest revenue credited to the general fund during 2011 was \$127,836, which includes \$88,831 assigned from other City funds.

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

**City of Cleveland Heights, Ohio**  
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*For the Year Ended December 31, 2011*

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***Materials and Supplies Inventory***

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

***Assets Held for Resale***

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

***Capital Assets***

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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

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

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

***Interfund Balances***

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Compensated Absences***

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

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

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

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

***Accrued Liabilities and Long-term Obligations***

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

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

***Fund Balance***

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

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

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

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

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

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute.

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

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

***Net 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 enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include street maintenance and repair, municipal court clerk computerization, and public safety.

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Operating Revenues and Expenses***

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

***Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for a repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented on the financial statements.

***Bond Issuance Costs***

On the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the applicable bonds using the effective interest method. Within the governmental fund statements, bond issuance costs are expended when incurred.

As permitted by State statute, the City paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

***Bond Premiums***

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

***Gain/Loss on Refunding***

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

**City of Cleveland Heights, Ohio**  
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***Extraordinary and Special Items***

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

***Estimates***

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

**Note 3 – Changes in Accounting Principles and Restatement of Prior Year’s Fund Balances and Net Assets**

***Changes in Accounting Principles***

For fiscal year 2011, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions” and GASB Statement No. 59, “Financial Instruments Omnibus”.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification of certain funds and restatement of the City’s financial statements.

GASB Statement No. 59 addresses significant practice issues that have arisen when accounting for financial instruments by updating and improving existing standards regarding financial reporting of certain financial instruments and external investment pools. The implementation of this statement did not result in any change in the School District’s financial statements.

***Restatement of Prior Year’s Fund Balances***

During 2011, the implementation of GASB Statement No. 54 had the following effect on fund balances of the major and nonmajor funds as they were previously reported. It was also determined that notes payable and workers’ compensation liabilities were incorrectly recorded as fund liabilities.

	General Fund	General Bond Retirement	Nonmajor Governmental Funds	Total
Fund Balance at December 31, 2010	\$6,050,255	\$3,790,860	\$6,265,898	\$16,107,013
GASB 54 Change In Fund Structure:		0		
Notes Payable	1,509,975		(962,311)	547,664
Workers' Compensation	0	0	1,850,000	1,850,000
	867,482		0	867,482
Adjusted Fund Balance at December 31, 2010	<u>\$8,427,712</u>	<u>\$3,790,860</u>	<u>\$7,153,587</u>	<u>\$19,372,159</u>

**City of Cleveland Heights, Ohio**  
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**Restatement of Prior Year's Net Assets**

During 2011, it was determined that bond issuance costs, premium and accounting loss on general obligation bonds for governmental activities were not recorded. This restatement and the implementation of GASB 54 had the following effect on net assets of the major and nonmajor funds as they were previously reported.

	Governmental Activities			
<b>Net Assets at December 31, 2010</b>	\$74,539,052			
GASB 54 Change				
In Fund Structure:				
Bond Issuance Costs	7,064,203			
Premium on Bonds Issued	81,894			
Accounting Loss	(43,079)			
	694,422			
Adjusted Net Assets				
At December 31, 2010	\$82,336,492			
	Water	Sewer	Other Enterprise Funds	Total Business-Type Activities
<b>Net Assets at December 31, 2010</b>	\$17,133,452	\$8,509,585	\$7,114,310	\$32,757,347
GASB 54 Change				
In Fund Structure:	0	0	(7,114,310)	(7,114,310)
Adjusted Net Assets				
At December 31, 2010	\$17,133,452	\$8,509,585	\$0	\$25,643,037

**Note 4 – Accountability and Compliance**

**A. Accountability**

At December 31, 2011, the following funds had deficit fund balances.

Fund Description	Amounts
<b>Special Revenue Funds:</b>	
Communication System	\$15,431
Cain Park Operating	4,119
Homelessness Prevention	431
Street Lighting	67,213
Police Pension	294,892
Fire Pension	396,889
Off-Street Parking	112,672
<b>Internal Service Fund</b>	
Hospitalization	214,100

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

**City of Cleveland Heights, Ohio**  
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**B. Compliance**

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

Fund	Appropriations Plus Prior Year Encumbrances	Expenditures Plus Encumbrances	Excess
<b>General Fund</b>			
General Government			
City Manager			
Personal Services	\$545,440	\$549,178	(\$3,738)
Management Information System			
Personal Services	248,920	249,952	(1,032)
Finance Department			
Personal Services	420,235	425,146	(4,911)
Income Tax Department			
Personal Services	215,165	226,864	(11,699)
Revenue Recovery			
Personal Services	93,830	98,263	(4,433)
Law Department			
Personal Services	466,465	468,282	(1,817)
Service Administration			
Personal Services	324,265	325,638	(1,373)
Capital Projects			
Personal Services	113,265	118,767	(5,502)
Public Properties and Park Maintenance			
Personal Services	1,423,095	1,432,379	(9,284)
Community Service Administration			
Personal Services	269,115	270,099	(984)
Municipal Court			
Personal Services	952,745	955,121	(2,376)
Public Safety			
Police Motor Vehicle Maintenance			
Personal Services	219,110	221,643	(2,533)
Traffic Signs and Signals			
Personal Services	53,220	54,017	(797)
Fire Department			
Personal Services	5,699,850	5,699,942	(92)
Public Health Services			
Office on Aging			
Personal Services	132,125	133,279	(1,154)
Transportation			
Parking Meters			
Personal Services	27,105	27,108	(3)
Vehicle Maintenance			
Personal Services	516,590	518,210	(1,620)
Community Development			
Community Relations			
Personal Services	124,260	124,789	(529)
Public Relations			
Personal Services	161,360	161,690	(330)

**City of Cleveland Heights, Ohio**  
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Fund	Appropriations Plus Prior Year Encumbrances	Expenditures Plus Encumbrances	Excess
<b><i>General Fund (continued)</i></b>			
Community Development (continued)			
Building Department			
Personal Services	\$376,940	\$379,206	(\$2,266)
Housing Inspections			
Personal Services	489,095	490,789	(1,694)
Sanitation			
Refuse Collection and Transfer Station			
Personal Services	1,619,700	1,623,279	(3,579)
Culture and Recreation			
Recreation Administration			
Personal Services	180,585	181,342	(757)
Community Center			
Personal Services	256,195	257,884	(1,689)
<b><i>Street Construction, Maintenance and Repair</i></b>			
Transportation			
Street Construction, Maintenance and Repair			
Capital Outlay	1,884,248	1,902,787	(18,539)
<b><i>Capital Improvements</i></b>			
Capital Outlay	60,345	104,553	(44,208)

The following funds had original appropriations in excess of original estimated resources as reported on the Official Certificate of Estimated Resources at December 31, 2011

Fund	Estimated Resources	Appropriations	Variance
Water Fund	\$11,193,686	\$11,553,632	(\$359,946)
Drug Law Enforcement	189,928	249,289	(59,361)
Home Program	92,284	200,000	(107,716)
Federal Emergency Management			
Agency (FEMA) Grant	(888)	0	(888)
Neighborhood Stabilization Program	157,948	600,000	(442,052)
Street Lighting	878,760	1,055,000	(176,240)
Police Pension	969,477	970,000	(523)
Fire Pension	1,190,977	1,210,000	(19,023)
Capital Improvements	273,687	639,128	(365,441)

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The following funds had final appropriations in excess of final estimated resources as reported on the Official Certificate of Estimated Resources at December 31, 2011.

Fund	Estimated Resources	Appropriations	Variance
Drug Law Enforcement	\$295,928	\$353,931	(\$58,003)
Home Program	92,284	168,679	(76,395)
Federal Emergency Management Agency (FEMA) Grant	(888)	0	(888)
Neighborhood Stabilization Program	157,948	775,931	(617,983)
Cedar Lee Parking Facility	113,863	113,883	(20)

The City does not record encumbrances during the year contrary to Ohio Revised Code Section 5705.41(D)(1).

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

**Note 5 – Fund Balances**

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

Fund Balances	General Fund	General Bond Retirement	Nonmajor Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$282,323	\$0	\$95,526	\$377,849
<u>Restricted for:</u>				
Road improvements	0	0	577,657	577,657
Law enforcement	0	0	10,850	10,850
Drug and alcohol enforcement	0	0	280,402	280,402
Community Development	0	0	1,328,471	1,328,471
Home Program			31,903	31,903
Municipal Court Computerization and Special Projects	0	0	1,938,259	1,938,259
Public Right of Way	0	0	14,745	14,745
Lead Safe Cuyahoga	0	0	9,620	9,620
Neighborhood Stabilization Program	0	0	18,136	18,136
Special Assessments for Street Maintenance	0	0	129,944	129,944
Aging and Youth Recreation	0	0	62,527	62,527
Police Memorial	0	0	608	608
Recreational Facility Improvements	0	0	828,105	828,105
Debt service payments	0	2,132,699	0	2,132,699
<i>Total Restricted</i>	\$0	\$2,132,699	\$5,231,227	\$7,363,926

**City of Cleveland Heights, Ohio**  
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Fund Balances	General Fund	General Bond Retirement	Nonmajor Governmental Funds	Total
<u>Committed to:</u>				
Public Building Maintenance	\$0	\$0	\$32,211	\$32,211
Ambulance Services	0	0	528,902	528,902
Police Facility Improvement	0	0	22,239	22,239
Ring Road Construction	0	0	679,786	679,786
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>1,263,138</u>	<u>1,263,138</u>
<u>Assigned to:</u>				
Earned Benefits	4,891,509	0	0	4,891,509
City Hall Maintenance	0	0	17,822	17,822
Economic Development	0	0	236,612	236,612
Capital Improvements	0	0	101,706	101,706
Other Purposes	86,827	0	0	86,827
<i>Total Assigned</i>	<u>4,978,336</u>	<u>0</u>	<u>356,140</u>	<u>5,334,476</u>
Unassigned (Deficit)	<u>2,764,002</u>	<u>0</u>	<u>(987,173)</u>	<u>1,776,829</u>
Total Fund Balances	<u><u>\$8,024,661</u></u>	<u><u>\$2,132,699</u></u>	<u><u>\$5,958,858</u></u>	<u><u>\$16,116,218</u></u>

**Note 6 – Budgetary Basis of Accounting**

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

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

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

	General
GAAP Basis	(\$403,051)
Net Adjustment for Revenue Accruals	184,364
Beginning Fair Value Adjustment for Investments	21,718
Ending Fair Value Adjustment for Investments	(16,594)
Beginning Unrecorded Cash	(172,195)
Ending Unrecorded Cash	(169,156)
Net Adjustment for Expenditure Accruals	(877,407)
Excess of revenues and other financing sources over (under) expenditures and other uses:	
Earned Benefits	424,485
Advances In	26,075
Advances Out	(43,800)
Encumbrances	(136,550)
Budget Basis	(\$1,162,111)

**Note 7 – Deposits and Investments**

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
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3. Written repurchase agreements in securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

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

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

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

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

### **Deposits**

***Custodial Credit Risk*** Custodial credit risk for deposits is the risk that, in the event of the failure of the counterparty, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$2,249,080 of the City's bank balance of \$3,970,873 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

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

**City of Cleveland Heights, Ohio**  
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**Investments**

As of December 31, 2011, the City had the following investments:

	Fair Value	Maturity	Percentage of Total Investments
STAR Ohio	\$7,634,947	Average 57 Days	N/A
Municipal Bonds	1,838,850	Less than One Year	13.83 %
School District Municipal Bonds	799,578	Less than One Year	6.02
Federal Home Loan Bank Bonds	1,017,200	Less than Five Years	7.65
Lake County Notes	500,850	Less than One Year	3.77
Federal National Mortgage Association Notes	500,150	Less than Five Years	3.76
Federal Farm Credit Bank	500,000	Less than Five Years	3.76
Federal National Mortgage Association Notes	249,975	Less than Five Years	1.88
Central Ohio Solid Waste Notes	249,500	Less than One Year	1.88
<b>Total Portfolio</b>	<b>\$13,291,050</b>		

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

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

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

**Note 8 – Interfund Balances and Transfers**

**Interfund Balances**

As of December 31, 2011, interfund balances were as follows:

Interfund Payable	Interfund Receivable		Totals
	General Fund	Water Fund	
<b>Major Funds</b>			
General Fund	\$0	\$6,454	\$6,454
<b>Other Governmental Funds</b>			
CDBG	34,273	74	34,347
Neighborhood Stabilization Program	224,139	116	224,255
Home Program	8,505	0	8,505
Homelessness Prevention	1,022	0	1,022
<i>Total Other Governmental Funds</i>	267,939	190	268,129
<i>Total Governmental Activities</i>	\$267,939	\$6,644	\$274,583

**City of Cleveland Heights, Ohio**  
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Interfund balances at December 31, 2011, consisted of a general fund advance of \$267,939 to nonmajor special revenue funds due to the timing of the receipt of grant monies. All advances are expected to be repaid within one year. The general fund and nonmajor special revenue funds also paid the water enterprise fund for the City water usage.

***Interfund Transfers***

At December 31, 2011 interfund transfers were as follows:

<b>Transfers To</b>	<b>Transfers From</b>				<b>Total</b>
	General	Other Governmental Funds	Business-Type		
			Water	Sewer	
<b>Major Funds:</b>					
General Fund	\$0	\$60,945	\$10,900	\$3,485	\$75,330
General Bond Retirement	26,075	113,788	0	0	139,863
<b>Total Major Funds</b>	<b>26,075</b>	<b>174,733</b>	<b>10,900</b>	<b>3,485</b>	<b>215,193</b>
<b>Nonmajor Funds:</b>					
Communications System	330,478	0	0	0	330,478
FEMA Grant	888	0	0	0	888
Cain Park Operating	251,921	0	0	0	251,921
Street Lighting	31,586	0	0	0	31,586
Tree	15,970	0	0	0	15,970
Police Pension	736,408	3,205	0	0	739,613
Fire Pension	1,097,979	21,670	0	0	1,119,649
Department of Energy Grant	15	0	0	0	15
Zagara TIF	103,394	0	0	0	103,394
<b>Total Nonmajor Funds</b>	<b>2,568,639</b>	<b>24,875</b>	<b>0</b>	<b>0</b>	<b>2,593,514</b>
<b>Total Governmental Funds</b>	<b>\$2,594,714</b>	<b>\$199,608</b>	<b>\$10,900</b>	<b>\$3,485</b>	<b>\$2,808,707</b>

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

**Note 9 – Receivables**

Receivables at December 31, 2011, consisted primarily of municipal income taxes, property and other local taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, notes receivable, accrued interest on investments, and accounts (billings for water and utility services).

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

Special assessments expected to be collected in more than one year amount to \$2,972,967 in the tree and street lighting special revenue funds. At December 31, 2011, the amount of delinquent special assessments was \$1,127,764.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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Notes expected to be collected in more than one year amount to \$1,297,604 and \$38,224 in the community development block grant and home program special revenue funds, respectively. At December 31, 2011 there were no delinquent loans.

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2011 for real and public utility property taxes represents collections of 2010 taxes.

2011 real property taxes are levied after October 1, 2011 on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012.

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

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes which became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2011 was \$12.90 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2011 property tax receipts were based are as follows:

Real Estate:	
Residential/Agricultural	\$758,172,910
Other Real Estate	142,503,180
Public Utility Property	<u>11,149,780</u>
Total Assessed Valuation	<u><u>\$911,825,870</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Cleveland Heights. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2011 and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been deferred revenue since current taxes were not levied to finance 2011 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while on the modified accrual basis the revenue has been deferred.

***Income Taxes***

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

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

***Intergovernmental Receivables***

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities</b>	
Local Government	\$1,288,422
Homestead and Rollback	732,805
Gas Excise Tax	449,078
Auto Registration	217,290
Tangible Personal Property Loss Reimburse	39,037
Grants	27,473
Admission Tax	11,076
	\$2,765,181
<i>Total Intergovernmental Receivables</i>	

**Note 10 – Capital Assets**

A summary of changes in capital assets during 2011 follows:

	Restated Balance 12/31/2010	Additions	Deletions	Balance 12/31/2011
<b>Governmental Activities</b>				
<i>Nondepreciable Capital Assets</i>				
Land	\$5,457,355	\$60,000	(\$212,609)	\$5,304,746
Construction in Progress	346,122	2,420,727	(731,427)	2,035,422
<i>Total Nondepreciable Capital Assets</i>	5,803,477	2,480,727	(944,036)	7,340,168
<i>Depreciable Capital Assets</i>				
Land Improvements	2,045,014	0	0	2,045,014
Building and Improvements	62,937,504	419,783	0	63,357,287
Machinery and Equipment	20,961,179	1,020,754	(964,534)	21,017,399
Intangible Assets	0	32,707	0	32,707
Infrastructure				
Streets and Sidewalks	40,816,582	731,427	0	41,548,009
Off-Street Parking	2,604,360	0	0	2,604,360
<i>Total Depreciable Capital Assets</i>	129,364,639	2,204,671	(964,534)	130,604,776
<i>Less Accumulated Depreciation</i>				
Land Improvements	(565,952)	(123,677)	0	(689,629)
Building and Improvements	(23,969,867)	(1,289,764)	0	(25,259,631)
Machinery and Equipment	(14,546,009)	(1,237,563)	891,043	(14,892,529)
Infrastructure				
Streets and Sidewalks	(12,359,232)	(1,822,730)	0	(14,181,962)
Off-Street Parking	(1,547,199)	(42,995)	0	(1,590,194)
<i>Total Accumulated Depreciation</i>	(52,988,259)	(4,516,729) *	891,043	(56,613,945)
<i>Total Depreciable Capital Assets, Net</i>	76,376,380	(2,312,058)	(73,491)	73,990,831
<i>Total Governmental Capital Assets, Net</i>	\$82,179,857	\$168,669	(\$1,017,527)	\$81,330,999

**City of Cleveland Heights, Ohio**  
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	Restated Balance 12/31/2010	Additions	Deletions	Balance 12/31/2011
<b>Business-Type Activities</b>				
<i>Nondepreciable Capital Assets</i>				
Construction in Progress	\$0	\$62,985	\$0	\$62,985
<i>Depreciable Capital Assets</i>				
Buildings and Improvements	148,238	0	0	148,238
Machinery and Equipment	4,538,790	78,267	(144,882)	4,472,175
Infrastructure				
Water Lines	17,792,909	0	0	17,792,909
Sanitary Sewer Lines	7,283,724	0	0	7,283,724
Storm Sewer Lines	2,941,631	0	0	2,941,631
<i>Total Depreciable Capital Assets</i>	<u>32,705,292</u>	<u>78,267</u>	<u>(144,882)</u>	<u>32,638,677</u>
<i>Less Accumulated Depreciation</i>				
Buildings and Improvements	(22,368)	(9,528)	0	(31,896)
Machinery and Equipment	(3,667,825)	(220,108)	116,054	(3,771,879)
Infrastructure				
Water Lines	(3,248,496)	(249,057)	0	(3,497,553)
Sanitary Sewer Lines	(1,435,805)	(130,523)	0	(1,566,328)
Storm Sewer Lines	(666,428)	(72,500)	0	(738,928)
<i>Total Accumulated Depreciation</i>	<u>(9,040,922)</u>	<u>(681,716)</u>	<u>116,054</u>	<u>(9,606,584)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>23,664,370</u>	<u>(603,449)</u>	<u>(28,828)</u>	<u>23,032,093</u>
<i>Total Business-Type Activities Capital Assets, Net</i>	<u>\$23,664,370</u>	<u>(\$540,464)</u>	<u>(\$28,828)</u>	<u>\$23,095,078</u>

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

General Government	\$793,006
Public Safety	664,817
Transportation	2,032,155
Community Development	106,268
Sanitation	259,109
Culture and Recreation	661,374
<b>Total</b>	<u><u>\$4,516,729</u></u>

**Note 11 – Construction and Other Significant Commitments**

At December 31, 2011, the City had \$471,126 in significant contractual commitments which consisted of several construction projects: 2011 street resurfacing, solar transit shelter, Cumberland parking lot improvements. The amounts of \$247,278 and \$23,279 in contracts and retainage payable have been capitalized.

**Note 12 – Risk Management**

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

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The types of coverage and deductibles are as follows:

Type of Coverage	Coverage	Deductible
Blanket Property and Contents, Replacement	\$109,719,000	\$50,000
General Liability	11,000,000	100,000
Automobile Liability	11,000,000	100,000
Public Officials Liability	11,000,000	100,000
Police Professional Liability	11,000,000	100,000

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

The City has elected to provide employee hospital/medical, prescription and dental benefits through a partially self insured program. The City established a hospitalization internal service fund to account for and finance the cost of this program. In the prior year the internal service activity was reported in the general fund. The City has stop loss coverage at \$125,000 per family, per year, and a calculated aggregate maximum for the 2011 plan year of \$5,527,201.

The claims liability of \$214,100 as estimated by the third party administrator and reported in the hospitalization internal service fund at December 31, 2011, is based on the requirements of GASB Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund claims liability amount in 2010 and 2011 were as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2010	\$56,236	\$4,549,444	\$4,580,602	\$25,078
2011	25,078	4,289,436	4,100,414	214,100

The City participates in the State Workers' Compensation retrospective rating and payment system. Once the City receives notice of the 2011 claims paid by the Bureau of Workers' Compensation, the City will reimburse the State for claims paid on the City's behalf. The payable is reclassified from claims payable to intergovernmental payable. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claim costs for employees injured in 2011. The minimum premium portion of intergovernmental payable is \$318,617. The maintenance of these benefits is accounted for in the general fund. Claims of \$750,106 have been accrued as a liability at December 31, 2011 based on an estimate provided by Comp Management, Inc., the City's third party administrator. Changes in the claims liability amount for workers' compensation in 2010 and 2011 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2010	\$502,611	\$443,602	\$78,731	\$867,482
2011	867,482	326,226	443,602	750,106

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**Note 13 – Defined Benefit Pension Plan**

***Ohio Public Employees Retirement System***

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law enforcement and public safety employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in State and local divisions and 12 percent for law enforcement and public safety members. For the year ended December 31, 2011, members in state and local classifications contributed 10.0 percent of covered payroll and public safety and law enforcement members contributed 11 percent and 11.6 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2011, member and employer contribution rates were consistent across all three plans.

The City's 2011 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.1 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.0 percent for the year ended December 31, 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2011, 2010, and 2009 were \$1,497,894, \$2,435,579, and \$2,296,664, respectively. For 2011, 98.3 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009. Contributions to the Member-Directed Plan for 2011 were \$9,865 made by the City and \$7,046 made by plan members.

***Ohio Police and Fire Pension Fund***

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are

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established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publically available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

**Funding Policy** – The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters were \$647,753 and \$990,204 for the year ended December 31, 2011, \$1,033,414 and \$1,344,350 for the year ended December 31, 2010, and \$970,809 and \$1,354,313 for the year ended December 31, 2009, respectively. For 2011, 97.47 percent for police and 98.06 percent for firefighters has been contributed with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed in for 2010 and 2009.

#### **Note 14 - Postemployment Benefits**

##### ***Ohio Public Employees Retirement System***

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

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

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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

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Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local government employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for the 2011.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$601,976, \$881,475, and \$958,017, respectively. For 2011, 98.3 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

### ***Ohio Police and Fire Pension Fund***

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$342,928 and \$387,471 for the year ended December 31, 2011, \$357,561 and \$377,762 for the year ended December 31, 2010, and \$344,237 and \$372,402 for the year ended December 31, 2009, respectively. For 2011, 97.47 percent has been contributed for police and 98.06 percent has been contributed for firefighters with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

**Note 15 – Compensated Absences**

Vacation leave is earned at rates which vary depending upon length of service and standard work week. Current policy permits vacation leave to be accumulated no more than the vacation amount accrued in the previous twelve-month period, which can be carried forward into the next calendar year with written consent of the City Manager. In the case of death, termination, or retirement an employee (or his estate), who has worked six months or more, is paid for the unused vacation up to a maximum of the two-year accrual or greater amount as approved by the City Manager.

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

**Note 16– Solid Waste**

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

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**Note 17 – Contingent Liabilities**

*Litigation*

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

*Federal and State Grants*

The City receives financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2011.

**Note 18 – Long-term Obligations**

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

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
<b>Governmental Activities:</b>				
<b>General Obligation Bond Anticipation Notes</b>				
Various Purpose Bonds	2010	2011	1.25 %	\$1,850,000
<b>General Obligation Bonds</b>				
Pension Fund Refunding	1999	2013	3.05 - 4.50	2,000,000
Off-Street Refunding	2001	2012	3.3 - 4.4	2,385,000
Recreational Facilities	2001	2017	3.3 - 4.9	4,000,000
Recreational Facilities Refunding	2008	2017	3.0 - 5.0	8,695,000
Cedar Lee Parking Deck	2008	2028	3.0 - 4.75	6,355,000
Economic Development	2001	2011	2.9 - 4.1	1,995,000
<b>Special Assessment Bonds</b>				
Ring Road Improvement	2004	2029	2.5 - 5.0	3,200,000
<b>OPWC Loans</b>				
Taylor Road Rehabilitation	2001	2021	0	132,780
Coventry Road Rehabilitation	2005	2025	0	369,741
Lee Road Rehabilitation	2006	2029	0	39,852
Meadowbrook Boulevard	2006	2026	0	1,837,103
Monticello Boulevard	2010	2031	0	248,880
<b>Business-Type Activities</b>				
<b>OPWC Loans</b>				
Cedar Road - Water	2000	2020	0	940,876
Cedar Road - Sewer	2000	2020	0	170,407
Meadowbrook Boulevard Rehabilitation - Water	2006	2022	0	367,421
Meadowbrook Boulevard Rehabilitation - Sewer	2006	2022	0	459,276

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<i>Business-Type Activities (continued):</i>	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>OWDA Loans</b>				
OWDA Loan - Sewer	2007	2022	4.12 %	\$425,071
OWDA Loan - Water Line	2010	2030	3.84	280,298

Changes in long-term obligations during the year ended December 31, 2011, consisted of the following:

	Restated Balance 12/31/2010	Increase	Decrease	Balance 12/31/2011	Amounts Due in One Year
<b>Governmental Activities</b>					
<b>General Obligation Bond Anticipation Notes</b>					
Various Purpose Bond Anticipation Notes	\$1,850,000	\$0	\$1,850,000	\$0	\$0
<b>General Obligation Bonds</b>					
1999 Pension Fund Refunding Bonds	500,000	0	160,000	340,000	165,000
2001 Off-Street Refunding Bonds	470,000	0	230,000	240,000	240,000
2001 Recreational Facilities Bonds	2,020,000	0	250,000	1,770,000	265,000
2008 Recreational Facilities Refunding Bonds	6,925,000	0	890,000	6,035,000	920,000
Unamortized Premium	210,909	0	27,107	183,802	0
Deferred Amount on Refunding	(694,422)	0	(89,247)	(605,175)	0
2008 Cedar Lee Parking Deck Bonds	5,980,000	0	240,000	5,740,000	245,000
Unamortized Premium	18,235	0	731	17,504	0
2001 Economic Development Bonds	235,000	0	235,000	0	0
<i>Total General Obligation Bonds</i>	<u>15,664,722</u>	<u>0</u>	<u>1,943,591</u>	<u>13,721,131</u>	<u>1,835,000</u>
<b>Special Assessment Bonds</b>					
2004 Ring Road Improvement	2,770,000	0	85,000	2,685,000	90,000
Unamortized Premium	19,433	0	596	18,837	0
Total 2004 Ring Road Improvement Bonds	<u>2,789,433</u>	<u>0</u>	<u>85,596</u>	<u>2,703,837</u>	<u>90,000</u>
<b>OPWC Loans</b>					
2001 Taylor Road Rehabilitation	76,349	0	13,278	63,071	6,639
2005 Coventry Road Rehabilitation	258,819	0	18,487	240,332	18,487
2006 Lee Road Rehabilitation	38,856	0	3,985	34,871	1,993
2006 Meadowbrook Boulevard	833,586	0	101,040	732,546	50,520
2010 Monticello Boulevard	191,460	57,420	12,444	236,436	12,444
<i>Total OPWC Loans</i>	<u>1,399,070</u>	<u>57,420</u>	<u>149,234</u>	<u>1,307,256</u>	<u>90,083</u>
<b>Other Long-Term Obligations</b>					
Compensated Absences Payable	6,316,345	2,325,669	2,397,834	6,244,180	2,479,417
Workers' Compensation Liability	867,482	326,226	443,602	750,106	598,362
Capital Leases	637,743	0	229,662	408,081	124,466
<i>Total Other Long-Term Obligations</i>	<u>7,821,570</u>	<u>2,651,895</u>	<u>3,071,098</u>	<u>7,402,367</u>	<u>3,202,245</u>
Total Governmental Long-Term Liabilities	<u>\$29,524,795</u>	<u>\$2,709,315</u>	<u>\$7,099,519</u>	<u>\$25,134,591</u>	<u>\$5,217,328</u>

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	Restated Balance 12/31/2010	Increase	Decrease	Balance 12/31/2011	Amounts Due in One Year
<b>Business-Type Activities</b>					
<b>OPWC Loans</b>					
Cedar Road - Water	\$423,394	\$0	\$47,044	\$376,350	\$47,044
Cedar Road - Sewer	76,684	0	8,521	68,163	8,520
Meadowbrook Boulevard Rehabilitaiton - Water	293,937	0	27,557	266,380	18,371
Meadowbrook Boulevard Rehabilitaiton - Sewer	378,902	0	45,928	332,974	22,964
<i>Total OPWC Loans</i>	<u>1,172,917</u>	<u>0</u>	<u>129,050</u>	<u>1,043,867</u>	<u>96,899</u>
<b>OWDA Loans</b>					
OWDA Loan - Sewer	320,396	14,569	11,392	323,573	0
OWDA Loan - Water Line	175,090	99,937	9,167	265,860	10,094
<i>Total OWDA Loans</i>	<u>495,486</u>	<u>114,506</u>	<u>20,559</u>	<u>589,433</u>	<u>10,094</u>
<b>Other Long-Term Obligations</b>					
Compensated Absences	354,933	266,010	209,262	411,681	202,183
Total Business-Type Activities					
Long-term Liabilities	<u>\$2,023,336</u>	<u>\$380,516</u>	<u>\$358,871</u>	<u>\$2,044,981</u>	<u>\$309,176</u>

**General obligation bond anticipation notes** General obligation bond anticipation notes are direct obligations of the City for which its full faith and credit are pledged for repayment. On August 8, 2011, the City retired \$1,850,000 in general obligation bond anticipation notes. The notes were paid from general bond retirement debt service fund.

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

In 1999, the City issued \$3,588,449 in general obligation refunding bonds in the amount of \$2,000,000. The general obligation bonds were issued for the purpose of refunding the 1973 the unfunded pension liability in order to take advantage of lower interest rates. The bonds were issued for a 13-year period with final maturity at December 1, 2013. The bonds will be retired from the general bond retirement fund.

In 2001, the City issued \$3,000,000 in general obligation refunding bonds in the amount of \$2,385,000. The general obligation bonds were issued for the purpose of refunding the 1992 Off-Street Parking Facility Improvement bonds in order to take advantage of lower interest rates. The bonds were issued for a twenty-year period with final maturity at December 1, 2012. The bonds will be retired from the general bond retirement fund.

In 2001, the City issued \$10,435,000 in general obligation refunding bonds in the amount of \$4,000,000. The general obligation bonds were issued for the purpose of refunding the 1992 Recreational Facilities Improvement bonds in order to take advantage of lower interest rates. The bonds were issued for a twelve-year period with final maturity at December 1, 2017. The bonds will be retired from the general bond retirement fund.

In 2008, the City issued \$15,000,000 in general obligation refunding bonds in the amount of \$8,695,000. The general obligation bonds were issued for the purpose of refunding the 1997 Recreational Facilities

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Improvement bonds in order to take advantage of lower interest rates. The bonds were issued for a twenty-year period with final maturity at December 1, 2017. The bonds will be retired from the general bond retirement fund.

In 2008, the City defeased the 1997 Recreational Facilities Improvement bonds in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2011, \$6,035,000 of the defeased bonds are still outstanding.

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

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

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

A line of credit has been established with Ohio Water Development Authority in the amount of \$425,071 for sewer improvements, however, since this loan is not finalized, the repayment schedule is not included in the schedule of debt service payments. The City has received \$425,054 in proceeds.

The City's overall legal debt margin was \$85,102,415 and the unvoted legal debt margin was \$39,511,122 at December 31, 2011. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2011, are as follows:

Year	Governmental Activities				
	General Obligation Bonds		Special Assessment Bonds		OPWC Loans
	Principal	Interest	Principal	Interest	
2012	\$1,835,000	\$593,169	\$90,000	\$121,123	\$90,083
2013	1,650,000	525,744	90,000	117,972	90,083
2014	1,530,000	464,130	95,000	114,598	90,083
2015	1,585,000	407,445	100,000	110,797	90,083
2016	1,655,000	340,084	100,000	106,797	90,083
2017-2021	3,015,000	925,534	575,000	469,342	447,096
2022-2026	1,945,000	488,788	710,000	333,219	354,988
2027-2031	910,000	65,313	925,000	113,750	54,757
Total	<u>\$14,125,000</u>	<u>\$3,810,207</u>	<u>\$2,685,000</u>	<u>\$1,487,598</u>	<u>\$1,307,256</u>

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Year	Business-Type Activities		
	OPWC	OWDA Loans	
	Loans	Principal	Interest
2012	\$96,899	\$10,094	\$10,114
2013	96,899	10,485	9,722
2014	96,899	10,891	9,315
2015	96,899	11,314	8,893
2016	96,899	11,752	8,454
2017-2021	373,368	65,959	35,074
2022-2026	186,004	79,775	21,259
2027-2030	0	65,590	5,133
<b>Total</b>	<b>\$1,043,867</b>	<b>\$265,860</b>	<b>\$107,964</b>

**Note 19 - Notes Payable**

Changes in the City's note activity for the year ended December 31, 2011, were as follows:

	Outstanding 12/31/2010	Additions	(Reductions)	Outstanding 12/31/2011
<i>General Obligation</i>				
<i>Bond Retirement Fund:</i>				
Street Improvements	\$0	\$304,000	\$0	\$304,000
Monticello and Taylor Road	0	517,000	0	517,000
Motorized Equipment	0	532,000	0	532,000
<i>Total General Obligation</i>				
<i>Bond Retirement Fund</i>	0	1,353,000	0	1,353,000
<i>Capital Improvements Fund:</i>				
Police Motor Vehicles	0	350,000	0	350,000
<i>Total Governmental Activities</i>	<u>\$0</u>	<u>\$1,703,000</u>	<u>\$0</u>	<u>\$1,703,000</u>

In 2011, the City issued \$1,703,000 in various purpose improvement notes with an interest rate of 1 percent to help finance reconstructing, resurfacing and improving City streets and to purchase vehicles for the police department. These projects have been completed by December 31, 2011 and the notes mature on August 2, 2012.

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

**Note 20 - Capital Leases**

During previous years, the City entered into several lease agreements for machinery and equipments. The City's leases obligation meet the criteria of a capital leases as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases". Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

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Capital asset acquired by lease currently being paid have been capitalized and depreciated as follows as of December 31, 2011:

	Amounts
Vehicles	\$203,235
Equipment	450,000
Total Capitalized	653,235
Less Accumulated Depreciation:	(342,588)
Current Book Value	\$310,647

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2011.

Year Ending December 30,	Governmental Activities
2012	\$133,175
2013	95,390
2014	95,390
2015	103,324
Total	427,279
Less: Amount Representing Interest	(19,198)
Present Value of Net Minimum Lease Payments	\$408,081

**Note 21 – Assets Held For Resale**

Assets held for resale represent homes purchased and repaired to be resold under the Neighborhood Stabilization Program. During fiscal year, 2011, the City sold eight homes. As of December 31, 2011, the City has six homes remaining which are being held for resale.

**Note 22 – Jointly Governed Organization**

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

The Council is governed by an Assembly made up of one representative from each member community. The representatives then elect the Governing Board made up of a Chair, Vice Chair and other members elected in annual elections. The Board oversees and manages the Council. The degree of control exercised by any participating government is limited to its representation in the Assembly and on the Board. During 2011, the City contributed \$1,500 for membership to the Council. Financial information can be obtained by contacting First Suburbs Consortium of Northeast Ohio Council of Governments, 40 Severance Circle, Cleveland Heights, OH 44118.

# **Combining and Individual Fund Statements and Schedules**

## *Fund Descriptions - Nonmajor Governmental Funds*

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### *Nonmajor Special Revenue Funds*

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

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

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

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

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

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

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

***Community Development Block Grant Fund*** - To account for and report restricted grant received from the federal government for expenditures as prescribed under the Community Development Block Grant Program.

***EPA Brownfield Grant Fund*** - To account for and report the federal EPA Brownfield grant restricted for expenditures allowable under the grant agreement.

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

***Federal Emergency Management Agency (FEMA) Grant Fund*** - To account for and report Federal and State grants restricted for restoration of areas hit by natural disasters.

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

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

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

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

(continued)

***Fund Descriptions - Nonmajor Funds (continued)***

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***Nonmajor Special Revenue Funds (continued)***

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

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

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

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

***Homelessness Prevention Fund*** - To account for and report grants restricted for assisting individuals and families who are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance and programming and administrative costs associated with the implementation of these activities.

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

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

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

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

***Department of Energy Grant Fund*** - To account for and report restricted grant monies for efficiency improvements to the City's community building.

***Section 108 Loan Guarantee Fund*** - To account for and report restricted U.S. Government Guaranteed Notes issued financed through the HUD Section 108 Loan program for economic development.

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

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

***Cedar Lee Parking Facility Fund*** - To account for and report meter and permit charges for parking restricted for Cedar Lee parking deck.

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

(continued)

## *Fund Descriptions - Nonmajor Governmental Funds (continued)*

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### *Nonmajor Special Revenue Funds (continued)*

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

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

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

### *Nonmajor Capital Projects Funds*

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

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

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

***Capital Improvements Fund*** - To account for and report general fund transfers assigned to the annual purchase of capital equipment and certain capital improvements.

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

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

***Recreation Improvements Fund*** - To account for and report the voted 1.8735-mill Recreation Bond Issue restricted for the purpose of acquiring, constructing renovating, furnishing, and equipping park, cultural and recreational facilities and acquiring any necessary real estate.

***Zagara TIF Fund*** - To account for and report bond proceeds restricted for a Tax Increment Financing (TIF) agreement to promote economic development in the City as allowed by the State of Ohio.

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

**City of Cleveland Heights, Ohio**

*Combining Balance Sheet*

*Nonmajor Governmental Funds*

*December 31, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,638,650	\$2,334,988	\$5,973,638
Materials and Supplies Inventory	95,526	0	95,526
Accounts Receivable	596,793	0	596,793
Intergovernmental Receivable	729,959	42,141	772,100
Property Taxes Receivable	523,904	611,219	1,135,123
Special Assessments Receivable	2,972,967	0	2,972,967
Notes Receivable	1,517,881	0	1,517,881
Assets Held for Resale	190,586	0	190,586
<i>Total Assets</i>	<u>\$10,266,266</u>	<u>\$2,988,348</u>	<u>\$13,254,614</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$493,905	\$65,267	\$559,172
Contracts Payable	211,219	27,720	238,939
Accrued Wages	33,813	1,167	34,980
Retainage Payable	23,279	0	23,279
Interfund Payable	268,129	0	268,129
Intergovernmental Payable	741,084	4,564	745,648
Deferred Revenue	4,422,249	653,360	5,075,609
Notes Payable	0	350,000	350,000
<i>Total Liabilities</i>	<u>6,193,678</u>	<u>1,102,078</u>	<u>7,295,756</u>
<b>Fund Balances</b>			
Nonspendable	95,526	0	95,526
Restricted	4,403,122	828,105	5,231,227
Committed	561,113	702,025	1,263,138
Assigned	0	356,140	356,140
Unassigned (Deficit)	(987,173)	0	(987,173)
<i>Total Fund Balances</i>	<u>4,072,588</u>	<u>1,886,270</u>	<u>5,958,858</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$10,266,266</u>	<u>\$2,988,348</u>	<u>\$13,254,614</u>

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property Taxes	\$465,328	\$542,882	\$1,008,210
Other Local Taxes	154,397	0	154,397
Charges for Services	2,367,668	0	2,367,668
Licenses, Permits and Fees	5,656	28,485	34,141
Fines and Forfeitures	481,407	0	481,407
Intergovernmental	4,963,817	79,550	5,043,367
Special Assessments	1,798,359	0	1,798,359
Interest	163	0	163
Rentals	24,840	0	24,840
Contributions and Donations	13,880	0	13,880
Payment in Lieu of Taxes	0	141,241	141,241
Miscellaneous	78,038	66	78,104
<i>Total Revenues</i>	<u>10,353,553</u>	<u>792,224</u>	<u>11,145,777</u>
<b>Expenditures</b>			
Current:			
General Government	1,827,198	0	1,827,198
Public Safety	4,629,959	0	4,629,959
Public Health Services	45,804	0	45,804
Transportation	1,778,227	0	1,778,227
Community Development	4,001,767	0	4,001,767
Culture and Recreation	683,027	0	683,027
Capital Outlay	0	1,276,062	1,276,062
Debt Service:			
Principal Retirement	300,239	235,000	535,239
Interest and Fiscal Charges	4,914	9,635	14,549
<i>Total Expenditures</i>	<u>13,271,135</u>	<u>1,520,697</u>	<u>14,791,832</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,917,582)</u>	<u>(728,473)</u>	<u>(3,646,055)</u>
<b>Other Financing Sources (Uses)</b>			
OPWC Loan Issued	57,420	0	57,420
Transfers In	2,490,120	103,394	2,593,514
Transfers Out	(192,243)	(7,365)	(199,608)
<i>Total Other Financing Sources (Uses)</i>	<u>2,355,297</u>	<u>96,029</u>	<u>2,451,326</u>
<i>Net Change in Fund Balances</i>	(562,285)	(632,444)	(1,194,729)
<i>Fund Balances Beginning of Year</i>	<u>4,634,873</u>	<u>2,518,714</u>	<u>7,153,587</u>
<i>Fund Balances End of Year</i>	<u>\$4,072,588</u>	<u>\$1,886,270</u>	<u>\$5,958,858</u>

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2011*

	Street Construction Maintenance and Repair	Foundation Grants	Communications System	Public Building Maintenance	Law Enforcement Trust	Drug Law Enforcement
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$345,748	\$44,561	\$13,186	\$40,129	\$10,850	\$160,987
Materials and Supplies Inventory	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	666,368	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0
Notes Receivable	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$1,012,116</u>	<u>\$44,561</u>	<u>\$13,186</u>	<u>\$40,129</u>	<u>\$10,850</u>	<u>\$160,987</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$0	\$0	\$8,882	\$7,918	\$0	\$55,755
Contracts Payable	3,610	6,541	0	0	0	0
Accrued Wages	0	0	9,249	0	0	1,195
Retainage Payable	0	13,732	0	0	0	0
Interfund Payable	0	0	0	0	0	0
Intergovernmental Payable	0	0	10,486	0	0	1,081
Deferred Revenue	430,901	0	0	0	0	0
<i>Total Liabilities</i>	<u>434,511</u>	<u>20,273</u>	<u>28,617</u>	<u>7,918</u>	<u>0</u>	<u>58,031</u>
<b>Fund Balances</b>						
Nonspendable	0	0	0	0	0	0
Restricted	577,605	24,288	0	0	10,850	102,956
Committed	0	0	0	32,211	0	0
Unassigned (Deficit)	0	0	(15,431)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>577,605</u>	<u>24,288</u>	<u>(15,431)</u>	<u>32,211</u>	<u>10,850</u>	<u>102,956</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,012,116</u>	<u>\$44,561</u>	<u>\$13,186</u>	<u>\$40,129</u>	<u>\$10,850</u>	<u>\$160,987</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2011*

	Community Development Block Grant	EPA Brownfield Grant	Home Program	Cain Park Operating	Public Right of Way	Indigent Driver's Alcohol Treatment
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$3,274	\$2,998	\$0	\$189	\$14,745	\$110,756
Materials and Supplies Inventory	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	26,760	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0
Notes Receivable	1,477,473	0	40,408	0	0	0
Assets Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$1,507,507</u>	<u>\$2,998</u>	<u>\$40,408</u>	<u>\$189</u>	<u>\$14,745</u>	<u>\$110,756</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$45,136	\$0	\$0	\$4,119	\$0	\$0
Contracts Payable	103,201	0	0	0	0	0
Accrued Wages	6,373	0	0	0	0	0
Retainage Payable	9,547	0	0	0	0	0
Interfund Payable	34,347	0	8,505	0	0	0
Intergovernmental Payable	7,718	0	0	189	0	0
Deferred Revenue	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>206,322</u>	<u>0</u>	<u>8,505</u>	<u>4,308</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>						
Nonspendable	0	0	0	0	0	0
Restricted	1,301,185	2,998	31,903	0	14,745	110,756
Committed	0	0	0	0	0	0
Unassigned (Deficit)	0	0	0	(4,119)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>1,301,185</u>	<u>2,998</u>	<u>31,903</u>	<u>(4,119)</u>	<u>14,745</u>	<u>110,756</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,507,507</u>	<u>\$2,998</u>	<u>\$40,408</u>	<u>\$189</u>	<u>\$14,745</u>	<u>\$110,756</u>

Municipal Court Clerk Computerization	DUI Enforcement and Education	Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Homelessness Prevention	Street Lighting	Tree	Police Pension
\$609,965	\$66,690	\$1,421,866	\$27,585	\$65,217	\$86	\$0	\$148,236	\$0
0	0	0	0	0	0	0	0	0
0	0	19,799	0	0	0	0	0	0
0	0	0	0	0	713	0	0	18,059
0	0	0	0	0	0	0	0	261,952
0	0	0	0	0	0	1,685,672	1,287,295	0
0	0	0	0	0	0	0	0	0
0	0	0	0	190,586	0	0	0	0
<u>\$609,965</u>	<u>\$66,690</u>	<u>\$1,441,665</u>	<u>\$27,585</u>	<u>\$255,803</u>	<u>\$799</u>	<u>\$1,685,672</u>	<u>\$1,435,531</u>	<u>\$280,011</u>
\$1,500	\$0	\$3,761	\$17,770	\$11,976	\$0	\$67,213	\$682	\$0
97,867	0	0	0	0	0	0	0	0
1,326	0	1,360	94	656	71	0	7,173	0
0	0	0	0	0	0	0	0	0
0	0	0	0	224,255	1,022	0	0	0
5,895	0	1,662	101	780	137	0	10,437	294,892
0	0	0	0	0	0	1,685,672	1,287,295	280,011
<u>106,588</u>	<u>0</u>	<u>6,783</u>	<u>17,965</u>	<u>237,667</u>	<u>1,230</u>	<u>1,752,885</u>	<u>1,305,587</u>	<u>574,903</u>
0	0	0	0	0	0	0	0	0
503,377	66,690	1,434,882	9,620	18,136	0	0	129,944	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	(431)	(67,213)	0	(294,892)
<u>503,377</u>	<u>66,690</u>	<u>1,434,882</u>	<u>9,620</u>	<u>18,136</u>	<u>(431)</u>	<u>(67,213)</u>	<u>129,944</u>	<u>(294,892)</u>
<u>\$609,965</u>	<u>\$66,690</u>	<u>\$1,441,665</u>	<u>\$27,585</u>	<u>\$255,803</u>	<u>\$799</u>	<u>\$1,685,672</u>	<u>\$1,435,531</u>	<u>\$280,011</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2011*

	Fire Pension	Off-Street Parking	Ambulance Services	Cedar Lee Parking Facility	Office on Aging Donations	Youth Recreation Donation	Police Memorial Trust	Total Nonmajor Special Revenue Funds
<b>Assets</b>								
Equity in Pooled Cash and								
Cash Equivalents	\$0	\$53,360	\$435,035	\$52	\$60,333	\$2,194	\$608	\$3,638,650
Materials and Supplies Inventory	0	95,526	0	0	0	0	0	95,526
Accounts Receivable	0	0	576,994	0	0	0	0	596,793
Intergovernmental Receivable	18,059	0	0	0	0	0	0	729,959
Property Taxes Receivable	261,952	0	0	0	0	0	0	523,904
Special Assessments Receivable	0	0	0	0	0	0	0	2,972,967
Notes Receivable	0	0	0	0	0	0	0	1,517,881
Assets Held for Resale	0	0	0	0	0	0	0	190,586
<i>Total Assets</i>	<u>\$280,011</u>	<u>\$148,886</u>	<u>\$1,012,029</u>	<u>\$52</u>	<u>\$60,333</u>	<u>\$2,194</u>	<u>\$608</u>	<u>\$10,266,266</u>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities</b>								
Accounts Payable	\$0	\$252,604	\$16,589	\$0	\$0	\$0	\$0	\$493,905
Contracts Payable	0	0	0	0	0	0	0	211,219
Accrued Wages	0	4,326	1,990	0	0	0	0	33,813
Retainage Payable	0	0	0	0	0	0	0	23,279
Interfund Payable	0	0	0	0	0	0	0	268,129
Intergovernmental Payable	396,889	4,628	6,189	0	0	0	0	741,084
Deferred Revenue	280,011	0	458,359	0	0	0	0	4,422,249
<i>Total Liabilities</i>	<u>676,900</u>	<u>261,558</u>	<u>483,127</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,193,678</u>
<b>Fund Balances</b>								
Nonspendable	0	95,526	0	0	0	0	0	95,526
Restricted	0	0	0	52	60,333	2,194	608	4,403,122
Committed	0	0	528,902	0	0	0	0	561,113
Unassigned (Deficit)	(396,889)	(208,198)	0	0	0	0	0	(987,173)
<i>Total Fund Balances (Deficit)</i>	<u>(396,889)</u>	<u>(112,672)</u>	<u>528,902</u>	<u>52</u>	<u>60,333</u>	<u>2,194</u>	<u>608</u>	<u>4,072,588</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$280,011</u>	<u>\$148,886</u>	<u>\$1,012,029</u>	<u>\$52</u>	<u>\$60,333</u>	<u>\$2,194</u>	<u>\$608</u>	<u>\$10,266,266</u>

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2011*

	Street Construction Maintenance and Repair	Foundation Grants	Communications System	Public Building Maintenance	Law Enforcement Trust	Drug Law Enforcement
<b>Revenues</b>						
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Other Local Taxes	154,397	0	0	0	0	0
Charges for Services	0	0	317,680	0	0	0
Licenses, Permits and Fees	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	7,146	182,604
Intergovernmental	1,375,207	295,086	0	0	0	0
Special Assessments	0	0	0	0	0	0
Interest	44	0	119	0	0	0
Rentals	0	0	0	24,840	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	26,448	0	0	0	0	23,759
<i>Total Revenues</i>	<u>1,556,096</u>	<u>295,086</u>	<u>317,799</u>	<u>24,840</u>	<u>7,146</u>	<u>206,363</u>
<b>Expenditures</b>						
Current:						
General Government	0	0	0	26,566	0	0
Public Safety	0	0	641,778	0	4,023	279,279
Public Health Services	0	0	0	0	0	0
Transportation	1,778,227	0	0	0	0	0
Community Development	0	289,028	0	0	0	0
Culture and Recreation	0	0	0	0	0	0
Debt Service:						
Principal Retirement	149,234	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,927,461</u>	<u>289,028</u>	<u>641,778</u>	<u>26,566</u>	<u>4,023</u>	<u>279,279</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(371,365)</u>	<u>6,058</u>	<u>(323,979)</u>	<u>(1,726)</u>	<u>3,123</u>	<u>(72,916)</u>
<b>Other Financing Sources</b>						
OPWC Loan Issued	57,420	0	0	0	0	0
Transfers In	0	0	330,478	0	0	0
Transfers Out	0	0	0	0	0	(3,205)
<i>Total Other Financing Sources (Uses)</i>	<u>57,420</u>	<u>0</u>	<u>330,478</u>	<u>0</u>	<u>0</u>	<u>(3,205)</u>
<i>Net Change in Fund Balances</i>	<u>(313,945)</u>	<u>6,058</u>	<u>6,499</u>	<u>(1,726)</u>	<u>3,123</u>	<u>(76,121)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>891,550</u>	<u>18,230</u>	<u>(21,930)</u>	<u>33,937</u>	<u>7,727</u>	<u>179,077</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$577,605</u>	<u>\$24,288</u>	<u>(\$15,431)</u>	<u>\$32,211</u>	<u>\$10,850</u>	<u>\$102,956</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2011*

	Community Development Block Grant	EPA Brownfield Grant	Home Program	FEMA Grant	Cain Park Operating	Public Right of Way
<b>Revenues</b>						
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Other Local Taxes	0	0	0	0	0	0
Charges for Services	0	0	0	0	382,809	0
Licenses, Permits and Fees	0	0	0	0	0	5,506
Fines and Forfeitures	0	0	0	0	0	0
Intergovernmental	1,458,737	0	208,593	0	30,936	0
Special Assessments	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Rentals	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	3,151	0
Miscellaneous	16,000	0	0	0	11,400	0
<i>Total Revenues</i>	<u>1,474,737</u>	<u>0</u>	<u>208,593</u>	<u>0</u>	<u>428,296</u>	<u>5,506</u>
<b>Expenditures</b>						
Current:						
General Government	0	0	0	0	0	1,411
Public Safety	0	0	0	1,639	0	0
Public Health Services	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
Community Development	1,782,035	0	111,566	0	0	0
Culture and Recreation	0	0	0	0	683,027	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,782,035</u>	<u>0</u>	<u>111,566</u>	<u>1,639</u>	<u>683,027</u>	<u>1,411</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(307,298)</u>	<u>0</u>	<u>97,027</u>	<u>(1,639)</u>	<u>(254,731)</u>	<u>4,095</u>
<b>Other Financing Sources</b>						
OPWC Loan Issued	0	0	0	0	0	0
Transfers In	0	0	0	888	251,921	0
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>888</u>	<u>251,921</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(307,298)</u>	<u>0</u>	<u>97,027</u>	<u>(751)</u>	<u>(2,810)</u>	<u>4,095</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,608,483</u>	<u>2,998</u>	<u>(65,124)</u>	<u>751</u>	<u>(1,309)</u>	<u>10,650</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,301,185</u>	<u>\$2,998</u>	<u>\$31,903</u>	<u>\$0</u>	<u>(\$4,119)</u>	<u>\$14,745</u>

Indigent Driver's Alcohol Treatment	Municipal Court Clerk Computerization	DUI Enforcement and Education	Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Homelessness Prevention	Street Lighting
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
20,277	98,864	4,883	167,633	0	0	0	0
0	0	0	0	31,210	812,757	557,691	0
0	0	0	0	0	0	0	1,019,130
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
20,277	98,864	4,883	167,633	31,210	812,757	557,691	1,019,130
0	558,740	0	138,201	0	0	0	0
0	0	0	0	0	0	0	771,556
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	21,591	520,402	558,029	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	558,740	0	138,201	21,591	520,402	558,029	771,556
20,277	(459,876)	4,883	29,432	9,619	292,355	(338)	247,574
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	31,586
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	31,586
20,277	(459,876)	4,883	29,432	9,619	292,355	(338)	279,160
90,479	963,253	61,807	1,405,450	1	(274,219)	(93)	(346,373)
\$110,756	\$503,377	\$66,690	\$1,434,882	\$9,620	\$18,136	(\$431)	(\$67,213)

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2011*

	Tree	Police Pension	Fire Pension	Department of Energy Grant	Off-Street Parking	Ambulance Services
<b>Revenues</b>						
Property Taxes	\$0	\$232,664	\$232,664	\$0	\$0	\$0
Other Local Taxes	0	0	0	0	0	0
Charges for Services	0	0	0	0	1,022,215	644,932
Licenses, Permits and Fees	150	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0	0
Intergovernmental	0	34,083	34,084	19,711	0	105,722
Special Assessments	779,229	0	0	0	0	0
Interest	0	0	0	0	0	0
Rentals	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	0	0	0	0	431	0
<i>Total Revenues</i>	<u>779,379</u>	<u>266,747</u>	<u>266,748</u>	<u>19,711</u>	<u>1,022,646</u>	<u>750,654</u>
<b>Expenditures</b>						
Current:						
General Government	0	0	0	0	1,089,797	0
Public Safety	0	995,578	1,385,289	0	0	550,817
Public Health Services	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
Community Development	706,408	0	0	12,708	0	0
Culture and Recreation	0	0	0	0	0	0
Debt Service:						
Principal Retirement	34,275	0	0	0	0	116,730
Interest and Fiscal Charges	2,950	0	0	0	0	1,964
<i>Total Expenditures</i>	<u>743,633</u>	<u>995,578</u>	<u>1,385,289</u>	<u>12,708</u>	<u>1,089,797</u>	<u>669,511</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>35,746</u>	<u>(728,831)</u>	<u>(1,118,541)</u>	<u>7,003</u>	<u>(67,151)</u>	<u>81,143</u>
<b>Other Financing Sources</b>						
OPWC Loan Issued	0	0	0	0	0	0
Transfers In	15,970	739,613	1,119,649	15	0	0
Transfers Out	(945)	0	0	0	0	(81,670)
<i>Total Other Financing Sources (Uses)</i>	<u>15,025</u>	<u>739,613</u>	<u>1,119,649</u>	<u>15</u>	<u>0</u>	<u>(81,670)</u>
<i>Net Change in Fund Balances</i>	50,771	10,782	1,108	7,018	(67,151)	(527)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>79,173</u>	<u>(305,674)</u>	<u>(397,997)</u>	<u>(7,018)</u>	<u>(45,521)</u>	<u>529,429</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$129,944</u>	<u>(\$294,892)</u>	<u>(\$396,889)</u>	<u>\$0</u>	<u>(\$112,672)</u>	<u>\$528,902</u>

Cedar Lee Parking Facility	Office on Aging Donations	Youth Recreation Donation	Police Memorial Trust	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$465,328
0	0	0	0	154,397
32	0	0	0	2,367,668
0	0	0	0	5,656
0	0	0	0	481,407
0	0	0	0	4,963,817
0	0	0	0	1,798,359
0	0	0	0	163
0	0	0	0	24,840
0	5,510	5,219	0	13,880
0	0	0	0	78,038
32	5,510	5,219	0	10,353,553
7,420	0	5,063	0	1,827,198
0	0	0	0	4,629,959
0	45,804	0	0	45,804
0	0	0	0	1,778,227
0	0	0	0	4,001,767
0	0	0	0	683,027
0	0	0	0	300,239
0	0	0	0	4,914
7,420	45,804	5,063	0	13,271,135
(7,388)	(40,294)	156	0	(2,917,582)
0	0	0	0	57,420
0	0	0	0	2,490,120
(106,423)	0	0	0	(192,243)
(106,423)	0	0	0	2,355,297
(113,811)	(40,294)	156	0	(562,285)
113,863	100,627	2,038	608	4,634,873
\$52	\$60,333	\$2,194	\$608	\$4,072,588

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2011*

	<u>Police Facility Improvement</u>	<u>Recreation Facility Improvement</u>	<u>Capital Improvements</u>	<u>Economic Development</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$25,409	\$890,619	\$451,706	\$265,663
Intergovernmental Receivable	0	42,141	0	0
Property Taxes Receivable	0	611,219	0	0
<i>Total Assets</i>	<u>\$25,409</u>	<u>\$1,543,979</u>	<u>\$451,706</u>	<u>\$265,663</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$34,794	\$0	\$26,490
Contracts Payable	0	27,720	0	0
Accrued Wages	0	0	0	1,167
Intergovernmental Payable	3,170	0	0	1,394
Deferred Revenue	0	653,360	0	0
Notes Payable	0	0	350,000	0
<i>Total Liabilities</i>	<u>3,170</u>	<u>715,874</u>	<u>350,000</u>	<u>29,051</u>
<b>Fund Balances</b>				
Restricted	0	828,105	0	0
Committed	22,239	0	0	0
Assigned	0	0	101,706	236,612
<i>Total Fund Balances</i>	<u>22,239</u>	<u>828,105</u>	<u>101,706</u>	<u>236,612</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$25,409</u>	<u>\$1,543,979</u>	<u>\$451,706</u>	<u>\$265,663</u>

City Hall Maintenance	Ring Road Construction	Total Nonmajor Capital Projects Funds
\$21,805	\$679,786	\$2,334,988
0	0	42,141
0	0	611,219
<u>\$21,805</u>	<u>\$679,786</u>	<u>\$2,988,348</u>
\$3,983	\$0	\$65,267
0	0	27,720
0	0	1,167
0	0	4,564
0	0	653,360
0	0	350,000
<u>3,983</u>	<u>0</u>	<u>1,102,078</u>
0	0	828,105
0	679,786	702,025
17,822	0	356,140
<u>17,822</u>	<u>679,786</u>	<u>1,886,270</u>
<u>\$21,805</u>	<u>\$679,786</u>	<u>\$2,988,348</u>

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2011*

	Police Facility Improvement	Recreation Facility Improvement	Capital Improvements	Economic Development
<b>Revenues</b>				
Property Taxes	\$0	\$542,882	\$0	\$0
Licenses, Permits and Fees	28,485	0	0	0
Intergovernmental	0	79,550	0	0
Payment in Lieu of Taxes	0	0	0	0
Miscellaneous	0	0	0	66
<i>Total Revenues</i>	<u>28,485</u>	<u>622,432</u>	<u>0</u>	<u>66</u>
<b>Expenditures</b>				
Capital Outlay	22,277	1,028,040	20,531	197,026
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>22,277</u>	<u>1,028,040</u>	<u>20,531</u>	<u>197,026</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,208</u>	<u>(405,608)</u>	<u>(20,531)</u>	<u>(196,960)</u>
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	6,208	(405,608)	(20,531)	(196,960)
<i>Fund Balances Beginning of Year</i>	<u>16,031</u>	<u>1,233,713</u>	<u>122,237</u>	<u>433,572</u>
<i>Fund Balances End of Year</i>	<u>\$22,239</u>	<u>\$828,105</u>	<u>\$101,706</u>	<u>\$236,612</u>

<u>City Hall Maintenance</u>	<u>Recreation Improvements</u>	<u>Zagara TIF</u>	<u>Ring Road Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$0	\$0	\$0	\$0	\$542,882
0	0	0	0	28,485
0	0	0	0	79,550
0	0	141,241	0	141,241
0	0	0	0	66
<u>0</u>	<u>0</u>	<u>141,241</u>	<u>0</u>	<u>792,224</u>
8,188	0	0	0	1,276,062
0	0	235,000	0	235,000
0	0	9,635	0	9,635
<u>8,188</u>	<u>0</u>	<u>244,635</u>	<u>0</u>	<u>1,520,697</u>
<u>(8,188)</u>	<u>0</u>	<u>(103,394)</u>	<u>0</u>	<u>(728,473)</u>
0	0	103,394	0	103,394
0	(7,365)	0	0	(7,365)
<u>0</u>	<u>(7,365)</u>	<u>103,394</u>	<u>0</u>	<u>96,029</u>
(8,188)	(7,365)	0	0	(632,444)
<u>26,010</u>	<u>7,365</u>	<u>0</u>	<u>679,786</u>	<u>2,518,714</u>
<u>\$17,822</u>	<u>\$0</u>	<u>\$0</u>	<u>\$679,786</u>	<u>\$1,886,270</u>

## ***Fund Descriptions - Fiduciary Funds***

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### ***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 maintains a private purpose trust fund – James A. Nelson Trust Fund. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

### ***Agency Funds***

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

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

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

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

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

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

**City of Cleveland Heights, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2011*

	Balance 12/31/10	Additions	Reductions	Balance 12/31/11
<b><i>First Suburbs Consortium</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$50,841	\$51,260	\$51,335	\$50,766
<b>Liabilities</b>				
Deposits Held and Due to Others	\$50,841	\$51,260	\$51,335	\$50,766
<b><i>Municipal Court</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$380,734	\$3,285,087	\$3,312,731	\$353,090
<b>Liabilities</b>				
Deposits Held and Due to Others	\$380,734	\$3,285,087	\$3,312,731	\$353,090
<b><i>Construction Deposits</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$131,159	\$0	\$0	\$131,159
<b>Liabilities</b>				
Deposits Held and Due to Others	\$131,159	\$0	\$0	\$131,159
<b><i>Sales Tax</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$458	\$3,714	\$3,628	\$544
<b>Liabilities</b>				
Deposits Held and Due to Others	\$458	\$3,714	\$3,628	\$544
<b><i>Miscellaneous</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$176,798	\$768,356	\$131,281	\$813,873
<b>Liabilities</b>				
Deposits Held and Due to Others	\$176,798	\$768,356	\$131,281	\$813,873
<b><i>NEORS</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$140,777	\$6,877,761	\$6,915,620	\$102,918
<b>Liabilities</b>				
Deposits Held and Due to Others	\$140,777	\$6,877,761	\$6,915,620	\$102,918
<b><i>Total - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$880,767	\$10,986,178	\$10,414,595	\$1,452,350
<b>Liabilities</b>				
Deposits Held and Due to Others	\$880,767	\$10,986,178	\$10,414,595	\$1,452,350

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

**Budget (Non-GAAP Basis) and Actual**

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$7,452,341	\$7,452,341	\$6,782,760	(\$669,581)
Municipal Income Taxes	18,804,022	18,804,022	19,214,462	410,440
Other Local Taxes	116,770	116,770	119,319	2,549
Charges for Services	2,677,831	2,677,831	2,736,281	58,450
Licenses, Permits and Fees	1,582,869	1,582,869	1,617,419	34,550
Fines and Forfeitures	2,292,921	2,292,921	2,342,969	50,048
Intergovernmental	4,661,226	4,661,226	4,762,968	101,742
Special Assessments	2,742	2,742	2,802	60
Interest	96,019	96,019	98,115	2,096
Rentals	29,096	29,096	29,731	635
Contributions and Donations	1,957	1,957	2,000	43
Franchise Taxes	500,000	500,000	553,362	53,362
Miscellaneous	1,579,981	1,579,981	1,442,270	(137,711)
<i>Total Revenues</i>	<u>39,797,775</u>	<u>39,797,775</u>	<u>39,704,458</u>	<u>(93,317)</u>
<b>Expenditures</b>				
Current:				
General Government				
City Council				
Personal Services	77,810	77,810	77,746	64
Other than Personal Services	10,300	9,300	6,951	2,349
<b>Total City Council</b>	<u>88,110</u>	<u>87,110</u>	<u>84,697</u>	<u>2,413</u>
City Manager				
Personal Services	537,440	545,440	549,178	(3,738)
Other than Personal Services	16,050	17,250	16,907	343
<b>Total City Manager</b>	<u>553,490</u>	<u>562,690</u>	<u>566,085</u>	<u>(3,395)</u>
Management Information System				
Personal Services	242,420	248,920	249,952	(1,032)
Other than Personal Services	52,800	38,850	37,302	1,548
Capital Outlay	25,000	38,050	38,023	27
<b>Total Management Information System</b>	<u>320,220</u>	<u>325,820</u>	<u>325,277</u>	<u>543</u>
Central Services				
Personal Services	61,853	62,753	62,753	0
Other than Personal Services	19,437	11,683	879	10,804
Capital Outlay	19,800	0	0	0
<b>Total Central Services</b>	<u>101,090</u>	<u>74,436</u>	<u>63,632</u>	<u>10,804</u>
Civil Service Commission				
Personal Services	2,500	1,250	1,246	4
Other than Personal Services	14,050	21,110	21,068	42
<b>Total Civil Service Commission</b>	<u>\$16,550</u>	<u>\$22,360</u>	<u>\$22,314</u>	<u>\$46</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Finance Department				
Personal Services	\$414,235	\$420,235	\$425,146	(\$4,911)
Other than Personal Services	112,125	127,250	124,509	2,741
Capital Outlay	500	500	204	296
Total Finance Department	526,860	547,985	549,859	(1,874)
Income Tax Department				
Personal Services	319,610	215,165	226,864	(11,699)
Other than Personal Services	102,250	246,690	241,966	4,724
Non-Governmental	260,000	241,000	240,611	389
Total Income Tax Department	681,860	702,855	709,441	(6,586)
Revenue Recovery				
Personal Services	117,670	93,830	98,263	(4,433)
Other than Personal Services	312,750	294,080	293,506	574
Non-Governmental	2,000	280	280	0
Total Revenue Recovery	432,420	388,190	392,049	(3,859)
Law Department				
Personal Services	439,965	466,465	468,282	(1,817)
Other than Personal Services	202,600	191,700	191,687	13
Total Law Department	642,565	658,165	659,969	(1,804)
Service Administration				
Personal Services	315,765	324,265	325,638	(1,373)
Other than Personal Services	4,975	4,250	3,469	781
Capital Outlay	0	1,106	1,097	9
Total Service Administration	320,740	329,621	330,204	(583)
Capital Projects				
Personal Services	147,080	113,265	118,767	(5,502)
Other than Personal Services	2,575	275	255	20
Capital Outlay	0	9,000	9,000	0
Total Capital Projects	149,655	122,540	128,022	(5,482)
Public Properties and Park Maintenance				
Personal Services	1,293,095	1,423,095	1,432,379	(9,284)
Other than Personal Services	1,197,350	1,035,850	1,026,643	9,207
Capital Outlay	0	99,820	99,724	96
Total Public Properties and Park Maintenance	2,490,445	2,558,765	2,558,746	19
Community Service Administration				
Personal Services	258,615	269,115	270,099	(984)
Other than Personal Services	1,700	1,210	896	314
Capital Outlay	0	490	489	1
Total Community Service Administration	\$260,315	\$270,815	\$271,484	(\$669)

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
County Auditor				
Other than Personal Services:				
Auditor and Treasurer Fees	\$180,000	\$178,500	\$178,078	\$422
Delinquent Land Advertising	1,000	1,000	976	24
State Examiner Fees	1,000	0	0	0
DTAN Repayment	155,000	95,000	95,000	0
DTAN Fees	45,000	0	0	0
Collector's Salary	500	0	0	0
Total County Auditor	382,500	274,500	274,054	446
Municipal Court				
Personal Services	1,010,745	952,745	955,121	(2,376)
Other than Personal Services	182,950	132,950	129,085	3,865
Capital Outlay	0	125	125	0
Non-Governmental	120	120	0	120
Total Municipal Court	1,193,815	1,085,940	1,084,331	1,609
Administrative Support				
Personal Services	541,650	533,075	533,018	57
Other than Personal Services	631,550	811,550	810,761	789
Capital Outlay	3,350	3,350	3,349	1
Non-Governmental	0	29,777	29,776	1
Total Administrative Support	1,176,550	1,377,752	1,376,904	848
Hospitalization Insurance				
Personal Services	4,350,000	4,051,119	3,858,711	192,408
<i>Total General Government</i>	13,687,185	13,440,663	13,255,779	184,884
Public Safety				
Police Department				
Personal Services	8,103,036	7,582,786	7,560,096	22,690
Other than Personal Services	506,600	544,770	543,876	894
Capital Outlay	234,000	207,700	207,293	407
Non-Governmental	1,000	1,250	1,125	125
Total Police Department	8,844,636	8,336,506	8,312,390	24,116
Police Academy				
Personal Services	3,250	4,750	4,131	619
Other than Personal Services	89,150	71,350	70,327	1,023
Capital Outlay	4,000	11,000	10,955	45
Total Police Academy	96,400	87,100	85,413	1,687
Police Motor Vehicle Maintenance				
Personal Services	205,610	219,110	221,643	(2,533)
Other than Personal Services	103,300	96,300	94,748	1,552
Capital Outlay	2,000	2,000	2,000	0
Total Police Motor Vehicle Maintenance	\$310,910	\$317,410	\$318,391	(\$981)

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Traffic Signs and Signals				
Personal Services	\$52,720	\$53,220	\$54,017	(\$797)
Other than Personal Services	116,036	97,536	96,215	1,321
Capital Outlay	6,000	4,902	4,386	516
<b>Total Traffic Signs and Signals</b>	<b>174,756</b>	<b>155,658</b>	<b>154,618</b>	<b>1,040</b>
Animal Protection Unit				
Other than Personal Services	63,250	65,850	65,368	482
Capital Outlay	27,400	28,600	28,592	8
<b>Total Animal Protection Unit</b>	<b>90,650</b>	<b>94,450</b>	<b>93,960</b>	<b>490</b>
Fire Department				
Personal Services	5,269,850	5,699,850	5,699,942	(92)
Other than Personal Services	244,350	208,000	206,170	1,830
Capital Outlay	1,500	1,500	1,496	4
<b>Total Fire Department</b>	<b>5,515,700</b>	<b>5,909,350</b>	<b>5,907,608</b>	<b>1,742</b>
Fire Prevention Homes				
Personal Services	78,240	79,740	79,511	229
Other than Personal Services	3,920	3,920	3,317	603
<b>Total Fire Prevention Homes</b>	<b>82,160</b>	<b>83,660</b>	<b>82,828</b>	<b>832</b>
<b>Total Public Safety</b>	<b>15,115,212</b>	<b>14,984,134</b>	<b>14,955,208</b>	<b>28,926</b>
Public Health Services				
Office on Aging				
Personal Services	130,125	132,125	133,279	(1,154)
Other than Personal Services	22,700	22,700	21,744	956
Non-Governmental	300	0	0	0
<b>Total Office on Aging</b>	<b>153,125</b>	<b>154,825</b>	<b>155,023</b>	<b>(198)</b>
Health and Vital Statistics				
Other than Personal Services	190,000	188,500	188,184	316
Commission on Aging				
Other than Personal Services	250	250	0	250
<b>Total Public Health Services</b>	<b>343,375</b>	<b>343,575</b>	<b>343,207</b>	<b>368</b>
Transportation				
Parking Meters				
Personal Services	34,105	27,105	27,108	(3)
Other than Personal Services	1,950	2,450	2,377	73
<b>Total Parking Meters</b>	<b>\$36,055</b>	<b>\$29,555</b>	<b>\$29,485</b>	<b>\$70</b>

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Vehicle Maintenance				
Personal Services	\$510,090	\$516,590	\$518,210	(\$1,620)
Other than Personal Services	1,148,650	1,373,055	1,369,008	4,047
Capital Outlay	8,000	16,315	16,314	1
<b>Total Vehicle Maintenance</b>	<b>1,666,740</b>	<b>1,905,960</b>	<b>1,903,532</b>	<b>2,428</b>
Street Maintenance				
Personal Services	1,143,165	1,075,865	1,065,526	10,339
Other than Personal Services	228,450	217,650	211,948	5,702
Capital Outlay	0	800	791	9
<b>Total Street Maintenance</b>	<b>1,371,615</b>	<b>1,294,315</b>	<b>1,278,265</b>	<b>16,050</b>
<b>Total Transportation</b>	<b>3,074,410</b>	<b>3,229,830</b>	<b>3,211,282</b>	<b>18,548</b>
Community Development				
Community Relations				
Personal Services	121,260	124,260	124,789	(529)
Other than Personal Services	22,680	22,680	21,189	1,491
<b>Total Community Relations</b>	<b>143,940</b>	<b>146,940</b>	<b>145,978</b>	<b>962</b>
Public Relations				
Personal Services	157,860	161,360	161,690	(330)
Other than Personal Services	110,300	110,300	96,210	14,090
<b>Total Public Relations</b>	<b>268,160</b>	<b>271,660</b>	<b>257,900</b>	<b>13,760</b>
Planning Department				
Personal Services	304,745	268,745	265,217	3,528
Other than Personal Services	22,675	18,675	16,280	2,395
Capital Outlay	0	1,250	1,250	0
Non-Governmental	0	120	120	0
<b>Total Planning Department</b>	<b>327,420</b>	<b>288,790</b>	<b>282,867</b>	<b>5,923</b>
Planning Commission				
Personal Services	6,300	6,700	5,941	759
Other than Personal Services	2,800	2,800	2,380	420
Non-Governmental	50	350	300	50
<b>Total Planning Commission</b>	<b>9,150</b>	<b>9,850</b>	<b>8,621</b>	<b>1,229</b>
Board of Zoning Appeals				
Personal Services	5,775	5,625	5,197	428
Other than Personal Services	2,900	2,600	2,336	264
Non-Governmental	50	200	150	50
<b>Total Board of Zoning Appeals</b>	<b>8,725</b>	<b>8,425</b>	<b>7,683</b>	<b>742</b>
Special Improvement Districts				
Other than Personal Services	\$298,000	\$321,300	\$321,298	\$2

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Building Department</b>				
Personal Services	\$361,440	\$376,940	\$379,206	(\$2,266)
Other than Personal Services	38,100	27,250	23,684	3,566
Capital Outlay	0	850	791	59
Non-Governmental	100	0	0	0
<b>Total Building Department</b>	<b>399,640</b>	<b>405,040</b>	<b>403,681</b>	<b>1,359</b>
<b>Housing Inspections</b>				
Personal Services	499,095	489,095	490,789	(1,694)
Other than Personal Services	43,100	37,100	34,431	2,669
Capital Outlay	0	1,600	1,581	19
Non-Governmental	2,000	2,143	2,143	0
<b>Total Housing Inspections</b>	<b>544,195</b>	<b>529,938</b>	<b>528,944</b>	<b>994</b>
<b>Landmark Commission</b>				
Other than Personal Services	1,000	500	264	236
<b>Local Programming</b>				
Personal Services	98,800	96,800	94,754	2,046
Other than Personal Services	45,500	80,580	74,208	6,372
Capital Outlay	4,000	67,180	67,147	33
<b>Total Local Programming</b>	<b>148,300</b>	<b>244,560</b>	<b>236,109</b>	<b>8,451</b>
<b>Total Community Development</b>	<b>2,148,530</b>	<b>2,227,003</b>	<b>2,193,345</b>	<b>33,658</b>
<b>Sanitation</b>				
Refuse Collection and Transfer Station				
Personal Services	1,609,700	1,619,700	1,623,279	(3,579)
Other than Personal Services	557,000	591,500	590,714	786
Capital Outlay	0	6,317	6,317	0
<b>Total Sanitation</b>	<b>2,166,700</b>	<b>2,217,517</b>	<b>2,220,310</b>	<b>(2,793)</b>
<b>Culture and Recreation</b>				
Recreation Administration				
Personal Services	177,585	180,585	181,342	(757)
Other than Personal Services	36,900	36,900	34,162	2,738
<b>Total Recreation Administration</b>	<b>214,485</b>	<b>217,485</b>	<b>215,504</b>	<b>1,981</b>
Swimming Pools				
Personal Services	241,290	209,055	199,459	9,596
Other than Personal Services	33,525	43,075	42,975	100
Non-Governmental	700	150	147	3
<b>Total Swimming Pools</b>	<b>275,515</b>	<b>252,280</b>	<b>242,581</b>	<b>9,699</b>
Ice Programs				
Personal Services	221,720	224,220	221,942	2,278
Other than Personal Services	32,550	22,550	19,632	2,918
Non-Governmental	1,000	400	31	369
<b>Total Ice Programs</b>	<b>\$255,270</b>	<b>\$247,170</b>	<b>\$241,605</b>	<b>\$5,565</b>

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
General Recreation Programs				
Personal Services	\$174,810	\$197,140	\$194,015	\$3,125
Other than Personal Services	20,000	18,500	16,533	1,967
Non-Governmental	2,500	1,500	975	525
Total General Recreation Programs	197,310	217,140	211,523	5,617
Sports Programs				
Personal Services	89,250	91,750	90,198	1,552
Other than Personal Services	124,695	115,510	113,022	2,488
Non-Governmental	5,000	2,500	1,531	969
Total Sports Programs	218,945	209,760	204,751	5,009
Community Center				
Personal Services	301,195	256,195	257,884	(1,689)
Other than Personal Services	598,800	517,800	501,193	16,607
Non-Governmental	1,500	1,500	1,121	379
Total Community Center	901,495	775,495	760,198	15,297
<i>Total Culture and Recreation</i>	2,063,020	1,919,330	1,876,162	43,168
<i>Total Expenditures</i>	38,598,432	38,362,052	38,055,293	306,759
<i>Excess of Revenues Over Expenditures</i>	1,199,343	1,435,723	1,649,165	213,442
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	33,528	33,528	34,260	732
Advances In	26,075	26,075	26,075	0
Advances Out	0	0	(43,800)	(43,800)
Transfers In	54,873	54,873	60,000	5,127
Transfers Out	(2,389,560)	(2,902,200)	(2,887,811)	14,389
<i>Total Other Financing Sources (Uses)</i>	(2,275,084)	(2,787,724)	(2,811,276)	(23,552)
<i>Net Change in Fund Balance</i>	(1,075,741)	(1,352,001)	(1,162,111)	189,890
<i>Fund Balance Beginning of Year</i>	5,937,303	5,937,303	5,937,303	0
Unexpended Prior Year Encumbrances	57,798	57,798	57,798	0
<i>Fund Balance End of Year</i>	\$4,919,360	\$4,643,100	\$4,832,990	\$189,890

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Bond Retirement Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$2,055,687	\$2,055,687	\$2,249,083	\$193,396
Intergovernmental	301,147	301,147	329,479	28,332
Special Assessments	126,251	126,251	138,128	11,877
Miscellaneous	1,028	1,028	1,125	97
<i>Total Revenues</i>	<u>2,484,113</u>	<u>2,484,113</u>	<u>2,717,815</u>	<u>233,702</u>
<b>Expenditures</b>				
Current:				
General Government:				
Other than Personal Services	1,400	1,400	1,368	32
Debt Service:				
Principal Retirement	2,680,000	3,705,000	3,705,000	0
Interest and Fiscal Charges	702,200	815,200	809,471	5,729
<i>Total Expenditures</i>	<u>3,383,600</u>	<u>4,521,600</u>	<u>4,515,839</u>	<u>5,761</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(899,487)</u>	<u>(2,037,487)</u>	<u>(1,798,024)</u>	<u>239,463</u>
<b>Other Financing Sources (Uses)</b>				
General Obligation Notes Issued	0	0	1,353,000	1,353,000
Transfers In	26,075	26,075	139,863	113,788
Transfers Out	(26,075)	(26,075)	(26,075)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>1,466,788</u>	<u>1,466,788</u>
<i>Net Change in Fund Balance</i>	<u>(899,487)</u>	<u>(2,037,487)</u>	<u>(331,236)</u>	<u>1,706,251</u>
<i>Fund Balance Beginning of Year</i>	<u>3,816,935</u>	<u>3,816,935</u>	<u>3,816,935</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,917,448</u></u>	<u><u>\$1,779,448</u></u>	<u><u>\$3,485,699</u></u>	<u><u>\$1,706,251</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$10,076,476	\$10,423,449	\$9,916,757	(\$506,692)
Tap-In Fees	323,587	334,729	318,458	(16,271)
OPWC Loan Issued	99,937	99,937	99,937	0
<i>Total Revenues</i>	<u>10,500,000</u>	<u>10,858,115</u>	<u>10,335,152</u>	<u>(522,963)</u>
<b>Expenses</b>				
Current:				
Personal Services				
Water Administration	376,560	359,160	358,147	1,013
Water Distribution	820,200	807,150	805,939	1,211
Total Personal Services	<u>1,196,760</u>	<u>1,166,310</u>	<u>1,164,086</u>	<u>2,224</u>
Other than Personal Services				
Water Administration	665,350	740,240	737,331	2,909
Water Distribution	215,202	255,802	249,762	6,040
Water Supply	9,100,000	8,067,600	7,976,960	90,640
Total Other than Personal Services	<u>9,980,552</u>	<u>9,063,642</u>	<u>8,964,053</u>	<u>99,589</u>
Capital Outlay				
Water Administration	1,000	62,609	62,524	85
Water Distribution	195,248	89,563	89,558	5
Water Supply	5,000	0	0	0
Total Capital Outlay	<u>201,248</u>	<u>152,172</u>	<u>152,082</u>	<u>90</u>
Non-Governmental				
Water Administration	30,000	15,000	9,904	5,096
Water Distribution	15,000	15,000	13,602	1,398
Total Non-Governmental	<u>45,000</u>	<u>30,000</u>	<u>23,506</u>	<u>6,494</u>
Debt Service				
Principal Retirement	152,503	72,963	69,431	3,532
<i>Total Expenses</i>	<u>11,576,063</u>	<u>10,485,087</u>	<u>10,373,158</u>	<u>111,929</u>
<i>Excess of Revenues Over (Under)</i>				
<i>Expenses before Transfers</i>	(1,076,063)	373,028	(38,006)	(411,034)
Transfers Out	0	(10,900)	(10,900)	0
<i>Net Change in Fund Equity</i>	(1,076,063)	362,128	(48,906)	(411,034)
<i>Fund Equity Beginning of Year</i>	693,686	693,686	693,686	0
Unexpended Prior Year Encumbrances	22,431	22,431	22,431	0
<i>Fund Equity (Deficit) End of Year</i>	<u>(\$359,946)</u>	<u>\$1,078,245</u>	<u>\$667,211</u>	<u>(\$411,034)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$1,685,431	\$1,692,653	\$1,598,091	(\$94,562)
OPWC Loan Issued	14,569	14,569	14,569	0
Miscellaneous	0	0	22,685	22,685
<i>Total Revenues</i>	<u>1,700,000</u>	<u>1,707,222</u>	<u>1,635,345</u>	<u>(71,877)</u>
<b>Expenses</b>				
Current:				
Personal Services				
Sewer Maintenance	<u>865,000</u>	<u>870,315</u>	<u>870,203</u>	<u>112</u>
Other than Personal Services				
Sewer Maintenance	575,000	821,650	815,158	6,492
Water Distribution	<u>57,500</u>	<u>60,204</u>	<u>54,161</u>	<u>6,043</u>
Total Other than Personal Services	<u>632,500</u>	<u>881,854</u>	<u>869,319</u>	<u>12,535</u>
Capital Outlay				
Sewer Maintenance	<u>150,000</u>	<u>137,827</u>	<u>137,404</u>	<u>423</u>
Debt Service				
Principal Retirement	54,950	73,063	73,062	1
Interest and Fiscal Charges	<u>22,035</u>	<u>26,288</u>	<u>26,287</u>	<u>1</u>
<i>Total Expenses</i>	<u>1,724,485</u>	<u>1,989,347</u>	<u>1,976,275</u>	<u>13,072</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(24,485)	(282,125)	(340,930)	(58,805)
Transfers Out	<u>0</u>	<u>(3,485)</u>	<u>(3,485)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(24,485)	(285,610)	(344,415)	(58,805)
<i>Fund Equity Beginning of Year</i>	747,558	747,558	747,558	0
Unexpended Prior Year Encumbrances	<u>2,511</u>	<u>2,511</u>	<u>2,511</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$725,584</u></u>	<u><u>\$464,459</u></u>	<u><u>\$405,654</u></u>	<u><u>(\$58,805)</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Construction, Maintenance and Repair Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Other Local Taxes	\$169,642	\$185,664	\$154,397	(\$31,267)
Intergovernmental	1,538,160	1,683,431	1,399,929	(283,502)
Interest	48	53	44	(9)
Miscellaneous	29,060	31,804	26,448	(5,356)
<i>Total Revenues</i>	<i>1,736,910</i>	<i>1,900,952</i>	<i>1,580,818</i>	<i>(320,134)</i>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Other than Personal Services	110,000	56,041	37,420	18,621
Capital Outlay	1,570,341	1,884,248	1,902,787	(18,539)
Total Transportation	1,680,341	1,940,289	1,940,207	82
Debt Service:				
Principal Retirement	119,659	119,659	119,659	0
<i>Total Expenditures</i>	<i>1,800,000</i>	<i>2,059,948</i>	<i>2,059,866</i>	<i>82</i>
<i>Excess of Revenues Under Expenditures</i>	(63,090)	(158,996)	(479,048)	(320,052)
<b>Other Financing Sources</b>				
OPWC Loan Issued	63,090	69,048	57,420	(11,628)
<i>Net Change in Fund Balance</i>	0	(89,948)	(421,628)	(331,680)
<i>Fund Balance Beginning of Year</i>	90,449	90,449	90,449	0
Unexpended Prior Year Encumbrances	379,567	379,567	379,567	0
<i>Fund Balance End of Year</i>	<i>\$470,016</i>	<i>\$380,068</i>	<i>\$48,388</i>	<i>(\$331,680)</i>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Foundation Grants Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$293,000	\$293,000	\$295,086	\$2,086
<b>Expenditures</b>				
Current:				
Community Development:				
Foundation Grants:				
Capital Outlay	<u>315,274</u>	<u>315,274</u>	<u>296,774</u>	<u>18,500</u>
<i>Net Change in Fund Balance</i>	(22,274)	(22,274)	(1,688)	20,586
<i>Fund Balance Beginning of Year</i>	<u>22,481</u>	<u>22,481</u>	<u>22,481</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$207</u></u>	<u><u>\$207</u></u>	<u><u>\$20,793</u></u>	<u><u>\$20,586</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Communications System Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$323,055	\$323,692	\$317,680	(\$6,012)
Interest	121	121	119	(2)
<i>Total Revenues</i>	<u>323,176</u>	<u>323,813</u>	<u>317,799</u>	<u>(6,014)</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Communications System:				
Personal Services	523,845	543,845	535,771	8,074
Other than Personal Services	81,400	104,980	101,240	3,740
Capital Outlay	44,000	11,720	11,671	49
<i>Total Expenditures</i>	<u>649,245</u>	<u>660,545</u>	<u>648,682</u>	<u>11,863</u>
<i>Excess of Revenues Under Expenditures</i>	(326,069)	(336,732)	(330,883)	5,849
<b>Other Financing Sources</b>				
Transfers In	336,069	336,732	330,478	(6,254)
<i>Net Change in Fund Balance</i>	10,000	0	(405)	(405)
<i>Fund Balance Beginning of Year</i>	4,438	4,438	4,438	0
Unexpended Prior Year Encumbrances	10	10	10	0
<i>Fund Balance End of Year</i>	<u>\$14,448</u>	<u>\$4,448</u>	<u>\$4,043</u>	<u>(\$405)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public Building Maintenance Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Rentals	\$21,000	\$21,000	\$24,840	\$3,840
<b>Expenditures</b>				
Current:				
General Government:				
Public Building Maintenance:				
Other than Personal Services	<u>21,000</u>	<u>26,875</u>	<u>26,811</u>	<u>64</u>
<i>Net Change in Fund Balance</i>	0	(5,875)	(1,971)	3,904
<i>Fund Balance Beginning of Year</i>	<u>35,450</u>	<u>35,450</u>	<u>35,450</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$35,450</u></u>	<u><u>\$29,575</u></u>	<u><u>\$33,479</u></u>	<u><u>\$3,904</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Trust Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$20,000	\$20,000	\$7,146	(\$12,854)
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Other than Personal Services	12,500	14,267	5,462	8,805
Capital Outlay	0	606	0	606
<i>Total Expenditures</i>	<u>12,500</u>	<u>14,873</u>	<u>5,462</u>	<u>9,411</u>
<i>Net Change in Fund Balance</i>	7,500	5,127	1,684	(3,443)
<i>Fund Balance Beginning of Year</i>	<u>7,727</u>	<u>7,727</u>	<u>7,727</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$15,227</u></u>	<u><u>\$12,854</u></u>	<u><u>\$9,411</u></u>	<u><u>(\$3,443)</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$88,487	\$182,283	\$182,604	\$321
Miscellaneous	11,513	23,717	23,759	42
<i>Total Revenues</i>	<u>100,000</u>	<u>206,000</u>	<u>206,363</u>	<u>363</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Drug Law Enforcement:				
Personal Services	15,000	49,973	36,139	13,834
Other than Personal Services	70,318	174,171	100,432	73,739
Capital Outlay	196,700	159,311	36,147	123,164
<i>Total Expenditures</i>	<u>282,018</u>	<u>383,455</u>	<u>172,718</u>	<u>210,737</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(182,018)	(177,455)	33,645	211,100
<b>Other Financing Uses</b>				
Transfers Out	<u>0</u>	<u>(3,205)</u>	<u>(3,205)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(182,018)	(180,660)	30,440	211,100
<i>Fund Balance Beginning of Year</i>	89,928	89,928	89,928	0
Unexpended Prior Year Encumbrances	<u>32,729</u>	<u>32,729</u>	<u>32,729</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$59,361)</u>	<u>(\$58,003)</u>	<u>\$153,097</u>	<u>\$211,100</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$2,149,263	\$2,363,744	\$1,699,933	(\$663,811)
Miscellaneous	16,464	18,483	16,000	(2,483)
<i>Total Revenues</i>	<u>2,165,727</u>	<u>2,382,227</u>	<u>1,715,933</u>	<u>(666,294)</u>
<b>Expenditures</b>				
Current:				
Community Development:				
Financial Administration				
Personal Services	14,500	14,957	8,723	6,234
Administrative Contracts				
Other than Personal Services	120,000	207,000	192,814	14,186
Commercial Area Improvements				
Other than Personal Services	55,374	35,374	30,838	4,536
Water Improvement Projects				
Capital Outlay	225,000	225,000	96,682	128,318
CDBG - Office on Aging				
Personal Services	40,000	46,439	42,830	3,609
CDBG - Contingency				
Other than Personal Services	7,000	18,433	0	18,433
LDC - Economic Development				
Personal Services	35,000	59,828	32,241	27,587
Other than Personal Services	100,000	66,000	54,579	11,421
Total LDC - Economic Development	<u>135,000</u>	<u>125,828</u>	<u>86,820</u>	<u>39,008</u>
Section 108 - Loan Guarantee				
Other than Personal Services	80,000	80,000	75,553	4,447
CDBG Administration				
Personal Services	90,000	92,870	70,208	22,662
Other than Personal Services	85,000	85,000	63,681	21,319
Capital Outlay	500	827	815	12
Total CDBG Administration	<u>175,500</u>	<u>178,697</u>	<u>134,704</u>	<u>43,993</u>
CDBG - Public Works				
Capital Outlay	320,000	121,000	120,166	834
CDBG - Home Repair Resource				
Other than Personal Services	367,049	315,000	312,586	2,414
CDBG - East Derbyshire				
Other than Personal Services	\$10,000	\$31,500	\$31,432	\$68

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Housing Preservation				
Personal Services	\$175,000	\$225,000	\$221,593	\$3,407
Other than Personal Services	206,450	225,000	222,628	2,372
Capital Outlay	1,000	1,520	1,369	151
Total Housing Preservation	382,450	451,520	445,590	5,930
CDBG - Code Enforcement				
Personal Services	75,000	74,605	71,211	3,394
CDBG - Neighborhood Relations				
Personal Services	0	45,000	24,629	20,371
CDBG - Program Income				
Other than Personal Services	7,900	22,000	21,189	811
Capital Outlay	0	23,782	23,782	0
Total CDBG - Program Income	7,900	45,782	44,971	811
<i>Total Expenditures</i>	2,014,773	2,016,135	1,719,549	296,586
<i>Excess of Revenues Over (Under) Expenditures</i>	150,954	366,092	(3,616)	(369,708)
<b>Other Financing Sources</b>				
Advances In	34,273	34,273	34,273	0
<i>Net Change in Fund Balance</i>	185,227	400,365	30,657	(369,708)
<i>Fund Deficit Beginning of Year</i>	(27,383)	(27,383)	(27,383)	0
<i>Fund Balance End of Year</i>	\$157,844	\$372,982	\$3,274	(\$369,708)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Environmental Protection Agency (EPA) Brownfield Grant*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Deficit Beginning of Year</i>	2,998	2,998	2,998	0
<i>Fund Balance (Deficit) End of Year</i>	\$2,998	\$2,998	\$2,998	\$0

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Home Program Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$191,495	\$191,495	\$210,777	\$19,282
<b>Expenditures</b>				
Current:				
Community Development:				
Home Administration				
Personal Services	2,305	0	0	0
Other than Personal Services	187,119	137,016	111,566	25,450
Total Home Administration	189,424	137,016	111,566	25,450
Home - Program Income				
Other than Personal Services	10,576	31,663	0	31,663
<i>Total Expenditures</i>	<u>200,000</u>	<u>168,679</u>	<u>111,566</u>	<u>57,113</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,505)	22,816	99,211	76,395
<b>Other Financing Sources</b>				
Advances In	8,505	8,505	8,505	0
<i>Net Change in Fund Balance</i>	0	31,321	107,716	76,395
<i>Fund Deficit Beginning of Year</i>	<u>(107,716)</u>	<u>(107,716)</u>	<u>(107,716)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$107,716)</u></u>	<u><u>(\$76,395)</u></u>	<u><u>\$0</u></u>	<u><u>\$76,395</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Federal Emergency Management Agency (FEMA) Grant Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
<b>Other Financing Sources</b>				
Transfers In	<u>0</u>	<u>0</u>	<u>888</u>	<u>888</u>
<i>Net Change in Fund Balance</i>	0	0	888	888
<i>Fund Deficit Beginning of Year</i>	<u>(888)</u>	<u>(888)</u>	<u>(888)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$888)</u></u>	<u><u>(\$888)</u></u>	<u><u>\$0</u></u>	<u><u>\$888</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cain Park Operating Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$365,804	\$383,812	\$382,809	(\$1,003)
Intergovernmental	29,562	31,017	30,936	(81)
Contributions and Donations	3,011	3,159	3,151	(8)
Miscellaneous	10,893	11,431	11,400	(31)
<i>Total Revenues</i>	<u>409,270</u>	<u>429,419</u>	<u>428,296</u>	<u>(1,123)</u>
<b>Expenditures</b>				
Current:				
Culture and Recreation:				
Cain Park Recreation				
Personal Services	124,600	149,880	149,807	73
Other than Personal Services	420,245	436,665	435,887	778
Total Cain Park Recreation	<u>544,845</u>	<u>586,545</u>	<u>585,694</u>	<u>851</u>
Cain Park Arts Festival				
Personal Services	17,200	18,715	18,711	4
Other than Personal Services	22,500	12,648	12,588	60
Total Cain Park Arts Festival	<u>39,700</u>	<u>31,363</u>	<u>31,299</u>	<u>64</u>
Cain Park Arts Theater				
Personal Services	16,100	19,815	19,809	6
Other than Personal Services	49,355	43,882	43,415	467
Total Cain Park Arts Theater	<u>65,455</u>	<u>63,697</u>	<u>63,224</u>	<u>473</u>
<i>Total Expenditures</i>	<u>650,000</u>	<u>681,605</u>	<u>680,217</u>	<u>1,388</u>
<i>Excess of Revenues Under Expenditures</i>	(240,730)	(252,186)	(251,921)	265
<b>Other Financing Sources</b>				
Transfers In	240,730	252,581	251,921	(660)
<i>Net Change in Fund Balance</i>	0	395	0	(395)
<i>Fund Balance Beginning of Year</i>	189	189	189	0
<i>Fund Balance End of Year</i>	<u>\$189</u>	<u>\$584</u>	<u>\$189</u>	<u>(\$395)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public Right of Way Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses, Permits and Fees	\$12,500	\$12,500	\$5,506	(\$6,994)
<b>Expenditures</b>				
Current:				
General Government:				
Public Right of Way				
Other than Personal Services	12,000	2,000	1,411	589
<i>Net Change in Fund Balance</i>	500	10,500	4,095	(6,405)
<i>Fund Balance Beginning of Year</i>	10,650	10,650	10,650	0
<i>Fund Balance End of Year</i>	<u>\$11,150</u>	<u>\$21,150</u>	<u>\$14,745</u>	<u>(\$6,405)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Driver's Alcohol Treatment Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$10,000	\$10,000	\$22,011	\$12,011
<b>Expenditures</b>				
Current:				
General Government:				
Indigent DUI Treatment				
Other than Personal Services	14,000	14,000	0	14,000
<i>Net Change in Fund Balance</i>	(4,000)	(4,000)	22,011	26,011
<i>Fund Balance Beginning of Year</i>	88,745	88,745	88,745	0
<i>Fund Balance End of Year</i>	<u>\$84,745</u>	<u>\$84,745</u>	<u>\$110,756</u>	<u>\$26,011</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Clerk Computerization Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$120,000	\$120,000	\$108,153	(\$11,847)
<b>Expenditures</b>				
Current:				
General Government:				
Court Computer				
Personal Services	106,180	112,680	111,134	1,546
Other than Personal Services	68,450	41,990	22,789	19,201
Capital Outlay	152,000	439,930	422,920	17,010
<i>Total Expenditures</i>	<u>326,630</u>	<u>594,600</u>	<u>556,843</u>	<u>37,757</u>
<i>Net Change in Fund Balance</i>	(206,630)	(474,600)	(448,690)	25,910
<i>Fund Balance Beginning of Year</i>	<u>959,279</u>	<u>959,279</u>	<u>959,279</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$752,649</u></u>	<u><u>\$484,679</u></u>	<u><u>\$510,589</u></u>	<u><u>\$25,910</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DUI Enforcement and Education Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$3,000	\$3,000	\$5,617	\$2,617
<b>Expenditures</b>				
Current:				
General Government:				
DUI Enforcement Education				
Other than Personal Services	10,000	10,000	0	10,000
<i>Net Change in Fund Balance</i>	(10,000)	(10,000)	0	12,617
<i>Fund Balance Beginning of Year</i>	61,073	61,073	61,073	0
<i>Fund Balance End of Year</i>	<u>\$51,073</u>	<u>\$51,073</u>	<u>\$61,073</u>	<u>\$12,617</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Special Projects Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$161,750</u>	<u>(\$13,250)</u>
<b>Expenditures</b>				
Current:				
General Government:				
Court Special Projects				
Personal Services	72,700	78,200	78,135	65
Other than Personal Services	66,572	57,055	20,767	36,288
Capital Outlay	<u>40,000</u>	<u>44,545</u>	<u>43,913</u>	<u>632</u>
<i>Total Expenditures</i>	<u>179,272</u>	<u>179,800</u>	<u>142,815</u>	<u>36,985</u>
<i>Net Change in Fund Balance</i>	(4,272)	(4,800)	18,935	23,735
<i>Fund Balance Beginning of Year</i>	1,393,190	1,393,190	1,393,190	0
Unexpended Prior Year Encumbrances	<u>72</u>	<u>72</u>	<u>72</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,388,990</u>	<u>\$1,388,462</u>	<u>\$1,412,197</u>	<u>\$23,735</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Lead Safe Cuyahoga Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$125,000	\$125,000	\$31,210	(\$93,790)
<b>Expenditures</b>				
Current:				
Community Development:				
LEAD Safe Cuyahoga				
Personal Services	5,500	5,500	3,626	1,874
Other than Personal Services	18,000	18,000	0	18,000
<i>Total Expenditures</i>	<u>23,500</u>	<u>23,500</u>	<u>3,626</u>	<u>19,874</u>
<i>Net Change in Fund Balance</i>	101,500	101,500	27,584	(73,916)
<i>Fund Balance Beginning of Year</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$101,501</u></u>	<u><u>\$101,501</u></u>	<u><u>\$27,585</u></u>	<u><u>(\$73,916)</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Neighborhood Stabilization Program Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$776,000	\$776,000	\$1,397,216	\$621,216
<b>Expenditures</b>				
Current:				
Community Development:				
Neighborhood Stabilization				
Personal Services	42,000	42,000	39,243	2,757
Other than Personal Services	520,000	428,717	403,478	25,239
Capital Outlay	38,000	13,578	12,878	700
Total Neighborhood Stabilization	<u>600,000</u>	<u>484,295</u>	<u>455,599</u>	<u>28,696</u>
NSP Program Income				
Other than Personal Services	0	129,062	118,074	10,988
Capital Outlay	0	162,574	140,274	22,300
Total NSP Program Income	<u>0</u>	<u>291,636</u>	<u>258,348</u>	<u>33,288</u>
<i>Total Expenditures</i>	<u>600,000</u>	<u>775,931</u>	<u>713,947</u>	<u>61,984</u>
<i>Net Change in Fund Balance</i>	176,000	69	683,269	683,200
<i>Fund Deficit Beginning of Year</i>	<u>(618,052)</u>	<u>(618,052)</u>	<u>(618,052)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$442,052)</u>	<u>(\$617,983)</u>	<u>\$65,217</u>	<u>\$683,200</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Homelessness Prevention Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$598,978	\$598,978	\$556,978	(\$42,000)
<b>Expenditures</b>				
Current:				
Community Development:				
Homelessness Prevention				
Personal Services	12,000	12,269	5,412	6,857
Other than Personal Services	400,000	557,147	552,442	4,705
<i>Total Expenditures</i>	<u>412,000</u>	<u>569,416</u>	<u>557,854</u>	<u>11,562</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	186,978	29,562	(876)	(30,438)
<b>Other Financing Sources</b>				
Advances In	1,022	1,022	1,022	0
<i>Net Change in Fund Balance</i>	188,000	30,584	146	(30,438)
<i>Fund Deficit Beginning of Year</i>	<u>(60)</u>	<u>(60)</u>	<u>(60)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$187,940</u>	<u>\$30,524</u>	<u>\$86</u>	<u>(\$30,438)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Lighting Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$1,042,684	\$1,042,684	\$1,019,130	(\$23,554)
<b>Expenditures</b>				
Current:				
Public Safety:				
Street Lighting				
Personal Services	<u>1,055,000</u>	<u>866,800</u>	<u>854,476</u>	<u>12,324</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(12,316)	175,884	164,654	(11,230)
<b>Other Financing Sources</b>				
Transfers In	<u>32,316</u>	<u>32,316</u>	<u>31,586</u>	<u>(730)</u>
<i>Net Change in Fund Balance</i>	20,000	208,200	196,240	(11,960)
<i>Fund Deficit Beginning of Year</i>	<u>(196,240)</u>	<u>(196,240)</u>	<u>(196,240)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$176,240)</u></u>	<u><u>\$11,960</u></u>	<u><u>\$0</u></u>	<u><u>(\$11,960)</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Tree Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Licenses, Permits and Fees	\$155	\$155	\$150	(\$5)
Special Assessments	803,380	803,380	779,229	(24,151)
<i>Total Revenues</i>	803,535	803,535	779,379	(24,156)
<b>Expenditures</b>				
Current:				
Community Development:				
Tree				
Personal Services	605,000	605,000	558,287	46,713
Other than Personal Services	244,250	219,250	200,661	18,589
Capital Outlay	75,110	37,800	37,799	1
<i>Total Expenditures</i>	924,360	862,050	796,747	65,303
<i>Excess of Revenues Under Expenditures</i>	(120,825)	(58,515)	(17,368)	41,147
<b>Other Financing Sources (Uses)</b>				
Transfers In	16,465	16,465	15,970	(495)
Transfers Out	0	(945)	(945)	0
<i>Total Other Financing Sources (Uses)</i>	16,465	15,520	15,025	(495)
<i>Net Change in Fund Balance</i>	(104,360)	(42,995)	(2,343)	40,652
<i>Fund Balance Beginning of Year</i>	124,461	124,461	124,461	0
<i>Fund Balance End of Year</i>	\$20,101	\$81,466	\$122,118	\$40,652

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$256,977	\$256,977	\$232,664	(\$24,313)
Intergovernmental	31,387	33,040	34,083	1,043
<i>Total Revenues</i>	288,364	290,017	266,747	(23,270)
<b>Expenditures</b>				
Public Safety:				
Police Pension				
Personal Services	970,000	1,006,370	1,006,360	10
<i>Excess of Revenues Under Expenditures</i>	(681,636)	(716,353)	(739,613)	(23,260)
<b>Other Financing Sources</b>				
Transfers In	681,113	716,985	739,613	22,628
<i>Net Change in Fund Balance</i>	(523)	632	0	(632)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	(\$523)	\$632	\$0	(\$632)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Pension Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$256,977	\$256,977	\$232,664	(\$24,313)
Intergovernmental	27,593	33,371	34,084	713
<i>Total Revenues</i>	284,570	290,348	266,748	(23,600)
<b>Expenditures</b>				
Public Safety:				
Fire Pension				
Personal Services	1,210,000	1,386,485	1,386,397	88
<i>Excess of Revenues Under Expenditures</i>	(925,430)	(1,096,137)	(1,119,649)	(23,512)
<b>Other Financing Sources</b>				
Transfers In	906,407	1,096,229	1,119,649	23,420
<i>Net Change in Fund Balance</i>	(19,023)	92	0	(92)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	(\$19,023)	\$92	\$0	(\$92)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Department of Energy Grant Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$20,000	\$20,000	\$19,711	(\$289)
<b>Expenditures</b>				
Community Development:				
Department of Energy Grant				
Other than Personal Services	9,931	9,931	9,927	4
Capital Outlay	9,799	9,799	9,799	0
<i>Total Expenditures</i>	<u>19,730</u>	<u>19,730</u>	<u>19,726</u>	<u>4</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	270	270	(15)	(285)
<b>Other Financing Sources</b>				
Transfers In	0	0	15	15
<i>Net Change in Fund Balance</i>	270	270	0	(270)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$270</u>	<u>\$270</u>	<u>\$0</u>	<u>(\$270)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Section 108 Loan Guarantee Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$30,000	\$30,000	\$0	(\$30,000)
<b>Expenditures</b>				
Community Development:				
Section 108 Loan Guarantee				
Other than Personal Services	30,000	30,000	0	30,000
<i>Total Expenditures</i>	<u>30,000</u>	<u>30,000</u>	<u>0</u>	<u>30,000</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Off-Street Parking Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$965,000	\$975,000	\$1,006,644	\$31,644
Miscellaneous	0	0	431	431
<i>Total Revenues</i>	965,000	975,000	1,007,075	32,075
<b>Expenditures</b>				
Current:				
General Government:				
Off-Street Parking				
Personal Services	163,800	183,800	183,710	90
Other than Personal Services	841,200	846,200	843,258	2,942
Capital Outlay	0	28,300	28,300	0
Non-Governmental	5,000	4,500	3,210	1,290
<i>Total Expenditures</i>	1,010,000	1,062,800	1,058,478	4,322
<i>Net Change in Fund Balance</i>	(45,000)	(87,800)	(51,403)	36,397
<i>Fund Balance Beginning of Year</i>	89,110	89,110	89,110	0
Unexpended Prior Year Encumbrances	82	82	82	0
<i>Fund Balance End of Year</i>	\$44,192	\$1,392	\$37,789	\$36,397

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ambulance Services Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$536,323	\$637,483	\$720,680	\$83,197
Intergovernmental	78,677	93,517	105,722	12,205
<i>Total Revenues</i>	<u>615,000</u>	<u>731,000</u>	<u>826,402</u>	<u>95,402</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Ambulance Services				
Personal Services	127,925	179,925	179,907	18
Other than Personal Services	238,250	224,395	223,651	744
Capital Outlay	168,260	501,743	501,626	117
<i>Total Expenditures</i>	<u>534,435</u>	<u>906,063</u>	<u>905,184</u>	<u>879</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	80,565	(175,063)	(78,782)	96,281
<b>Other Financing Uses</b>				
Transfers Out	(21,250)	(81,750)	(81,670)	80
<i>Net Change in Fund Balance</i>	59,315	(256,813)	(160,452)	96,361
<i>Fund Balance Beginning of Year</i>	257,053	257,053	257,053	0
Unexpended Prior Year Encumbrances	2,684	2,684	2,684	0
<i>Fund Balance End of Year</i>	<u>\$319,052</u>	<u>\$2,924</u>	<u>\$99,285</u>	<u>\$96,361</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cedar Lee Parking Facility Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
General Government:				
Parking				
Other than Personal Services	10,000	7,460	7,420	40
Capital Outlay	<u>90,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>100,000</u>	<u>7,460</u>	<u>7,420</u>	<u>40</u>
<i>Excess of Revenues Under Expenditures</i>	(100,000)	(7,460)	(7,420)	40
<b>Other Financing Uses</b>				
Transfers Out	<u>0</u>	<u>(106,423)</u>	<u>(106,423)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(100,000)	(113,883)	(113,843)	40
<i>Fund Balance Beginning of Year</i>	<u>113,863</u>	<u>113,863</u>	<u>113,863</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$13,863</u>	<u>(\$20)</u>	<u>\$20</u>	<u>\$40</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Office on Aging Donations Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Contributions and Donations	\$5,000	\$5,000	\$5,510	\$510
<b>Expenditures</b>				
Public Health Services:				
Office on Aging				
Other than Personal Services	1,435	4,820	4,327	493
Capital Outlay	32,000	41,938	41,477	461
Total Office on Aging	33,435	46,758	45,804	954
Office on Aging Computer Center				
Other than Personal Services	2,700	2,315	0	2,315
Capital Outlay	3,000	0	0	0
Total Office on Aging Computer Center	5,700	2,315	0	2,315
<i>Total Expenditures</i>	39,135	49,073	45,804	3,269
<i>Net Change in Fund Balance</i>	(34,135)	(44,073)	(40,294)	3,779
<i>Fund Balance Beginning of Year</i>	100,627	100,627	100,627	0
<i>Fund Balance End of Year</i>	\$66,492	\$56,554	\$60,333	\$3,779

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Youth Recreation Donations Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Contributions and Donations	\$2,500	\$3,030	\$5,219	\$2,189
<b>Expenditures</b>				
General Government:				
Youth Donations				
Other than Personal Services	1,000	5,065	5,063	2
<i>Net Change in Fund Balance</i>	1,500	(2,035)	156	2,191
<i>Fund Balance Beginning of Year</i>	2,038	2,038	2,038	0
<i>Fund Balance End of Year</i>	<u>\$3,538</u>	<u>\$3</u>	<u>\$2,194</u>	<u>\$2,191</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Memorial Trust Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Contributions and Donations	\$500	\$500	\$0	(\$500)
<b>Expenditures</b>				
General Government:				
Police Trust				
Other than Personal Services	<u>1,000</u>	<u>608</u>	<u>0</u>	<u>608</u>
<i>Net Change in Fund Balance</i>	(500)	(108)	0	108
<i>Fund Balance Beginning of Year</i>	<u>608</u>	<u>608</u>	<u>608</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$108</u></u>	<u><u>\$500</u></u>	<u><u>\$608</u></u>	<u><u>\$108</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Earned Benefits Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
	\$0	\$0	\$0	\$0
<b>Revenues</b>				
<b>Expenditures</b>				
General Government				
Personal Services	40,463	44,910	44,554	356
Public Safety				
Personal Services	400,324	444,320	440,803	3,517
Public Health Services				
Personal Services	484	537	533	4
Transportation				
Personal Services	13,459	14,938	14,820	118
Community Development				
Personal Services	11,869	13,173	13,069	104
Sanitation				
Personal Services	30,085	33,391	33,127	264
Culture and Recreation				
Personal Services	8,316	9,230	9,157	73
<i>Total Expenditures</i>	<u>505,000</u>	<u>560,499</u>	<u>556,063</u>	<u>4,436</u>
<i>Excess of Revenues Under Expenditures</i>	(505,000)	(560,499)	(556,063)	4,436
<b>Other Financing Sources</b>				
Transfer In	187,000	187,000	308,427	121,427
<i>Net Change in Fund Balance</i>	(318,000)	(373,499)	(247,636)	125,863
<i>Fund Balance Beginning of Year</i>	<u>430,901</u>	<u>430,901</u>	<u>430,901</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$112,901</u></u>	<u><u>\$57,402</u></u>	<u><u>\$183,265</u></u>	<u><u>\$125,863</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Facility Improvement Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses, Permits and Fees	\$5,000	\$10,000	\$28,485	\$18,485
<b>Expenditures</b>				
Public Safety:				
Police Facility Improvement				
Other than Personal Services	10,000	23,199	19,902	3,297
Capital Outlay	10,285	4,485	883	3,602
<i>Total Expenditures</i>	20,285	27,684	20,785	6,899
<i>Net Change in Fund Balance</i>	(15,285)	(17,684)	7,700	25,384
<i>Fund Balance Beginning of Year</i>	17,709	17,709	17,709	0
<i>Fund Balance End of Year</i>	\$2,424	\$25	\$25,409	\$25,384

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Facility Improvement Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$599,614	\$599,614	\$542,882	(\$56,732)
Intergovernmental	0	0	79,529	79,529
<i>Total Revenues</i>	<u>599,614</u>	<u>599,614</u>	<u>622,411</u>	<u>22,797</u>
<b>Expenditures</b>				
Culture and Recreation:				
Recreation Facility Improvement				
Other than Personal Services	222,300	185,000	181,599	3,401
Capital Outlay	506,089	798,997	798,995	2
<i>Total Expenditures</i>	<u>728,389</u>	<u>983,997</u>	<u>980,594</u>	<u>3,403</u>
<i>Net Change in Fund Balance</i>	(128,775)	(384,383)	(358,183)	26,200
<i>Fund Balance Beginning of Year</i>	1,185,345	1,185,345	1,185,345	0
Unexpended Prior Year Encumbrances	9,111	9,111	9,111	0
<i>Fund Balance End of Year</i>	<u><u>\$1,065,681</u></u>	<u><u>\$810,073</u></u>	<u><u>\$836,273</u></u>	<u><u>\$26,200</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Improvements Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
General Government:				
Other than Personal Services	905	1,000	698	302
Capital Outlay	<u>643,230</u>	<u>60,345</u>	<u>104,553</u>	<u>(44,208)</u>
<i>Total Expenditures</i>	<u>644,135</u>	<u>61,345</u>	<u>105,251</u>	<u>(43,906)</u>
<i>Excess of Revenues Under Expenditures</i>	(644,135)	(61,345)	(105,251)	(43,906)
<b>Other Financing Sources</b>				
General Obligation Notes Issued	<u>378,637</u>	<u>398,565</u>	<u>350,000</u>	<u>(48,565)</u>
<i>Net Change in Fund Balance</i>	(265,498)	337,220	244,749	(92,471)
<i>Fund Deficit Beginning of Year</i>	(104,950)	(104,950)	(104,950)	0
Unexpended Prior Year Encumbrances	<u>5,007</u>	<u>5,007</u>	<u>5,007</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$365,441)</u>	<u>\$237,277</u>	<u>\$144,806</u>	<u>(\$92,471)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Economic Development Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Miscellaneous	\$11,000	\$11,000	\$66	(\$10,934)
<b>Expenditures</b>				
Community Development:				
Personal Services	50,000	67,500	67,433	67
Other than Personal Services	10,000	81,070	71,026	10,044
Total Community Development	60,000	148,570	138,459	10,111
Capital Outlay	0	60,000	60,000	0
<i>Total Expenditures</i>	60,000	208,570	198,459	10,111
<i>Net Change in Fund Balance</i>	(49,000)	(197,570)	(198,393)	(823)
<i>Fund Balance Beginning of Year</i>	448,056	448,056	448,056	0
<i>Fund Balance End of Year</i>	<u>\$399,056</u>	<u>\$250,486</u>	<u>\$249,663</u>	<u>(\$823)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*City Hall Maintenance Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$14,000	\$14,000	\$0	(\$14,000)
<b>Expenditures</b>				
General Government:				
Other than Personal Services	15,000	10,000	4,205	5,795
<i>Net Change in Fund Balance</i>	(1,000)	4,000	(4,205)	(8,205)
<i>Fund Balance Beginning of Year</i>	26,010	26,010	26,010	0
<i>Fund Balance End of Year</i>	<u>\$25,010</u>	<u>\$30,010</u>	<u>\$21,805</u>	<u>(\$8,205)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Improvements Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Miscellaneous	\$1	\$1	\$0	(\$1)
<b>Expenditures</b>				
Capital Outlay	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(6,999)	1	0	(1)
<b>Other Financing Uses</b>				
Transfers Out	<u>0</u>	<u>(7,366)</u>	<u>(7,365)</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	(6,999)	(7,365)	(7,365)	0
<i>Fund Balance Beginning of Year</i>	<u>7,365</u>	<u>7,365</u>	<u>7,365</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$366</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Zagara TIF Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Payment in Lieu of Taxes	\$141,241	\$141,241	\$141,241	\$0
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	235,000	235,000	235,000	0
Interest and Fiscal Charges	9,635	9,635	9,635	0
<i>Total Expenditures</i>	<u>244,635</u>	<u>244,635</u>	<u>244,635</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(103,394)	(103,394)	(103,394)	0
<b>Other Financing Sources</b>				
Transfer In	103,394	103,394	103,394	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ring Road Construction Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay	<u>105,000</u>	<u>15,000</u>	<u>0</u>	<u>15,000</u>
<i>Net Change in Fund Balance</i>	(105,000)	(15,000)	0	15,000
<i>Fund Balance Beginning of Year</i>	675,052	675,052	675,052	0
Unexpended Prior Year Encumbrances	<u>4,734</u>	<u>4,734</u>	<u>4,734</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$574,786</u></u>	<u><u>\$664,786</u></u>	<u><u>\$679,786</u></u>	<u><u>\$15,000</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Hospitalization Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$0	\$0	\$4,346,483	\$4,346,483
<b>Expenses</b>				
Other Than Personal Services	0	0	271,147	(271,147)
Claims	0	0	4,075,336	(4,075,336)
<i>Total Expenses</i>	<u>0</u>	<u>0</u>	<u>4,346,483</u>	<u>(4,346,483)</u>
<i>Net Change in Fund Equity</i>	0	0	0	0
<i>Fund Equity Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



# Parks & Recreation cleveland heights ohio

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## STATISTICAL SECTION

The Cleveland Heights Parks and Recreation Department sub-website offers a comprehensive look at our parks and facilities, as well as online registration for programs and classes. It also features the Community Center, which houses the ice rink, fitness center, gymnasium, a senior center and more.

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## Statistical Section

This Part of the City of Cleveland Heights, Ohio’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City’s overall financial health.

<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	S2 – S11
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b><i>Revenue Capacity</i></b> .....	S12 – S18
These schedules contain information to help the reader assess the City’s most significant local revenues, the property tax and the municipal income tax.	
<b><i>Debt Capacity</i></b> .....	S19 - S24
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<b><i>Economic and Demographic Information</i></b> .....	S26 – S29
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b><i>Operating Information</i></b> .....	S30 - S35
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement No. 34 in 2001; schedules presenting government-wide information include information beginning in that year.

**City of Cleveland Heights, Ohio**

*Net Assets by Component*

*Last Nine Years*

*(accrual basis of accounting)*

	<u>2011 (1)</u>	<u>2010 (1)</u>	<u>2009</u>	<u>2008</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$61,517,702	\$60,655,783	\$52,671,861	\$49,880,927
Restricted	12,923,716	10,212,831	10,039,038	9,455,828
Unrestricted	<u>13,789,209</u>	<u>11,467,878</u>	<u>8,480,557</u>	<u>8,228,404</u>
<i>Total Governmental Activities Net Assets</i>	<u>88,230,627</u>	<u>82,336,492</u>	<u>71,191,456</u>	<u>67,565,159</u>
Business-Type Activities				
Invested in Capital Assets, Net of Related Debt	21,461,778	21,995,967	29,105,885	29,365,271
Unrestricted	<u>2,882,395</u>	<u>3,647,070</u>	<u>3,246,059</u>	<u>3,309,986</u>
<i>Total Business-Type Activities Net Assets</i>	<u>24,344,173</u>	<u>25,643,037</u>	<u>32,351,944</u>	<u>32,675,257</u>
Primary government				
Invested in Capital Assets, Net of Related Debt	82,979,480	82,651,750	81,777,746	79,246,198
Restricted	12,923,716	10,212,831	10,039,038	9,455,828
Unrestricted	<u>16,671,604</u>	<u>15,114,948</u>	<u>11,726,616</u>	<u>11,538,390</u>
<i>Total Primary Government Net Assets</i>	<u>\$112,574,800</u>	<u>\$107,979,529</u>	<u>\$103,543,400</u>	<u>\$100,240,416</u>

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

2007	2006	2005	2004	2003
\$47,989,231	\$46,423,601	\$45,120,294	\$44,538,645	\$45,405,726
9,333,918	8,445,051	7,816,228	7,226,734	10,002,899
6,636,083	4,855,068	4,434,530	5,602,167	(2,600,603)
63,959,232	59,723,720	57,371,052	57,367,546	52,808,022
29,324,738	29,185,731	29,521,445	28,494,702	28,549,980
4,224,348	3,345,378	2,254,038	5,019,373	5,738,795
33,549,086	32,531,109	31,775,483	33,514,075	34,288,775
77,313,969	75,609,332	74,641,739	73,033,347	73,955,706
9,333,918	8,445,051	7,816,228	7,226,734	10,002,899
10,860,431	8,200,446	6,688,568	10,621,540	3,138,192
\$97,508,318	\$92,254,829	\$89,146,535	\$90,881,621	\$87,096,797

**City of Cleveland Heights, Ohio**

*Changes in Net Assets*

*Last Nine Years (1)*

*(accrual basis of accounting)*

	2011	2010	2009	2008
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$5,173,902	\$5,899,281	\$5,426,842	\$5,167,813
Public Safety	4,063,337	2,787,809	641,586	1,117,854
Public Health Services	60,043	1,320	1,140	875
Transportation	575,647	4,324	40,283	0
Community Development	1,264,852	1,682,112	824,958	1,232,524
Sanitation	394,745	1,522,649	1,456,358	640,906
Culture and Recreation	727,363	1,721,728	1,700,627	1,801,819
Operating Grants and Contributions	4,953,832	2,913,883	2,321,296	2,471,445
Capital Grants and Contributions	0	2,493,496	413,457	506,820
<i>Total Governmental Activities Program Revenues</i>	<u>17,213,721</u>	<u>19,026,602</u>	<u>12,826,547</u>	<u>12,940,056</u>
Business-Type Activities:		0		
Charges for Services:				
Water	10,125,904	0	0	0
Sewer	1,584,611	0	0	0
Utilities	0	12,746,117	13,772,780	13,039,119
Operating Grants and Contributions	0	0	4,990	0
Capital Grants and Contributions	0	547,852	111,469	0
<i>Total Business-Type Activities Program Revenues</i>	<u>11,710,515</u>	<u>13,293,969</u>	<u>13,889,239</u>	<u>13,039,119</u>
<i>Total Primary Government Program Revenues</i>	<u>28,924,236</u>	<u>32,320,571</u>	<u>26,715,786</u>	<u>25,979,175</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	15,240,828	16,283,136	14,221,696	12,147,129
Public Safety	19,139,951	19,266,592	17,365,410	18,628,409
Public Health Services	342,507	360,546	374,224	418,430
Transportation	5,620,385	6,755,636	4,608,968	6,881,110
Community Development	6,330,335	7,154,037	5,754,860	6,368,068
Sanitation	2,470,427	2,396,825	2,328,083	3,439,963
Culture and Recreation	3,466,238	3,562,465	3,721,292	3,947,966
Interest and Fiscal Charges	904,102	96,930	635,984	815,057
<i>Total Governmental Activities Expenses</i>	<u>53,514,773</u>	<u>55,876,167</u>	<u>49,010,517</u>	<u>52,646,132</u>
Business-Type Activities:				
Water	10,800,301	0	0	0
Sewer	2,217,378	0	0	0
Utilities	0	12,374,470	14,806,270	14,336,588
<i>Total Business-Type Activities Expenses</i>	<u>13,017,679</u>	<u>12,374,470</u>	<u>14,806,270</u>	<u>14,336,588</u>
<i>Total Primary Government Expenses</i>	<u>\$66,532,452</u>	<u>\$68,250,637</u>	<u>\$63,816,787</u>	<u>\$66,982,720</u>

2007	2006	2005	2004	2003
\$4,347,482	\$4,426,901	\$4,708,959	\$3,461,016	\$3,757,832
2,913,059	989,133	826,386	822,387	1,023,035
1,580	6,671	6,706	5,540	0
0	33,259	268,275	2,240,332	295,005
2,365,009	588,919	459,862	2,566,510	1,341,973
978,584	747,719	722,498	477,887	596,220
2,050,639	2,265,814	2,150,561	1,893,288	1,755,186
3,474,217	1,969,005	1,643,794	2,722,219	1,877,803
273,750	338,000	0	212,217	815,829
16,404,320	11,365,421	10,787,041	14,401,396	11,462,883
0	0	0	0	0
0	0	0	0	0
13,389,917	12,442,554	11,250,891	11,042,968	11,220,301
5,975	149,934	620,142	98,295	105,420
0	0	0	0	153,510
13,395,892	12,592,488	11,871,033	11,141,263	11,479,231
29,800,212	23,957,909	22,658,074	25,542,659	22,942,114
11,941,290	15,103,153	15,619,750	13,527,660	13,763,275
19,723,818	18,782,355	18,031,294	18,367,866	17,671,151
426,606	435,206	447,114	454,038	460,421
7,052,660	3,054,535	3,345,499	4,917,119	2,064,177
6,453,726	6,842,251	5,930,750	7,739,951	7,912,186
3,002,530	3,067,667	2,756,181	3,009,859	2,976,704
4,259,479	4,106,053	3,899,948	3,774,060	3,812,176
969,947	753,647	1,279,516	1,260,115	1,371,232
53,830,056	52,144,867	51,310,052	53,050,668	50,031,322
0	0	0	0	0
0	0	0	0	0
13,501,152	13,161,806	13,675,740	11,945,541	12,524,544
13,501,152	13,161,806	13,675,740	11,945,541	12,524,544
\$67,331,208	\$65,306,673	\$64,985,792	\$64,996,209	\$62,555,866

(continued)

**City of Cleveland Heights, Ohio**

*Changes in Net Assets (continued)*

*Last Nine Years (1)*

*(accrual basis of accounting)*

	2011	2010	2009	2008
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(\$36,301,052)	(\$36,849,565)	(\$36,183,970)	(\$39,706,076)
Business-Type Activities	(1,307,164)	919,499	(917,031)	(1,297,469)
<i>Total Primary Government Net Expense</i>	<u>(37,608,216)</u>	<u>(35,930,066)</u>	<u>(37,101,001)</u>	<u>(41,003,545)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Taxes:				
Property Taxes Levied For:				
General Purposes	6,955,676	7,865,388	7,236,862	7,076,452
Other Purposes	477,254	482,529	514,132	515,736
Debt Service	2,306,722	2,332,232	3,570,713	3,610,165
Capital Outlay	556,794	485,169	0	0
Municipal Income Taxes Levied For:				
General Purposes	24,162,250	20,202,521	19,994,781	21,877,327
Other Local Taxes	273,716	0	0	0
Grants and Entitlements not Restricted to Specific Programs	4,919,000	7,521,076	7,829,289	8,310,262
Franchise Taxes	565,476	0	0	0
Payment in Lieu of Taxes	141,241	0	0	0
Investment Earnings	127,999	169,445	112,881	416,225
Gain (Loss) on Sale of Capital Assets	0	0	0	0
Miscellaneous	1,694,674	1,295,993	1,054,747	1,789,096
Transfers	14,385	0	(503,138)	(283,260)
<i>Total Governmental Activities</i>	<u>42,195,187</u>	<u>40,354,353</u>	<u>39,810,267</u>	<u>43,312,003</u>
Business-Type Activities:				
Grants and Entitlements not Restricted to Specific Programs	0	0	0	0
Investment Earnings	0	4,085	21,561	86,224
Gain (Loss) on Sale of Capital Assets	0	0	0	0
Miscellaneous	22,685	7,757	69,019	54,156
Transfers	(14,385)	0	503,138	283,260
<i>Total Business-Type Activities</i>	<u>8,300</u>	<u>11,842</u>	<u>593,718</u>	<u>423,640</u>
<i>Total Primary Government</i>	<u>42,203,487</u>	<u>40,366,195</u>	<u>40,403,985</u>	<u>43,735,643</u>
<b>Change in Net Assets</b>				
Governmental Activities	5,894,135	3,504,788	3,626,297	3,605,927
Business-Type Activities	(1,298,864)	931,341	(323,313)	(873,829)
<i>Total Primary Government Change in Net Assets</i>	<u>\$4,595,271</u>	<u>\$4,436,129</u>	<u>\$3,302,984</u>	<u>\$2,732,098</u>

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

2007	2006	2005	2004	2003
(\$37,425,736)	(\$40,779,446)	(\$40,523,011)	(\$38,649,272)	(\$38,568,439)
(105,260)	(569,318)	(1,804,707)	(804,278)	(1,045,313)
(37,530,996)	(41,348,764)	(42,327,718)	(39,453,550)	(39,613,752)
8,216,507	6,713,918	6,462,966	10,954,701	5,279,179
531,102	489,038	472,622	481,968	410,382
3,806,226	3,496,022	3,913,630	389,310	4,727,127
0	0	0	0	0
21,869,012	23,073,254	21,015,495	21,883,632	20,418,119
0	0	0	0	0
6,607,694	8,431,052	7,468,935	6,473,704	7,506,950
0	0	0	0	0
0	0	0	0	0
668,428	672,273	372,478	196,901	313,444
0	0	0	(67,252)	29,509
717,745	727,929	1,113,746	1,100,189	1,260,931
(755,466)	(590,172)	(128,847)	4,888	4,261
41,661,248	43,013,314	40,691,025	41,418,041	39,949,902
0	0	0	0	0
351,419	415,954	74,039	33,633	68,751
0	0	0	(2,167)	13,650
16,352	37,837	68,462	3,000	21,020
755,466	590,172	128,847	(4,888)	(4,261)
1,123,237	1,043,963	271,348	29,578	99,160
42,784,485	44,057,277	40,962,373	41,447,619	40,049,062
4,235,512	2,233,868	168,014	2,768,769	1,381,463
1,017,977	474,645	(1,533,359)	(774,700)	(946,153)
\$5,253,489	\$2,708,513	(\$1,365,345)	\$1,994,069	\$435,310

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

	2011 (1)	2010	2009	2008
<b>General Fund</b>				
Reserved	\$0	\$0	\$524,144	\$566,116
Unreserved	0	0	5,282,107	3,369,353
Nonspendable	\$282,323	\$329,078	0	0
Assigned	4,978,336	358,103	0	0
Unassigned	2,764,002	7,740,531	0	0
<i>Total General Fund</i>	<u>8,024,661</u>	<u>8,427,712</u>	<u>5,806,251</u>	<u>3,935,469</u>
<b>All Other Governmental Funds</b>				
Reserved	0	0	2,135,795	2,315,658
Unreserved:				
Undesignated, Reported in:				
Special Revenue funds	0	0	3,078,106	2,846,750
Debt Service funds	0	0	3,642,458	3,304,603
Capital Projects funds (Deficit)	0	0	1,764,568	719,201
Nonspendable	95,526	1,608,483	0	0
Restricted	7,363,926	9,003,123	0	0
Committed	1,263,138	1,225,246	0	0
Assigned	356,140	1,409,066	0	0
Unassigned (Deficit)	(987,173)	(2,301,471)	0	0
<i>Total All Other Governmental Funds</i>	<u>8,091,557</u>	<u>10,944,447</u>	<u>10,620,927</u>	<u>9,186,212</u>
<i>Total Governmental Funds</i>	<u>\$16,116,218</u>	<u>\$19,372,159</u>	<u>\$16,427,178</u>	<u>\$13,121,681</u>

Note: During 2011, the City implemented GASB 54.

2007	2006	2005	2004	2003	2002
\$504,536	\$434,892	\$235,383	\$221,631	\$261,183	\$406,493
3,239,649	4,547,592	3,522,250	3,621,791	3,215,530	6,110,977
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>3,744,185</u>	<u>4,982,484</u>	<u>3,757,633</u>	<u>3,843,422</u>	<u>3,476,713</u>	<u>6,517,470</u>
1,830,706	2,063,226	2,249,303	2,965,651	2,385,227	2,332,517
2,828,052	1,721,695	811,709	1,767,319	1,731,121	2,542,932
2,869,545	2,652,333	3,260,162	3,204,502	3,276,721	3,418,626
586,408	571,406	171,120	(1,405,019)	(4,389,548)	(1,389,525)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>8,114,711</u>	<u>7,008,660</u>	<u>6,492,294</u>	<u>6,532,453</u>	<u>3,003,521</u>	<u>6,904,550</u>
<u>\$11,858,896</u>	<u>\$11,991,144</u>	<u>\$10,249,927</u>	<u>\$10,375,875</u>	<u>\$6,480,234</u>	<u>\$13,422,020</u>

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

	2011	2010	2009	2008	2007
<b>Revenues</b>					
Property Taxes	\$10,040,053	\$10,576,318	\$11,123,154	\$11,223,599	\$11,634,160
Municipal Income Taxes	19,359,768	20,623,037	20,282,703	21,826,496	22,022,446
Other Local Taxes	273,716	0	0	0	0
Charges for Services	4,909,865	3,571,709	3,535,575	2,895,109	3,520,404
Licenses, Permits and Fees	1,664,970	1,865,516	1,845,466	1,721,725	1,546,256
Fines and Forfeitures	2,789,862	2,956,629	3,062,880	2,994,955	2,377,640
Intergovernmental	9,983,844	12,879,753	10,780,543	11,248,160	11,351,954
Special Assessments	1,939,289	1,451,905	1,504,940	1,525,849	1,469,507
Interest	127,999	169,445	112,881	416,354	657,279
Rentals	54,571	0	0	0	0
Contributions and Donations	15,880	0	0	0	0
Franchise Taxes	565,476	0	0	0	0
Payment in Lieu of Taxes	141,241	0	0	0	0
Miscellaneous	1,694,674	2,530,200	2,533,055	3,551,511	1,978,668
<i>Total Revenues</i>	<u>53,561,208</u>	<u>56,624,512</u>	<u>54,781,197</u>	<u>57,403,758</u>	<u>56,558,314</u>
<b>Expenditures</b>					
Current:					
General Government	14,645,346	15,815,325	13,832,810	15,579,103	14,907,466
Public Safety	19,736,539	18,400,270	17,132,779	17,469,045	17,607,171
Public Health Services	385,716	360,312	386,646	400,213	414,663
Transportation	5,057,282	3,069,299	2,970,122	3,673,791	3,819,214
Community Development	5,944,549	6,302,268	5,255,571	5,785,519	5,909,549
Sanitation	2,248,499	2,134,046	2,119,740	2,598,622	2,618,865
Culture and Recreation	2,477,521	2,767,008	2,933,068	3,037,248	3,460,288
Capital Outlay	1,276,062	6,274,534	3,555,156	4,965,356	4,353,749
Debt service:					
Principal Retirement	4,318,896	1,859,529	2,136,867	1,292,366	1,880,646
Interest and Fiscal Charges	832,804	627,819	707,451	913,376	1,045,066
Bond Issuance Costs	0	0	0	214,813	0
<i>Total Expenditures</i>	<u>56,923,214</u>	<u>57,610,410</u>	<u>51,030,210</u>	<u>55,929,452</u>	<u>56,016,677</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,362,006)</u>	<u>(985,898)</u>	<u>3,750,987</u>	<u>1,474,306</u>	<u>541,637</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	34,260	24,273	17,796	16,056	14,531
General Obligation Notes and Bonds Issued	0	0	0	8,695,000	0
General Obligation Notes and Bonds Premium	0	0	0	228,332	0
Loans Issued	57,420	191,460	39,852	439,992	67,050
Inception of Capital Lease	0	450,000	0	136,000	0
Payment to Refunded Bond Escrow Agent	0	0	0	(9,460,000)	0
Transfers In	2,808,707	3,351,610	3,966,923	3,923,161	4,584,852
Transfers Out	(2,794,322)	(3,351,610)	(4,470,061)	(4,190,062)	(5,340,318)
<i>Total Other Financing Sources (Uses)</i>	<u>106,065</u>	<u>665,733</u>	<u>(445,490)</u>	<u>(211,521)</u>	<u>(673,885)</u>
<i>Net Change in Fund Balances</i>	<u>(\$3,255,941)</u>	<u>(\$320,165)</u>	<u>\$3,305,497</u>	<u>\$1,262,785</u>	<u>(\$132,248)</u>
Debt Service as a Percentage of Noncapital Expenditures	9.7%	4.8%	6.0%	4.3%	5.6%

2006	2005	2004	2003	2002
\$10,742,779	\$10,930,941	\$12,376,008	\$10,894,532	\$16,359,936
22,768,921	20,798,981	20,276,910	19,660,730	19,514,488
0	0	0	0	0
3,453,756	3,034,867	2,717,941	2,650,325	2,355,048
1,258,928	1,327,248	1,099,908	1,036,719	913,301
3,215,637	3,254,822	2,812,162	2,843,230	2,365,086
9,808,274	8,785,344	10,139,761	10,417,178	4,204,152
1,460,640	1,461,639	1,237,577	1,169,775	1,221,592
628,230	342,165	179,557	276,102	681,213
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
1,738,224	2,364,989	2,152,259	2,064,906	2,955,416
55,075,389	52,300,996	52,992,083	51,013,497	50,570,232
13,289,052	12,385,439	12,966,859	13,218,508	12,859,277
18,343,503	18,057,194	17,002,404	17,874,797	16,484,752
423,239	432,265	441,036	447,871	422,791
4,522,818	7,418,116	6,237,771	9,047,135	6,132,565
6,456,465	5,645,509	7,305,467	6,700,695	7,168,486
3,081,125	3,026,639	2,799,102	2,977,592	2,875,271
4,007,032	3,711,215	3,452,859	3,485,167	4,226,325
13,676	23,215	37,735	747,810	1,478,007
1,773,221	1,640,000	2,680,000	531,726	1,482,142
1,144,568	1,279,516	1,265,115	1,384,232	2,450,000
0	0	0	0	0
53,054,699	53,619,108	54,188,348	56,415,533	55,579,616
2,020,690	(1,318,112)	(1,196,265)	(5,402,036)	(5,009,384)
139,500	191,259	96,844	309,000	166,073
0	0	3,200,000	0	0
0	0	0	0	0
102,359	1,129,752	0	0	0
68,840	0	0	115,000	0
0	0	0	0	0
3,959,609	4,701,322	2,544,116	2,687,283	3,667,678
(4,549,781)	(4,830,169)	(2,539,228)	(2,683,022)	(3,662,743)
(279,473)	1,192,164	3,301,732	428,261	171,008
\$1,741,217	(\$125,948)	\$2,105,467	(\$4,973,775)	(\$4,838,376)
5.9%	6.0%	7.7%	4.1%	7.1%

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

	2011	2010	2009	2008
<b>Inside Millage</b>				
Operating	\$2.22000	\$2.22000	\$2.22000	\$0.92000
Debt	1.50000	1.50000	1.50000	2.80000
Fire Pension	0.30000	0.30000	0.30000	0.30000
Police Pension	0.30000	0.30000	0.30000	0.30000
<i>Total Unvoted Millage</i>	<u>4.32000</u>	<u>4.32000</u>	<u>4.32000</u>	<u>4.32000</u>
<b>Charter Millage</b>				
1976 Charter/Current Expense	6.48000	6.48000	6.48000	6.48000
1997 Bond (\$15,000,000)	1.40000	1.40000	1.40000	1.40000
2004 Charter/Recreation Improvements	0.70000	0.70000	0.70000	0.70000
<i>Total Voted Millage by Type of Property</i>	<u>8.58000</u>	<u>8.58000</u>	<u>8.58000</u>	<u>8.58000</u>
<i>Total Millage</i>	<u><u>\$12.90000</u></u>	<u><u>\$12.90000</u></u>	<u><u>\$12.90000</u></u>	<u><u>\$12.90000</u></u>
<b>Overlapping Rates by Taxing District</b>				
<i>Cleveland Heights - University Heights</i>				
General Business and Public Utility Personal	\$143.70000	\$136.80000	\$136.80000	\$136.70000
Residential/Agricultural Real	71.72203	64.31556	64.19275	60.29789
Commercial/Industrial and Public Utility Real	84.67923	76.56094	77.75290	76.29068
<i>Cleveland Heights Library</i>				
Operating - continuing				
General Business and Public Utility Personal	7.80000	7.80000	7.80000	7.80000
Residential/Agricultural Real	5.71080	5.67402	5.66510	5.38950
Commercial/Industrial and Public Utility Real	6.17445	6.07139	6.17273	6.08374
<i>Cuyahoga County</i>				
General Business and Public Utility Personal	13.22000	13.32000	13.32000	13.32000
Residential/Agricultural Real	13.11822	13.18662	13.17889	12.66073
Commercial/Industrial and Public Utility Real	12.78454	12.84125	12.84570	12.81530
<i>Special Taxing Districts (1)</i>				
General Business and Public Utility Personal	5.08000	5.08000	4.78000	4.78000
Residential/Agricultural Real	5.00415	4.98989	4.50688	4.15975
Commercial/Industrial and Public Utility Real	4.86484	4.84497	4.41194	4.39124

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

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

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

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

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

Source: Cuyahoga County, Ohio; County Fiscal Officer

2007	2006	2005	2004	2003	2002
\$0.92000	\$0.92000	\$0.92000	\$0.92000	\$0.92000	\$0.92000
2.80000	2.80000	2.80000	2.80000	2.80000	2.80000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
4.32000	4.32000	4.32000	4.32000	4.32000	4.32000
6.48000	6.48000	6.48000	6.48000	6.48000	6.48000
1.40000	1.50000	1.50000	1.60000	1.60000	1.60000
0.70000	0.70000	0.70000	0.70000	1.60000	1.70000
8.58000	8.68000	8.68000	8.78000	9.68000	9.78000
\$12.90000	\$13.00000	\$13.00000	\$13.10000	\$14.00000	\$14.10000
\$136.70000	\$129.60000	\$129.50000	\$129.60000	\$121.10000	\$121.10000
60.15715	53.01462	59.45227	59.52300	51.02045	58.04776
75.86764	68.98623	75.17352	71.84601	68.27274	70.12576
5.90000	5.90000	5.90000	5.90000	5.90000	5.90000
3.47928	3.47619	3.95099	3.94847	3.94826	4.55313
4.15755	4.17039	4.58113	4.35722	4.67908	4.81644
13.42000	13.42000	13.52000	13.52000	13.52000	14.65000
11.86887	11.86549	11.72274	10.97536	10.98986	12.46089
12.45356	12.49410	12.58806	11.98463	12.04332	12.87635
4.78000	4.78000	4.78000	4.78000	4.48000	1.55000
4.15898	4.15762	4.29655	4.29482	3.61906	1.27583
4.37987	4.39621	4.55968	4.51740	4.00964	1.34467

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

Collection Year	Real Property Assessed Values			Tangible Personal Property	
	Residential/ Agricultural	Commercial Industrial	Estimated	Assessed Values	Estimated
			Actual Value		Actual Value
2011	\$758,172,910	\$142,503,180	\$2,573,360,257	\$11,149,780	\$12,670,205
2010	767,304,310	146,782,270	2,611,675,943	10,757,850	12,224,830
2009	768,320,370	145,568,470	2,611,110,971	10,441,200	11,865,000
2008	820,746,690	147,702,300	2,766,997,114	9,840,320	11,182,182
2007	819,665,980	148,540,150	2,766,303,229	9,479,500	10,772,159
2006	816,780,760	153,391,080	2,771,919,543	15,185,570	17,256,330
2005	710,087,650	132,354,280	2,406,976,943	25,325,370	28,778,830
2004	709,043,670	133,121,050	2,406,184,914	27,401,630	31,138,216
2003	706,821,340	134,174,420	2,402,845,029	31,031,530	35,263,102
2002	563,120,040	124,975,940	1,965,988,514	28,711,240	32,626,409

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2010 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was in 2010). During 2011, the City did not include an assessed value for general business tangible personal property.

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

Source: Cuyahoga County, Ohio; County Fiscal Officer

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Tangible Personal Property

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General Business		Total			Direct Tax Rate
Assessed Values	Estimated Actual Value	Assessed Values	Estimated Actual Value	Ratio	
\$0	\$0	\$911,825,870	\$2,586,030,462	35.26 %	\$12.90
0	0	924,844,430	2,623,900,772	35.25	12.90
0	0	924,330,040	2,622,975,971	35.24	12.90
10,222,250	163,556,000	988,511,560	2,941,735,296	33.60	12.90
17,850,430	142,803,440	995,536,060	2,919,878,828	34.10	12.90
13,941,095	74,352,507	999,298,505	2,863,528,379	34.90	13.00
15,873,576	84,659,072	883,640,876	2,520,414,844	35.06	13.00
18,345,751	79,764,135	887,912,101	2,517,087,265	35.28	13.10
19,034,202	82,757,400	891,061,492	2,520,865,531	35.35	14.00
21,123,332	91,840,574	737,930,552	2,090,455,497	35.30	14.10

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

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy (2)
2011	\$12,141,783	\$11,045,724	90.97 %	\$1,771,588	\$12,817,312	105.56 %
2010	12,034,172	11,145,509	92.62	1,515,195	12,660,704	105.21
2009	12,686,328	11,734,295	92.50	1,304,581	13,038,876	102.78
2008	12,784,933	11,873,263	92.87	1,106,080	12,979,343	101.52
2007	12,956,143	12,012,023	92.71	1,149,571	13,161,594	101.59
2006	11,482,010	10,926,279	95.16	947,381	11,873,660	103.41
2005	11,592,970	10,734,065	92.59	961,632	11,695,697	100.89
2004	12,294,389	11,656,435	94.81	1,133,710	12,790,145	104.03
2003	10,790,451	10,045,171	93.09	1,250,800	11,295,971	104.68
2002	10,446,924	9,671,218	92.57	1,008,768	10,679,986	102.23

Source: Cuyahoga County, Ohio; County Fiscal Officer

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

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

**City of Cleveland Heights, Ohio**

*Principal Taxpayers*

2011 and 2002

Taxpayer	2011	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Severance SPE Lease Co., LLC	\$16,115,440	1.77%
Kaiser Foundation Health	11,621,820	1.27
Cleveland Electric Illuminating Company	8,507,250	0.94
Concord Apartments LLC	2,591,190	0.28
ARC Cleveland Heights LLC	2,537,510	0.28
Kensigton LTD Partnership	2,520,000	0.28
City of Cleveland Heights	2,367,120	0.26
Severance SPE FEECO LLC	2,354,630	0.26
Western Reserve Revitalization	2,229,290	0.24
Waldorf Partners LTD	2,183,590	0.24
<b>Total</b>	<b>\$53,027,840</b>	<b>5.82%</b>
<b>Total Assessed Valuation</b>	<b>\$911,825,870</b>	
Taxpayer	2002	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
SCIT Incorporated	\$12,791,600	1.73%
AT&T Wireless PCS	10,295,760	1.40
Kaiser Foundation Health Plan of Ohio	7,791,840	1.06
Cleveland Electric Illuminating Company	6,274,120	0.85
Ohio Bell Telephone Company	6,142,900	0.83
American Retirement Corporation	3,882,380	0.53
Kensigton LTD Partnership	3,674,690	0.50
Margaret Wagner Apartment Inc.	2,400,650	0.33
Concord Company	2,290,930	0.31
Waldorf Partners LTD	2,145,370	0.28
<b>Total</b>	<b>\$57,690,240</b>	<b>7.82%</b>
<b>Total Assessed Valuation</b>	<b>\$737,930,552</b>	

Source: Cuyahoga County Fiscal Officer

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

Year	Tax Rate	Total Tax Collected (1)	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits	Taxes From Individuals	Percentage of Taxes From Individuals
2011	2.00 %	\$19,214,462	\$6,699,569	35 %	\$421,295	2 %	\$12,093,598	63 %
2010	2.00	18,827,105	6,694,873	36	646,012	3	11,486,220	61
2009	2.00	20,085,142	6,713,661	33	662,329	3	12,709,152	63
2008	2.00	18,954,767	6,661,900	35	771,496	4	11,575,371	61
2007	2.00	19,845,822	6,716,031	34	668,921	3	17,366,824	88
2006	2.00	19,851,936	6,913,938	35	910,993	5	12,027,005	61
2005	2.00	19,031,390	6,738,821	35	695,989	4	11,596,580	61
2004	2.00	18,967,552	6,603,963	35	628,296	3	11,735,293	62
2003	2.00	18,261,002	6,519,016	36	571,850	3	11,170,136	61
2002	2.00	17,996,261	6,280,507	35	569,337	3	11,146,417	62

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

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

(1) Based on Cash Basis

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

Year	Population	Estimated Actual Value of Taxable Property	Gross Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt Per Capita
2011	46,121	\$2,586,030,462	\$14,125,000	0.55%	\$306
2010	46,121	2,623,900,772	15,895,000	0.61	345
2009	50,769	2,622,975,971	11,400,000	0.43	225
2008	50,769	2,941,735,296	13,110,000	0.45	258
2007	50,769	2,919,878,828	14,785,000	0.51	291
2006	50,769	2,863,528,379	16,315,000	0.57	524
2005	50,769	2,520,414,844	17,775,000	0.64	318
2004	50,769	2,517,087,265	19,185,000	0.71	350
2003	50,769	2,520,865,531	21,680,000	0.81	404
2002	50,769	2,090,455,497	24,070,000	1.10	455

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

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

Governmental Activities						
Year	General Obligation Bonds	Economic Development Bonds	Special Assessment Bonds	Bond Anticipation Notes	Capital Leases	OPWC Loans
2011	\$14,125,000	\$0	\$2,685,000	\$0	\$408,081	\$1,307,256
2010	15,895,000	235,000	2,770,000	1,850,000	637,743	1,399,070
2009	11,400,000	460,000	2,850,000	0	122,055	1,226,097
2008	13,110,000	680,000	2,930,000	905,000	172,280	1,262,887
2007	14,785,000	890,000	3,010,000	910,000	53,000	1,405,583
2006	16,315,000	1,090,000	3,085,000	1,184,960	86,639	1,414,179
2005	17,775,000	1,285,000	3,160,000	1,821,400	61,019	1,481,006
2004	19,185,000	1,475,000	3,200,000	3,499,000	116,548	369,741
2003	21,680,000	1,660,000	0	6,127,000	510,650	0
2002	24,070,000	1,840,000	0	2,614,000	642,769	0

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

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

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Business - Type Activities

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General Obligation Bonds	Bond Anticipation Notes	OPWC Loans	OWDA Loans	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (2)
\$0	\$0	\$1,043,867	\$589,433	\$0	\$20,158,637	1.44%	\$437
0	0	1,172,917	495,486	0	24,455,216	1.75	530
6,210,000	0	1,237,667	335,792	267,003	24,108,614	1.84	934
6,355,000	0	1,334,567	327,487	479,366	27,556,587	2.10	1,068
0	6,600,000	1,431,465	119,926	695,037	29,900,011	2.28	1,159
0	7,327,040	1,528,364	0	903,602	32,934,784	2.51	1,276
0	7,902,600	1,801,828	0	391,086	35,678,939	2.72	1,383
0	0	939,688	0	205,233	28,990,210	2.21	1,123
0	0	1,001,891	0	0	30,979,541	2.36	1,201
0	0	1,067,414	0	0	30,234,183	2.31	1,172

**City of Cleveland Heights, Ohio**

*Legal Debt Margin*

*Last Ten Years*

	2011	2010	2009	2008
General Bonded Debt Outstanding:				
General Obligation Bonds	\$14,125,000	\$15,895,000	\$11,400,000	\$13,110,000
Special Assessment Bonds	2,685,000	2,770,000	2,850,000	2,930,000
Bond Anticipation Notes	1,703,000	1,850,000	0	905,000
OPWC Loans	1,307,256	1,399,070	1,226,097	1,262,887
Total	<u>19,820,256</u>	<u>21,914,070</u>	<u>15,476,097</u>	<u>18,207,887</u>
Assessed Property Value	<u>911,825,870</u>	<u>924,844,430</u>	<u>924,330,040</u>	<u>988,511,560</u>
Less:				
Special Assessment Bonds	(2,685,000)	(2,770,000)	(2,850,000)	(2,930,000)
Bond Anticipation Notes	(1,703,000)	(1,850,000)	0	(905,000)
OPWC Loans	(1,307,256)	(1,399,070)	(1,226,097)	(1,262,887)
General Bond Retirement Fund Balance	<u>(3,485,699)</u>	<u>(3,790,860)</u>	<u>(3,642,458)</u>	<u>(3,304,603)</u>
Total Net Debt Applicable to Debt Limit	<u>10,639,301</u>	<u>12,104,140</u>	<u>7,757,542</u>	<u>9,805,397</u>
Overall Legal Debt Limit				
10 1/2% of Assessed Valuation	<u>95,741,716</u>	<u>97,108,665</u>	<u>97,054,654</u>	<u>103,793,714</u>
Legal Debt Margin Within 10 1/2% Limitations	<u>\$85,102,415</u>	<u>\$85,004,525</u>	<u>\$89,297,112</u>	<u>\$93,988,317</u>
Legal Debt Margin as a Percentage of the Debt Limit	88.89%	87.54%	92.01%	90.55%
Unvoted Debt Limitation				
5 1/2% of Assessed Valuation	<u>\$50,150,423</u>	<u>\$50,866,444</u>	<u>\$50,838,152</u>	<u>\$54,368,136</u>
Total Gross Indebtedness	19,820,256	21,914,070	15,476,097	18,207,887
Less:				
Special Assessment Bonds	(2,685,000)	(2,770,000)	(2,850,000)	(2,930,000)
Bond Anticipation Notes	(1,703,000)	(1,850,000)	0	(905,000)
OPWC Loans	(1,307,256)	(1,399,070)	(1,226,097)	(1,262,887)
General Bond Retirement Fund Balance	<u>(3,485,699)</u>	<u>(3,790,860)</u>	<u>(3,642,458)</u>	<u>(3,304,603)</u>
Net Debt Within 5 1/2% Limitations	<u>10,639,301</u>	<u>12,104,140</u>	<u>7,757,542</u>	<u>9,805,397</u>
Unvoted Legal Debt Margin Within 5 1/2% Limitations	<u>\$39,511,122</u>	<u>\$38,762,304</u>	<u>\$43,080,610</u>	<u>\$44,562,739</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	78.79%	76.20%	84.74%	81.96%

Source: City Financial Records

2007	2006	2005	2004	2003	2002
\$14,785,000	\$16,315,000	\$17,775,000	\$19,185,000	\$21,680,000	\$24,070,000
3,010,000	3,085,000	3,160,000	3,200,000	0	0
910,000	1,184,960	1,821,400	3,499,000	6,127,000	2,614,000
1,405,583	1,414,179	1,481,006	369,741	0	0
20,110,583	21,999,139	24,237,406	26,253,741	27,807,000	26,684,000
995,536,060	999,298,505	883,640,876	887,912,101	891,061,492	737,930,552
(3,010,000)	(3,085,000)	(3,160,000)	(3,200,000)	0	0
(910,000)	(1,184,960)	(1,821,400)	(3,499,000)	(6,127,000)	(2,614,000)
(1,405,583)	(1,414,179)	(1,481,006)	(369,741)	0	0
(2,869,545)	(2,652,333)	(3,260,162)	(3,204,502)	(3,276,721)	(3,418,626)
11,915,455	13,662,667	14,514,838	15,980,498	18,403,279	20,651,374
104,531,286	104,926,343	92,782,292	93,230,771	93,561,457	77,482,708
\$92,615,831	\$91,263,676	\$78,267,454	\$77,250,273	\$75,158,178	\$56,831,334
88.60%	86.98%	84.36%	82.86%	80.33%	73.35%
\$54,754,483	\$54,961,418	\$48,600,248	\$48,835,166	\$49,008,382	\$40,586,180
20,110,583	21,999,139	24,237,406	26,253,741	27,807,000	26,684,000
(3,010,000)	(3,085,000)	(3,160,000)	(3,200,000)	0	0
(910,000)	(1,184,960)	(1,821,400)	(3,499,000)	(6,127,000)	(2,614,000)
(1,405,583)	(1,414,179)	(1,481,006)	(369,741)	0	0
(2,869,545)	(2,652,333)	(3,260,162)	(264,921)	(424,437)	(431,065)
11,915,455	13,662,667	14,514,838	18,920,079	21,255,563	23,638,935
\$42,839,028	\$41,298,751	\$34,085,410	\$29,915,087	\$27,752,819	\$16,947,245
78.24%	75.14%	70.13%	61.26%	56.63%	41.76%

**City of Cleveland Heights, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2011*

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Cleveland Heights
<b>Direct Debt</b>			
City of Cleveland Heights			
General Obligation Bonds	\$14,125,000	100.00%	\$14,125,000
Special Assessment Bonds	2,685,000	100.00	2,685,000
OPWC Loans	1,307,256	100.00	1,307,256
Capital Leases	408,081	100.00	408,081
<b>Total Direct Debt</b>	<b>18,525,337</b>		<b>18,525,337</b>
<b>Overlapping Debt:</b>			
Payable from Property Taxes			
Cuyahoga County Bonds	298,113,842	3.06	9,122,284
Regional Transit Authority Bonds	146,708,371	3.06	4,489,276
Cleveland Heights -			
University Heights City School District	14,890,000	75.75	11,279,175
Payable from Other Sources:			
Revenue Bonds	166,580,000	3.06	5,097,348
Cuyahoga County Capital Leases	20,851,000	3.06	638,041
Cuyahoga County Loans	8,310,000	3.06	254,286
Regional Transit Authority Capital Lease	19,365,767	3.06	592,592
Cleveland Heights -			
University Heights City School District Leases	1,544,828	75.75	1,170,207
<b>Total Overlapping Debt</b>	<b>676,363,808</b>		<b>32,643,208</b>
<b>Total</b>	<b>\$694,889,145</b>		<b>\$51,168,545</b>

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2011 collection year.

**City of Cleveland Heights, Ohio**

*Principal Employers*

2011 and 2006

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2011 (1)

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Employer	Employees
Cleveland Heights - University Heights City School District	1,470
City of Cleveland Heights	789
Kaiser Foundation	313
CAS Health Investors	234
Home Depot	223
Toyota on the Heights	144
Motorcars	128
Cleveland Heights Library	129
<b>Total</b>	<b>3,430</b>
<b>Total City Employment</b>	<b>n/a</b>

2006 (2)

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Employer	Employees	Percentage of Total City Employment
Cleveland Heights - University Heights City School District	851	2.71 %
City of Cleveland Heights	496	1.58
Kaiser Foundation	375	1.19
Walmart	250	0.80
Motorcars	200	0.64
Hebrew Academy	145	0.46
Home Depot	135	0.43
Cedarwood Plaza	130	0.41
Zagara's	125	0.40
Cleveland Heights Library	107	0.33
<b>Total</b>	<b>2,814</b>	<b>8.95 %</b>
<b>Total City Employment</b>	<b>31,440</b>	

**Source:** City of Cleveland Heights, Department of Income Tax - 2006  
Regional Income Tax Agency (RITA) - 2011

(1) The City contracted with RITA for the collection of its municipal income tax effective July 7, 2011. Therefore, due to mid -year conversion, accurate statistics were not available for the rest of the employers and the total employment within the City.

(2) Information prior to 2006 is not available.

n/a - not available

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

Year	Population (a)	Total Personal Income	Per Capita Personal Income	Median Household Income	Median Age	Educational Attainment: High School or higher
2011	46,121	\$1,395,621,460	\$30,260	\$49,056	35.7	92.3 %
2010	46,121	1,395,621,460	30,260	49,056	35.7	92.3
2009	50,769	1,310,043,276	25,804	47,400	35.2	91.6
2008	50,769	1,310,043,276	25,804	47,400	35.2	91.6
2007	50,769	1,310,043,276	25,804	47,400	35.2	91.6
2006	50,769	1,310,043,276	25,804	58,028	35.2	91.6
2005	50,769	1,310,043,276	25,804	58,028	35.2	91.6
2004	50,769	1,310,043,276	25,804	58,028	35.2	91.6
2003	50,769	1,310,043,276	25,804	58,028	35.2	91.6
2002	50,769	1,310,043,276	25,804	58,028	35.2	91.6

(a) Source: U. S. Census, Census of population  
 2010- 2011: 2010 Federal Census  
 2001-2009: 2000 Federal Census

(b) Source: Cuyahoga County Fiscal Officer

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

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School Enrollment ( c )	Cuyahoga County Unemployment Rate	Average Sales Price of Residential Property	Total Assessed Property Value ( b )
5,870	7.1 %	n/a	\$911,825,870
5,832	8.6	131,300	924,844,430
5,899	7.4	131,300	924,330,040
6,286	5.2	131,300	988,511,560
6,286	5.7	131,300	995,536,060
6,473	5.7	245,290	999,298,505
6,717	5.7	178,000	883,640,876
6,887	6.2	160,000	8,879,912,101
7,044	6.4	158,710	891,061,542
7,100	6.7	150,281	737,930,552

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

<b><u>Function/program</u></b>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>General Government:</b>						
Mangement/Council	7.0	7.0	7.0	8.0	8.0	8.0
Finance	7.5	17.5	19.0	19.5	18.0	22.0
Off-Street Parking	3.0	3.0	3.0	3.0	3.0	2.0
<b>Planning/Community</b>						
Development	12.0	12.0	12.0	14.0	13.5	13.0
Building/Inspectional	16.5	15.0	15.5	18.0	20.0	22.0
Municipal Court	29.0	26.0	23.5	23.0	26.0	24.0
Other	19.0	18.5	18.5	21.0	25.0	27.0
<b>Public Safety:</b>						
Police						
Officers	113.0	111.0	111.0	118.0	115.5	108.0
Civilians/Crossing Guards	4.0	4.0	4.0	4.0	4.0	12.0
Fire						
Firefighters and officers	71.0	72.0	75.0	78.0	79.0	79.0
Civilians/Dispatch	10.5	10.0	9.0	9.0	9.0	8.0
<b>Culture and Recreation:</b>	56.5	59.5	59.0	65.0	72.0	70.0
<b>Sanitation:</b>	30.0	29.0	29.0	31.0	32.0	33.0
<b>Transportation:</b>	19.0	21.0	28.0	22.0	26.0	23.0
<b>Other Public Works Departments</b>	21.0	23.0	23.0	23.0	24.0	24.5
<b>Public Utilities:</b>						
Water	18.0	18.0	17.0	17.0	19.0	20.0
Wastewater	10.0	10.0	10.0	11.0	10.0	10.0
<b>Totals:</b>	<u>447.0</u>	<u>456.5</u>	<u>463.5</u>	<u>484.5</u>	<u>504.0</u>	<u>505.5</u>

**Source:** City of Cleveland Heights Payroll/ Human Resources Department

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

Count taken at December 31.

2005	2004	2003	2002
8.0	8.5	9.0	8.0
22.0	21.0	23.0	23.0
2.0	1.0	2.0	2.0
13.0	14.5	21.0	20.5
22.0	21.5	22.0	27.0
24.0	22.0	24.5	24.0
27.0	23.0	26.5	30.0
108.0	114.0	117.0	119.0
12.0	4.0	5.0	5.0
79.0	79.0	78.0	76.0
8.0	8.0	9.0	10.0
70.0	48.0	66.0	82.0
32.0	34.0	35.0	36.0
26.0	23.0	32.0	31.0
24.5	24.0	27.5	31.5
20.0	19.5	23.0	23.0
10.0	13.0	11.0	11.0
<u>507.5</u>	<u>478.0</u>	<u>531.5</u>	<u>559.0</u>

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

Function/program	2011	2010	2009	2008
<b>General Government</b>				
<b>Council and Clerk</b>				
Number of ordinances passed	52	51	32	72
Number of resolutions passed	112	117	95	111
Number of Planning Commission docket items	22	27	17	16
Number of Board of Zoning Appeals docket items	28	30	31	33
<b>Finance Department</b>				
Number of checks/ accounts payable vouchers issued	6,363	6,327	6,191	6,842
Amount of checks written	\$27,736,616	\$34,223,380	\$26,202,955	\$27,805,150
Interest earnings for fiscal year (cash basis)	\$98,115	\$150,034	\$311,695	\$458,811
Number of journal entries issued	415	331	352	335
Agency Ratings - Moody's Financial Services	Aa3	Aa3	Aa3	Aa3
<b>Income Tax Department</b>				
Number of refund checks/vouchers issued	*	1,146	1,065	1,100
Amount of checks written	*	\$361,142	\$335,724	\$384,020
Number of individual returns	*	16,197	15,483	15,660
Number of business returns	*	1,899	1,931	1,331
Number of business withholding returns	*	10,610	10,654	10,343
Amount of penalties and interest collected	*	\$124,498	\$64,601	\$49,630
Annual number of corporate withholding forms processed	*	10,670	10,654	10,343
Annual number of balance due statements processed	*	46,769	47,806	48,909
Annual number of estimated payment forms processed	*	46,769	47,806	48,909
Annual number of reconciliations of withholdings processed	*	1,731	2,073	1,495
<b>Municipal Court</b>				
Number of civil cases	1,520	1,520	1,755	1,864
Number of criminal cases	2,919	2,919	3,123	3,047
<b>Public Safety</b>				
<b>Fire</b>				
EMS calls	4,631	4,374	4,098	4,113
Fire calls	1,211	1,136	1,119	1,247
Fires with loss	54	60	48	57
Fire safety inspections/re-inspections	1000+	1000+	1000+	1000+
Number of times mutual aid given to Fire and EMS	76	72	45	71
Number of times mutual aid received from Fire and EMS	91	51	66	65
<b>Civil Service</b>				
Number of police entry tests administered	1	0	0	1
Number of fire entry tests administered	1	0	0	0
Number of fire promotional tests administered	3	0	0	0
Number of hires of police officers from certified lists	7	8	4	0
Number of hires of fire/medics from certified lists	6	0	0	0
Number of promotions from fire certified lists	4	0	0	0
Number of police promotional tests administered	2	2	3	0
<b>Public Health Services (b)</b>				
Vital Statistics				
Number of birth certificates sold	0	0	0	0
Number of death certificates sold	0	0	0	0
Number of burial permits issued	0	0	0	0
<b>Culture and Recreation</b>				
Senior activity center receipts	\$57,911	\$51,818	\$56,039	\$54,521
Swimming pools receipts	\$98,739	\$97,618	\$87,468	\$95,385
Ice program receipts	\$53,505	\$56,607	\$49,967	\$50,456
General recreation program receipts	\$96,470	\$97,908	\$143,470	\$69,056
Child care/summer program receipts (a)	\$0	\$0	\$0	\$157,639
Sports programs receipts	\$208,882	\$202,654	\$194,513	\$204,718
Community center program receipts	\$627,573	\$658,871	\$606,401	\$706,337
Cain park program receipts	\$428,296	\$425,099	\$492,280	\$419,008

2007	2006	2005	2004	2003
42	45	62	65	69
116	98	106	123	115
23	25	30	33	38
26	24	27	39	n/a
7,090	7,252	7,404	7,861	n/a
\$32,223,691	\$26,767,750	\$29,584,579	\$30,834,075	n/a
\$1,026,304	\$987,192	\$437,830	\$369,534	\$556,306
371	278	302	305	n/a
Aa3	Aa3	Aa3	Aa3	Aa3
1,247	1,332	1,229	1,304	n/a
\$362,176	\$307,635	\$367,483	\$392,189	\$292,108
17,797	18,569	19,112	17,161	n/a
1,881	1,912	1,809	1,859	n/a
1,386	1,760	1,691	1,628	n/a
\$91,867	\$271,651	\$99,467	\$181,190	n/a
1,760	1,760	1,691	1,628	n/a
58,087	58,087	79,710	78,217	n/a
58,087	58,087	79,710	78,217	n/a
1,348	1,837	1,683	78,217	n/a
2,014	2,700	1,270	1,831	1,630
3,582	3,408	2,985	2,956	3,218
4,047	3,984	4,168	4,034	4,159
1,304	1,261	1,143	1,141	1,269
51	55	88	51	78
1000+	1000+	1000+	1000+	1000+
90	103	89	84	26
82	42	77	80	56
0	0	0	1	n/a
1	0	1	0	n/a
0	0	1	0	n/a
2	0	0	4	n/a
0	1	1	0	n/a
0	1	2	0	n/a
0	0	0	0	n/a
0	177	224	186	185
0	646	586	553	569
0	650	770	721	615
\$46,198	\$47,239	\$49,503	\$54,307	\$59,306
\$103,788	\$97,851	\$108,565	\$99,862	\$92,037
\$52,876	\$83,050	\$76,679	\$98,986	\$126,268
\$71,849	\$76,648	\$77,122	\$63,873	\$61,098
\$211,603	\$202,417	\$206,777	\$185,493	\$154,387
\$224,013	\$222,546	\$223,602	\$218,709	\$167,484
\$708,994	\$737,836	\$678,549	\$632,413	\$697,677
\$583,553	\$732,301	\$666,202	\$602,292	\$459,432

(continued)

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

Function/program	2011	2010	2009	2008
<b>Community Development</b>				
<b>Building Department</b>				
Construction permits issued - residential	792	964	928	1,307
Construction permits issued - commercial	92	108	97	110
Estimated value of construction - residential	\$10,638,000	\$11,304,000	\$7,369,000	\$9,392,000
Estimated value of construction - commercial	\$9,091,000	\$4,803,000	\$4,563,000	\$8,490,000
Number of permits issued	3,172	3,599	3,406	3,813
Amount of revenue generated from permits	\$311,809	\$383,576	\$211,663	\$227,462
Amount of revenue generated from fees/contractors licenses	\$113,420	\$117,625	\$349,193	\$348,592
Number of contractor registrations issued	853	1,407	1,151	1,078
Number of inspections performed	8,193	9,004	8,190	7,385
<b>Community Development</b>				
Annual entitled grant award	\$1,601,941	\$1,909,731	\$1,757,055	\$1,723,214
Program income received	\$506,829	\$344,680	\$308,859	\$409,675
CDBG-recovery and reinvestment award	\$0	\$0	\$467,840	\$0
Neighborhood stabilization program	\$250,000	\$0	\$2,351,526	\$0
Homelessness prevention and rapid re-housing program	\$0	\$0	\$715,677	\$0
<b>Sanitation</b>				
Refuse disposal costs per year January through December (c)	n/a	n/a	n/a	n/a
<b>Transportation</b>				
Crackseal Coating Program (lbs.)	5,065	7,155	5,145	12,000
Street repair (curb, aprons, berms, asphalt) (hours)	5,520	5,520	5,972	6,240
Line striping (hours)	1,792	1,848	1,704	2,024
Street Sweeping (hours)	2,960	2,960	8,255	1,867
Cold Patch (hours)	5,760	5,440	3,723	3,120
Snow and ice removal - regular hours	6,720	7,840	2,688	7,840
Snow and ice removal - overtime hours	3,191	4,257	2,856	6,441
Landscaping Stump-Chipper Service (hours)	5,668	5,200	4,610	4,972
Leaf collection - fall (hours)	11,047	10,828	10,613	12,647
Equipment repair/body shop (hours)	16,640	16,640	16,640	16,173
Number of trees planted per year	250	309	145	369
Tons of snow meting salt purchased	4,469	5,443	3,418	14,128
Cost of snow/calcium chloride purchased	\$210,907	\$238,918	\$144,305	\$492,377
Skunk removals	n/a	n/a	n/a	n/a
<b>Water Department</b>				
Water rates per 1,000 cu ft of water used	57	57	57	49
Average number of water accounts billed monthly (cu ft)	15,419	15,439	15,500	15,876
Total water collections annually (including P&I)	\$10,050,111	\$10,628,905	\$12,676,221	\$9,621,815
Payments to Cleveland for bulk water purchases	\$779,438	\$9,332,522	\$7,673,574	\$7,656,758
<b>Wastewater Department</b>				
Wastewater rates per 1,000 cu ft of water used (local)	11	11	10	10
Sewer and sanitary calls for service	326	360	1,400	515

Source: City of Cleveland Heights departments

Notes:

- (a) Beginning 2009, child care/summer programs were merged with the general recreational programming.
- (b) Public health handled at the County level in 2007.
  - \* The City contracted with Regional Income Tax Agency for the collection of its municipal income tax effective July 7,2011 Therefore, due to mid-year conversion, accurate statistics are not available.
- (c) Beginning 2004, expenses were paid out of Department 6203 prior to that, expenses were paid out of Department 6204.
- (1) Information prior to 2003 is not available  
 n/a: Information not available

2007	2006	2005	2004	2003
1,741	1,499	1,893	1,932	n/a
171	137	178	175	n/a
\$12,902,000	\$15,055,000	\$16,065,000	\$13,479,000	n/a
\$27,378,000	\$18,528,000	\$36,806,000	\$16,682,000	n/a
4,563	4,103	5,109	5,307	n/a
\$309,977	\$426,412	\$522,638	\$331,876	n/a
\$568,550	\$426,650	\$547,318	\$403,715	n/a
1,269	1,187	1,311	1,222	n/a
9,150	9,458	9,018	8,501	n/a
\$1,778,281	\$1,773,674	\$1,968,638	\$2,072,000	\$2,102,000
\$373,184	\$440,590	\$498,877	\$479,534	\$461,804
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
n/a	n/a	634,747	642,686	693,349
12,000	15,000	15,000	32,000	4,400
8,000	8,320	8,320	8,320	n/a
700	643	775	800	2,003
2,400	2,712	1,501	1,953	n/a
3,916	4,160	4,160	4,160	n/a
5,107	3,456	2,900	2,300	n/a
4,476	2,356	8,275	3,507	n/a
5,198	4,128	3,800	3,975	n/a
17,875	16,695	8,704	n/a	n/a
19,720	21,500	21,500	21,500	n/a
270	278	304	552	353
13,403	6,910	18,780	14,371	n/a
\$438,970	\$221,946	\$586,406	\$455,917	\$524,151
165	101	134	421	1,770
47	42	41	40	39
15,920	15,915	15,970	15,980	15,583
\$9,429,481	\$8,802,440	\$7,995,432	\$7,283,991	\$7,973,477
\$7,355,075	\$7,509,876	\$8,170,774	\$7,139,993	n/a
10	10	10	7	7
526	549	439	489	612

**City of Cleveland Heights, Ohio**  
*Capital Asset Statistics by Function/Program*  
*Last Nine Years (1)*

<b>Function/program</b>	2011	2010	2009	2008
<b>General Government</b>				
Square Footage Occupied	68,000	68,000	68,000	68,000
Administrative Vehicles	14	16	18	22
Inspection Vehicles	14	22	17	18
Municipal Court Vehicles	2	2	2	2
Lands and Building Vehicles	14	22	21	16
<b>Police</b>				
Stations	1	1	1	1
Square Footage of Building	18,877	18,877	18,877	18,877
Vehicles	100	106	120	153
<b>Fire</b>				
Stations	2	2	2	2
Square Footage of Building	24,068	24,068	24,068	24,068
Vehicles	19	18	20	20
<b>Recreation</b>				
Number of Parks	6	6	6	6
Number of Pools	1	1	1	1
Number of Ice Rinks	2	2	2	2
Number of Tennis Courts	18	18	18	18
Number of Skateboarding Areas	1	1	1	1
Number of baseball Diamonds	9	9	9	9
Number of Basketball Courts	5	5	5	5
Community Center Square Footage	150,000	150,000	150,000	150,000
Vehicles	12	27	10	34
<b>Other public works</b>				
Streets (miles)	137	137	137	137
Curbs (miles)	249	249	249	249
Square footage of Garage/Transfer Station	42,244	42,244	42,244	42,244
Service Vehicles	105	125	132	153
<b>Wastewater</b>				
Sanitary sewers (miles)	150	150	150	150
Storm sewers (miles)	150	150	150	150

Sources:

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

(1) Information Prior to 2003 is not available

n/a: Information not available

2007	2006	2005	2004	2003
68,000	68,000	68,000	68,000	68,000
16	17	18	18	11
18	17	17	17	19
2	2	2	2	2
16	22	23	19	20
1	1	1	1	1
18,877	18,877	18,877	18,877	18,877
118	107	119	127	113
2	2	2	2	2
24,068	24,068	24,068	24,068	24,068
19	20	20	23	20
6	6	6	6	6
2	2	2	2	2
2	2	2	2	2
18	18	18	18	18
1	1	1	1	1
9	9	9	9	9
5	5	5	5	5
150,000	150,000	150,000	150,000	150,000
13	17	20	21	21
137	137	137	137	137
249	249	249	249	249
42,244	42,244	42,244	42,244	42,244
145	117	90	101	92
150	150	150	150	150
150	150	150	150	150



Cleveland Heights ohio



# Dave Yost • Auditor of State

**CITY OF CLEVELAND HEIGHTS**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 24, 2012**