



Dave Yost • Auditor of State



CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY

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# Dave Yost • Auditor of State

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

City of Warrensville Heights  
Cuyahoga County  
4301 Warrensville Center Road  
Warrensville Heights, Ohio 44128

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights, Cuyahoga County, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 31, 2015.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **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, opining 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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2014-001 and 2014-002.

### **Entity's Response to Findings**

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

### ***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

July 31, 2015

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2014**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**FINDING NUMBER 2014-001**

**Appropriations in Excess of Estimated Resources – Material Noncompliance**

Ohio Rev. Code § 5705.39 states that the total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure therefrom, as certified by the budget commission, or in case of appeal, by the board of tax appeals. No appropriation measure shall become effective until the county auditor files with the appropriating authority a certificate that the total appropriations from each fund, taken together with all other outstanding appropriations, do not exceed such official estimate or amended official estimate. When the appropriation does not exceed such official estimate, the county auditor shall give such certificate forthwith upon receiving from the appropriating authority a certified copy of the appropriation measure. Appropriations shall be made from each fund only for the purposes for which such fund is established.

As of December 31, 2014, original appropriations exceeded original estimated resources in the Street Construction, Maintenance, and Repair Fund by \$184,652.

As of December 31, 2014, final appropriations exceeded final estimated resources in the Street Construction, Maintenance, and Repair Fund by \$167,649.

This weakness may result in the City spending more than their available resources and lead to negative cash fund balances.

We recommend the City establish procedures to ensure total appropriations do not exceed total estimated resources.

**Official's Response:**

The City will monitor the estimated revenues and the budget activity more frequently to comply with Ohio Revised Code 5705.39

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2014**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**FINDING NUMBER 2014-002**

**Expenditures Plus Encumbrances in Excess of Appropriations – Material Noncompliance**

Ohio Rev. Code §5705.41(B) prohibits a subdivision or taxing unit from making expenditures unless they have been properly appropriated. Budgetary expenditures (that is, expenditures and encumbrances) as enacted by Council may not exceed appropriations at the legal level for all funds.

The following funds had expenditures plus encumbrances in excess of appropriations at December 31, 2014:

Fund	Appropriations	Expenditures Plus Encumbrances	Variance
<b>Major Fund:</b>			
General Obligation Bond Retirement	\$7,213,000	\$7,323,808	\$110,808
<b>Nonmajor Funds:</b>			
<b>Special Revenue Funds:</b>			
Building Levy	198,000	216,260	18,260
Neighborhood Street Light	3,800	145,260	141,460
<b>Capital Projects Funds:</b>			
City Hall Boiler Replacement	2,000	21,750	19,750

This weakness may result in the City spending more than their available resources and could result in unauthorized expenditures.

We recommend the City compare expenditures and encumbrances to appropriations in all funds which are legally required to be budgeted prior to making expenditure commitments, and make all necessary adjustments to the amounts appropriated to ensure compliance with the above requirements. This comparison, and amendment if necessary, should be completed on a monthly basis at a minimum.

**Official's Response:**

The City will be more diligent in its review of expenditures and encumbrances to comply with Ohio Revised Code 5705.41.

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2014**

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>
2013-001	Intergovernmental receipts were misposted as other revenue in Other Governmental Funds.	No	Not corrected, see management letter.
2013-002	Appropriations exceeded estimated resources.	No	Not corrected, see finding 2014-001.
2013-003	Expenditures plus encumbrances exceeded appropriations.	No	Not corrected, see finding 2014-002.

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# City of Warrensville Heights, Ohio

## Comprehensive Annual Financial Report Year Ended December 31, 2014



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# **City of Warrensville Heights, Ohio**

**Comprehensive Annual Financial Report  
For the Year Ended December 31, 2014**

**Issued by the Department of Finance**

**Rubin K. Moultrie, CPA  
Finance Director**

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# City of Warrensville Heights

For the Year Ended December 31, 2014

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# City of Warrensville Heights

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# City of Warrensville Heights

4301 Warrensville Center Road  
Warrensville Heights, Ohio 44128  
(216) 587-6500

**Bradley D. Sellers**  
Mayor

**Rubin K. Moultrie, CPA**  
Finance Director

July 17, 2015

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

We are pleased to submit the *Comprehensive Annual Financial Report of the City of Warrensville Heights* for the year ended December 31, 2014. This report enables the City to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis. It is also in compliance with the Ohio Revised Code Section 117.38, which requires the cities that are reporting on a GAAP basis to file unaudited basic financial statements with the Auditor of State within 150 days after fiscal year end. This report is submitted to satisfy that requirement.

Management assumes full responsibility for both the completeness and reliability of the information contained within this report, based upon a comprehensive framework of internal controls that has been established for this purpose. Because the cost of internal controls 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.

The Ohio Auditor of State, Dave Yost, has issued an unmodified (“clean”) opinion on the City of Warrensville Heights’ financial statements for the year ended December 31, 2014. The *Independent Auditor’s Report* is located at the front of the financial section of this report.

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

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

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

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

The City operates under, and is governed by, its Charter which was adopted in 1958 by its voters, and has been amended from time to time. The last amendment was made in 2010. The City is also subject to certain general laws applicable to all Ohio cities. Under the Ohio Constitution, the City may exercise all local self-government and police powers to the extent that none are in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

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

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

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

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

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

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

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

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

The appropriated budget is prepared by fund, department, and category (personal services and all other expenditures). Council must authorize transfers between departments and between categories within departments and transfers or advances of moneys between funds. Operating budgets expire on December 31. Budget-to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

## **Economic Condition and Outlook**

The City is an inner-ring suburb of the City of Cleveland. Primarily a residential community of beautifully maintained neighborhoods, it also has a thriving and engaging business community. The City is home to one of the most technologically advanced hospitals in Northeast Ohio, South Pointe Hospital. The Cleveland Clinic affiliate provides quality health care to Warrensville Heights residents as well as to our neighboring communities. The following industries are vital to the City's financial condition and contribute to the stable economic condition of the City: Sherwin-Williams Automotive Finishes Corporation's Research and Development facility and training center; Heinen's Incorporated, a retail food chain, headquarters and warehouse facility; Henkel Corporation manufactures and markets a broad range of high-performance adhesives, sealants and coatings; Marcus Thomas, a leading advertising firm, has its headquarters in our friendly City. Harvard Park features numerous businesses in addition to restaurants and Cleveland Marriot East. The top ten employers have over 4,200 employees working in the City. (A list of the ten largest employers is featured in the Statistical section.)

In July 2015, a new extension of Ohio University's Heritage College of Osteopathic Medicine welcomed its first class of students at South Pointe Hospital. The new medical extension campus will help address the impending shortage of primary care physicians in the region. By establishing a regional medical campus at South Pointe Hospital, the area is expected to see both direct and indirect economic benefits. Ohio University spent \$36 million, which included renovating 60,000 square feet in a clinical and office building and hiring faculty and staff. The Cleveland Clinic contributed \$13.4 million, which will go toward building renovations as well as medical education support. The new extension campus is expected to create more than 100 jobs and generate more than \$700,000 in tax revenues for state and local governments.

The City has consistently enjoyed the benefits of a strong commercial employment base that has provided for a consistent level of withholding tax collection. On a cash basis, the City income tax revenues grew 15.90% during a five-year period from 2010 to 2014. The City's income collection accounted for over 81.23% of the General Fund revenues. The growth in the income tax revenue helped offset the decline in other revenue sources.

In 2014, Cinema Park Housing Development was reinvigorated. Because of the crash in the housing market in 2008, the project had been placed on hold. Now new owners control the property and have selected Ryan Homes as the developer. When completed, the development will consist of ninety-seven (97) single-family homes on the 21-acre site of the former Miles Drive-In Theatre and add an additional \$15 to \$20 million to the City's total residential property value. The price of these homes will range from \$175,000 to \$225,000. The developer pays homage to the property's past by naming model homes after famous movies and streets after movie stars. The City is participating in this project by 75% tax abatement for 15 years. The City also issued notes and bonds in anticipation of the levy and collection of special assessments to pay the cost of the infrastructure improvements at the development.

In 2014, CarMax, the nation's largest retailer of used cars, started construction of a 40,000 square foot store that opened in early 2015. The store has room for approximately 300 vehicles on its lot at any given time and has created almost 50 permanent jobs. This opening is the company's fifth CarMax location in the state and first in the Cleveland area.

The City continues to make significant progress in its efforts to strengthen its economic base and community development. Each day approximately 13,500 people come to work in Warrensville Heights and are responsible for 81% of the City's revenue through income tax. Property tax revenues collected in 2014 represented 2.53% of the City's total revenues.

In 2014, the City entered into a Tax Increment Financing (TIF) agreement with LBMK Properties LLC (Tim Lally Chevrolet) for construction of a 70,000 square foot building to serve as a new car dealership and general offices. This approximately \$ 14,000,000 project will bring an estimate 150 new jobs to the City.

### **Major Initiatives**

As part of its Strategic Investment and Master Plan, the City identified three areas of the City for residential development. Each development targeted certain segment of the population. The City's portion of public infrastructure construction activities for two major projects, Emery Woods and Cinema Park was financed by the issuance of General Obligation notes in anticipation of the levy and collection of special assessments. The Cinema Park Project went through a foreclosure proceeding process and is now controlled by a new ownership group and developer. The City offers tax abatement on all three residential developments. The General Obligation notes and bonds outstanding for Emery Woods and Cinema Park are \$900,000 and \$2,755,000, respectively.

### **Long-Term Financial Planning**

The Northfield Road Corridor was clearly identified as one area most in need of improvement in the City's Master Plan which recommended improvements particularly between Clarkwood Parkway and Emery Road. In June 2014, the City purchased a building on the corridor that had remained vacant over several years. The building was once home to a new auto dealership and sits on approximately 4.4 acres. The building is scheduled for demolition and the land will be used for future development.

The City established its first Community Reinvestment Area (CRA) in June 1994, under State law. It has since created two additional CRAs to include more land within the boundaries of the City. This program offers real property tax abatement for construction and expansion of commercial facilities located within a designated area. The City has been able to recruit new commercial companies and retain existing ones as a result of the CRA program. Abatement has been granted up to 50% over 15 years. The City shares a percentage of the increased payroll withholding taxes through the abatement period with the Warrensville Heights School District. This program requires the approval of the City Council and Warrensville Heights Tax Incentive Review Council. Currently, ten companies receive tax abatement under Community Reinvestment Agreements.

Additionally, the City receives a modest amount of additional revenue as a member of a Joint Economic Development District (JEDD) with the cities of Cleveland, Beachwood and Orange Village. The City received approximately \$784,000 of income tax revenues in the District in 2014. This was a 14.8% increase from the previous year.

## **Awards and Acknowledgements**

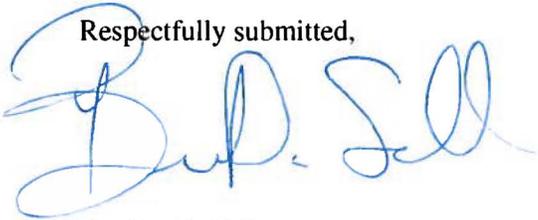
**Award**---The Government Finance Officers Association of the United States and Canada (GFOA) awarded a ‘**Certificate of Achievement for Excellence in Financial Reporting**’ to the City of Warrensville Heights for its Comprehensive Annual Financial Report for the year ended December 31, 2013.

To be awarded a ‘**Certificate of Achievement for Excellence in Financial Reporting**’, a government unit must publish a reader friendly and efficiently organized comprehensive annual financial report which satisfies all program standards. Such a report must also conform to generally accepted accounting principles, and must satisfy all applicable legal requirements respective to the reporting entity.

The Award is valid for only one year. We believe that our report for the year ended December 31, 2014 continues to meet the standards of the Award. Therefore, we are submitting it to GFOA at this time.

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

Respectfully submitted,



Bradley D. Sellers  
Mayor



Rubin Moultrie  
Finance Director

# CITY OF WARRENSVILLE HEIGHTS ORGANIZATIONAL CHART

Citizens of  
Warrensville Heights

## LEGISLATIVE

City Council

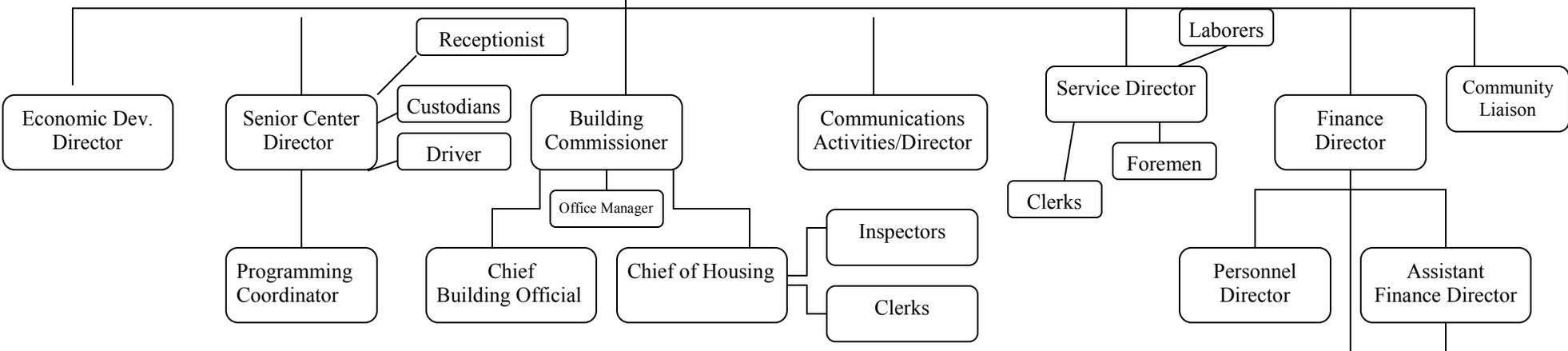
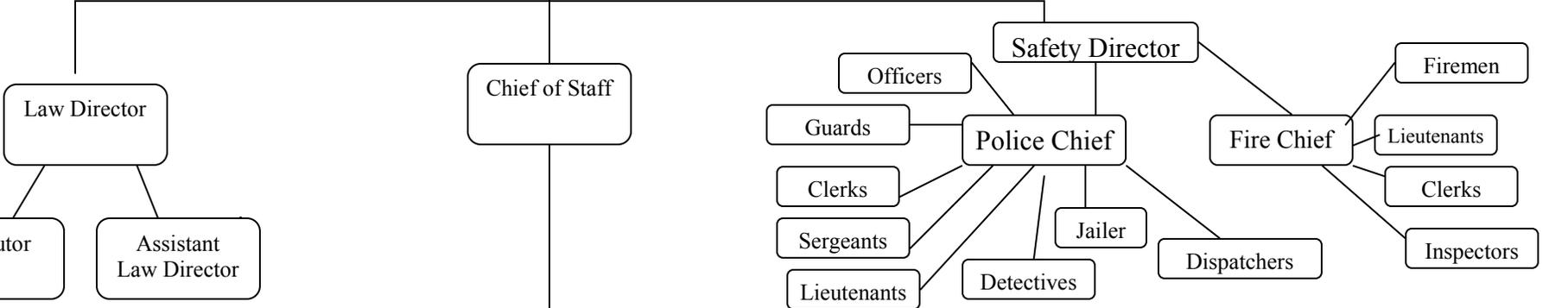
Council Clerk

## EXECUTIVE

Mayor

Custodian

Executive Assistant



**Boards and Commissions**  
 Board of Zoning  
 Civil Service Commission  
 Planning Commission

CITY OF WARRENSVILLE HEIGHTS

ELECTED AND APPOINTED CITY OFFICIALS

**HONORABLE MAYOR BRADLEY D. SELLERS**

CITY COUNCIL

Dorise Hagwood, Ward 1

Andrea Mitchell, Ward 2

Elona C. White, Ward 3

Ruby Nelson, Ward 4

Shontel Brown, Ward 5

Stanley Anderson, Ward 6

Kimberly Hodge-Edwards, Ward 7

APPOINTED OFFICIALS

Barbara L. Walker, Chief of Staff

Teresa M. Beasley, Director of Law

Rubin K. Moultrie, Director of Finance

Ted Sims, Director of Service

William Jelenic, Chief of Police

Herbert Waugh, Chief of Fire

Kelli Wilson, Personnel Director

Pequita Hansberry, Economic Development Director

Ashley Gowens, Community Activities Director

Melvin Lester, Building Commissioner

Linda Gay, Director of Civic and Senior Center

GPD Associates, City Engineer



Government Finance Officers Association

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

Presented to

**City of Warrensville Heights  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

## **Financial Section**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Warrensville Heights  
Cuyahoga County  
One Public Square  
Warrensville Heights, Ohio 44094

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of City of Warrensville Heights, Cuyahoga County, Ohio, as of December 31, 2014, and the respective changes in financial position thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

*Supplementary and Other Information*

Our audit was conducted to opine on 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 present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derives from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules 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, these statements and schedules are 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2015, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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  
Columbus, Ohio

July 31, 2015

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# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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The discussion and analysis of the City of Warrensville Heights' (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to consider information presented here in conjunction with the additional information contained in the transmittal letter, as well as the basic financial statements to enhance their understanding of the City's financial performance.

### Financial Highlights

- The assets of the City exceeded its liabilities and deferred inflows at December 31, 2014 by \$7,692,285.
- Total assets increased by \$2,758,265 in 2014 which represents an increase of 7.61 percent from 2013. The increase was due primarily to an increase in equity in pooled cash and cash equivalents.
- Total liabilities and deferred inflows decreased by \$806,105 in 2014, which represents a decrease of 2.57 percent from 2013. Current liabilities decreased \$1,492,824 primarily due to the retirement of \$1.9 million in short term notes that were reissued into long-term general obligation bonds in the current year. Long-term liabilities increased \$623,021, primarily due to issuance of long-term general obligation bonds offset by the repayment of outstanding debt.
- Net position in total increased by \$3,564,370 during 2014. This represents an increase of 86.35 percent from 2013. The main reason for the increase in net position is due to the City's increase in equity in pooled cash and cash equivalents caused mostly by a significant increase in municipal income tax revenue in 2014. Additionally, the City had a decrease in expenditures of \$2.4 million which additionally caused an increase in overall equity in pooled cash and cash equivalents from the prior year.

### *Using this Comprehensive Annual Financial Report (CAFR)*

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

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

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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### *The City as a Whole*

#### *Statement of net position and the statement of activities*

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

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

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

The statement of net position and the statement of activities are divided into the following categories:

- Assets
- Deferred outflows of resources
- Liabilities
- Deferred inflows of resources
- Net position
- Program revenues and expenses
- General revenues
- Net position beginning of year and year-end

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

#### *Fund Financial Statements*

The analysis of the City's major funds begins on page 17. Fund financial reports provide detailed information about the City's major funds. The City has established many funds that account for the multitude of services, facilities, and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Warrensville Heights, the major governmental funds are the General Fund and General Obligation Bond Retirement Fund.

#### *Governmental Funds*

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

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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year-end available for spending in future periods. The City's funds are reported using the accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's operations and the basic services it provides. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds.

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

As noted earlier, the statement of net position looks at the City as a whole and can be used as an indicator of the City's financial position. Table 1 provides a summary of the City's net position for 2014 compared to 2013.

**Table 1 – Net Position**

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
Assets:		
Current and other assets	\$ 14,469,771	\$ 12,039,932
Capital assets	<u>24,547,728</u>	<u>24,219,302</u>
Total assets	<u>39,017,499</u>	<u>36,259,234</u>
Liabilities:		
Other liabilities	3,149,405	4,642,229
Long term liabilities:		
Due within one year	2,527,377	2,588,092
Due in more than one year	<u>24,463,986</u>	<u>23,780,250</u>
Total liabilities	<u>30,140,768</u>	<u>31,010,571</u>
Deferred Inflows	<u>1,184,446</u>	<u>1,120,748</u>
Net position:		
Net investment in capital assets	(1,660,356)	(2,719,265)
Restricted	3,108,427	3,185,784
Unrestricted	<u>6,244,214</u>	<u>3,661,396</u>
Total net position	<u>\$ 7,692,285</u>	<u>\$ 4,127,915</u>

Total assets increased by \$2,758,265 from 2013 to 2014. Of that increase, the most significant changes were in equity in pooled cash and cash equivalents, which increased by \$1,817,954, and income tax receivables, which increased by \$600,992.

Total liabilities and deferred inflows decreased by \$806,105 in 2014. This decrease is primarily due to the repayment of the City's judgment payable and outstanding debt in the current year.

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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Total net position had a balance of \$7,692,285 at December 31, 2014. The largest portion of the City's net position (81 percent) reflects unrestricted funds available to the City for future spending.

Table 2 shows the change in net position for the year ended December 31, 2014 compared to 2013.

**Table 2 – Statement of Activities**

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
Program revenues:		
Charges for services	\$ 1,486,364	\$ 1,080,279
Operating grants and contributions	498,613	1,038,580
Capital grants and contributions	<u>575,508</u>	<u>137,309</u>
Total program revenues	<u>2,560,485</u>	<u>2,256,168</u>
General Revenues:		
Property and other local taxes	1,451,107	1,501,077
Municipal income taxes	16,169,998	14,526,593
Grants and entitlements	543,717	306,927
Interest income	6,872	7,879
All other revenues	<u>188,673</u>	<u>345,583</u>
Total general revenues	<u>18,360,367</u>	<u>16,688,059</u>
Total revenues	<u>20,920,852</u>	<u>18,944,227</u>
Program expenses:		
Security of persons and property:		
Police and others	5,163,481	4,734,068
Fire	3,603,854	4,062,419
Public health services	65,183	52,001
Leisure time activities	697,906	664,913
Community development	873,757	508,146
Basic utility services	1,173,154	1,298,203
Transportation	2,637,135	2,461,515
General government	2,265,261	4,352,754
Interest and fiscal charges	<u>876,751</u>	<u>1,606,014</u>
Total program expenses	<u>17,356,482</u>	<u>19,740,033</u>
Change in net position	3,564,370	(795,806)
Net position, beginning of year	<u>4,127,915</u>	<u>4,923,721</u>
Net position, end of year	\$ <u>7,692,285</u>	\$ <u>4,127,915</u>

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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### *Governmental Activities*

Several revenue sources mainly fund the governmental activities with the City municipal income tax being the largest contributor. Under the accrual basis of accounting, the City's municipal income tax accounted for \$16,169,998 or 77.29 percent of total revenues. The electorates of the City voted to change the municipal income tax rate from 2.00 percent to 2.60 percent on May 5, 2009, which took effect on July 1, 2009.

Property and other local taxes of \$1,451,107 accounted for 6.94 percent of total revenues. Charges for services of \$1,486,364 accounted for 7.10 percent of total revenue. All other revenue sources of \$1,813,383 accounted for the remaining 8.67 percent of the City's 2014 revenue. The City monitors its sources of revenue very closely for fluctuations throughout the year, especially municipal income taxes.

Security of persons and property, including the police and fire departments, accounted for program expenses of \$8,767,335, which is 50.51 percent of total City expenses for 2014. The general government expenses accounted for \$2,265,261, or 13.05 percent of total expenses. The transportation expenses, primarily the service department, accounted for \$2,637,135, or 15.19 percent of total expenses.

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

### *The City's Funds*

Information about the City's major funds starts on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had revenues of \$20,909,825 and expenditures of \$21,440,836 (not including other financing sources and uses). The most significant fund is the General Fund with a fund balance at year-end of \$7,069,405. In 2014, the fund balance of the General Fund increased by \$1,774,948. This increase is primarily due to increases in municipal income taxes.

The City's other major fund is the General Obligation Bond Retirement Fund. The General Obligation Bond Retirement Fund is used to pay the City's outstanding general obligation debt and also accounts for property tax and special assessment revenues which help to make it a major fund. The General Obligation Bond Retirement Fund's fund balance increased by \$2,280,551 to a deficit fund balance of \$701,388 at December 31, 2014. This increase in fund balance is mainly due to the repayment of short-term notes payable in the current year.

The combined fund balance for all of the City's funds had a balance of \$7,327,049. On a cash basis, short-term note proceeds appear as fund revenues, but on a modified accrual basis the short-term notes appear as a liability.

# City of Warrensville Heights

Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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## ***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. An annual appropriation budget is legally required to be prepared for all funds of the City other than agency funds. City Council is provided with a detailed line item budget for all departments and after a discussion at a Finance Committee meeting, which is open to the public, the budget is adopted by City Council at a regularly held City Council meeting at the object level for all other funds. The Finance Director has been authorized to allocate appropriations within the object level within each fund.

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

Both the original revenue and expenditure budget is designed to be very conservative, requiring additional spending requests to be approved by City Council throughout the year. During the course of 2014, the City amended its General Fund budget in response to departmental needs. The original budgeted revenue, excluding other financing sources and uses, amounted to \$15,485,605 and the final budgeted revenue amount was \$16,165,700, for an increase of \$680,095. The increase was due mainly to an increase in municipal income taxes. Actual revenues, excluding other financing sources and uses, of \$18,242,350 were \$2,076,650 more than the final budgeted revenues. This increase is mainly due to more property and municipal income taxes received than budgeted.

The final budgeted expenditure amount, excluding other financing sources and uses, exceeded the original budget by \$794,189. Actual expenditures of \$15,084,338 were \$778,256 lower than the final budgeted expenditures. This variance can be attributed to the City's efforts to control costs in the current economic environment.

# City of Warrensville Heights

Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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## *Capital Assets and Debt Administration*

### *Capital Assets*

At the end of 2014, the City had \$24,547,728 invested in land, buildings, land improvements, machinery and equipment, vehicles, furniture and fixtures, and infrastructure. Table 3 shows 2014 balances of capital assets as compared to 2013.

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

	Governmental Activities	
	2014	2013
Land	\$ 3,232,200	\$ 3,232,200
Construction in progress	330,010	-
Buildings	12,290,008	11,953,553
Land improvements	220,471	239,772
Machinery and equipment	195,988	252,856
Furniture and fixtures	44,370	47,118
Vehicles	867,856	977,430
Infrastructure:		
Roads	4,377,389	4,432,329
Sanitary sewers	1,012,789	1,047,152
Waterlines	892,988	920,972
Storm sewers	1,083,659	1,115,920
Total capital assets	\$ <u>24,547,728</u>	\$ <u>24,219,302</u>

Capital assets increased by \$328,426 in 2014. The main reason for this increase is due to an increase in capital outlay in the current year. The largest addition related to the City's purchase of the Bass building in 2014.

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

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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### *Long-Term Obligations*

At December 31, 2014, the City had \$26,991,363 in outstanding long-term obligations, of which debt obligations primarily consisted of \$11,708,443 in certificates of participation and \$11,845,623 in various purpose general obligation bonds. Table 4 summarizes the long-term obligations outstanding.

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

	Governmental Activities	
	2014	2013
General obligation bonds	\$ 11,845,623	\$ 10,358,021
Certificates of participation	11,708,443	11,833,077
Compensated absences	2,156,986	2,060,327
Claims payable	51,268	87,828
Tap in fee agreement payable	40,000	-
Judgments payable	310,025	1,036,620
Capital leases	<u>879,018</u>	<u>992,469</u>
Total outstanding long-term obligations	\$ <u>26,991,363</u>	\$ <u>26,368,342</u>

The general obligation bonds were issued in 2014 to refund a portion of existing bond anticipation notes related to Cinema Park Project improvements.

The City issued certificates of participation in 2014 to retire the certificates of participation issued in the prior year for the City's Community Center improvements.

The City's overall legal debt margin was \$12,291,141 with an unvoted legal debt margin of \$797,444 on December 31, 2014. For more information about the City's long-term obligations and short-term note activity, see Notes 12, 13 and 14 to the basic financial statements.

# City of Warrensville Heights

Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2014

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## *Current Financial Related Activities*

The City continues to struggle with economic issues that are affecting many communities throughout the State of Ohio and the nation. Even though the municipal income tax revenues have continuously increased since 2009, there have been significant reductions in State and Local Government Fund revenues. The City continues to evaluate potential cost savings measures while addressing the needs of the community. Expenditures are being closely monitored monthly at the department level as well as the Mayoral level. The Mayor encouraged the Directors to operate their departments at a level that will continue City services at a high level.

The City has committed itself to financial excellence. This is evident in the City receiving the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting every year since 2003.

## *Contacting the City of Warrensville Heights' Financial Management*

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

# **Basic Financial Statements**

# City of Warrensville Heights

## Statement of Net Position

December 31, 2014

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	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 7,240,724
Materials and supplies inventory	56,591
Accounts receivable	564,866
Intergovernmental receivable	522,501
Prepaid items	60,780
Municipal income taxes receivable	3,802,687
Property and other taxes receivable	1,561,800
Special assessments receivable	659,822
Nondepreciable capital assets	3,562,210
Depreciable capital assets	<u>20,985,518</u>
Total assets	<u>39,017,499</u>
Liabilities:	
Accounts payable and contracts payable	621,991
Accrued wages	113,544
Intergovernmental payable	468,911
Matured compensated absences	88,448
Accrued interest payable	81,511
Notes payable	1,775,000
Long-term liabilities:	
Due within one year	2,527,377
Due in more than one year	<u>24,463,986</u>
Total liabilities	<u>30,140,768</u>
Deferred inflows of resources:	
Property taxes	<u>1,184,446</u>
Net Position:	
Net investment in capital assets	(1,660,356)
Restricted for:	
Capital projects	306,185
Streets	409,723
Police	39,637
Fire	33,550
Building levy	45,891
Debt service	1,675,502
Other purposes	597,939
Unrestricted	<u>6,244,214</u>
Total net position	\$ <u><u>7,692,285</u></u>

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

## Statement of Activities

For the Year Ended December 31, 2014

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
Security of persons and property:					
Police and others	\$ 5,163,481	\$ 102,818	\$ 12,080	\$ -	\$ (5,048,583)
Fire	3,603,854	485,035	-	-	(3,118,819)
Public health services	65,183	-	-	-	(65,183)
Leisure time activities	697,906	58,434	-	-	(639,472)
Community development	873,757	21,991	3,680	165,260	(682,826)
Basic utility services	1,173,154	60	-	-	(1,173,094)
Transportation	2,637,135	-	482,853	-	(2,154,282)
General government	2,265,261	818,026	-	410,248	(1,036,987)
Interest and fiscal charges	<u>876,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(876,751)</u>
Total governmental activities	\$ <u>17,356,482</u>	\$ <u>1,486,364</u>	\$ <u>498,613</u>	\$ <u>575,508</u>	<u>(14,795,997)</u>
General revenues:					
Property and other local taxes levied for:					
General purposes					592,698
Debt service					353,953
Other purposes					504,456
Municipal income taxes levied for:					
General purposes					16,169,998
Grants and entitlements not restricted to specific programs					543,717
Interest income					6,872
All other revenues					<u>188,673</u>
Total general revenues					<u>18,360,367</u>
Change in net position					3,564,370
Net position – beginning of year					<u>4,127,915</u>
Net position – end of year					\$ <u><u>7,692,285</u></u>

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

## Balance Sheet – Governmental Funds

December 31, 2014

	General Fund	General Obligation Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 4,768,608	\$ 988,389	\$ 1,483,727	\$ 7,240,724
Materials and supplies inventory	56,591	-	-	56,591
Accounts receivable	564,866	-	-	564,866
Interfund receivable	122,708	-	-	122,708
Intergovernmental receivable	236,850	44,687	240,964	522,501
Prepaid items	60,780	-	-	60,780
Municipal income taxes receivable	3,802,687	-	-	3,802,687
Property and other taxes receivable	468,005	455,762	638,033	1,561,800
Special assessments receivable	-	659,822	-	659,822
Total assets	<u>\$ 10,081,095</u>	<u>\$ 2,148,660</u>	<u>\$ 2,362,724</u>	<u>\$ 14,592,479</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable and contracts payable	\$ 231,657	\$ -	\$ 390,334	\$ 621,991
Accrued wages	113,544	-	-	113,544
Intergovernmental payable	468,911	-	-	468,911
Matured compensated absences	88,448	-	-	88,448
Accrued interest payable	-	12,823	467	13,290
Interfund payable	-	46,954	75,754	122,708
Notes payable	-	1,630,000	145,000	1,775,000
Total liabilities	<u>902,560</u>	<u>1,689,777</u>	<u>611,555</u>	<u>3,203,892</u>
<b>Deferred inflows of resources:</b>				
Property taxes	355,554	345,160	483,732	1,184,446
Unavailable revenue	<u>1,753,576</u>	<u>815,111</u>	<u>308,405</u>	<u>2,877,092</u>
Total deferred inflows of resources	<u>2,109,130</u>	<u>1,160,271</u>	<u>792,137</u>	<u>4,061,538</u>
<b>Fund balances:</b>				
Nonspendable	240,079	-	-	240,079
Restricted	-	-	925,964	925,964
Committed	-	-	214,296	214,296
Assigned	165,860	-	-	165,860
Unassigned	<u>6,663,466</u>	<u>(701,388)</u>	<u>(181,228)</u>	<u>5,780,850</u>
Total fund balances (deficit)	<u>7,069,405</u>	<u>(701,388)</u>	<u>959,032</u>	<u>7,327,049</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,081,095</u>	<u>\$ 2,148,660</u>	<u>\$ 2,362,724</u>	<u>\$ 14,592,479</u>

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

## Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

December 31, 2014

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Total governmental fund balances \$ 7,327,049

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds 24,547,728

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

Property and other taxes	\$ 377,354	
Municipal income taxes	1,022,446	
Special assessments	659,822	
Intergovernmental	348,533	
Charges for services	<u>468,937</u>	
Total		2,877,092

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (68,221)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

General obligation bonds	(11,845,623)	
Certificates of participation	(11,708,443)	
Accrued compensated absences	(2,156,986)	
Claims payable	(51,268)	
Tap in fee agreement payable	(40,000)	
Judgments payable	(310,025)	
Capital leases	<u>(879,018)</u>	
Total		<u>(26,991,363)</u>

Net position of governmental activities \$ 7,692,285

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

For the Year Ended December 31, 2014

	General Fund	General Obligation Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 422,671	\$ 408,877	\$ 580,006	\$ 1,411,554
Municipal income taxes	15,872,496	-	-	15,872,496
Other local taxes	228,246	53,167	14,356	295,769
Intergovernmental	517,432	34,688	713,934	1,266,054
Interest income	6,639	-	233	6,872
Licenses and permits	812,181	-	-	812,181
Fines and forfeitures	103,872	-	66,940	170,812
Charges for services	433,772	-	65,080	498,852
Special assessments	-	341,708	-	341,708
All other revenues	202,815	-	30,712	233,527
Total revenues	<u>18,600,124</u>	<u>838,440</u>	<u>1,471,261</u>	<u>20,909,825</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Security of persons and property:				
Police and others	4,651,614	-	526,347	5,177,961
Fire	3,205,270	-	347,380	3,552,650
Public health services	53,085	-	-	53,085
Leisure time activities	470,772	-	-	470,772
Community development	556,125	-	180,497	736,622
Basic utility service	1,186,403	-	-	1,186,403
Transportation	1,338,207	-	1,471,370	2,809,577
General government	3,522,684	-	13,404	3,536,088
Capital outlay	187,290	-	170,966	358,256
Debt service:				
Principal retirement	-	2,625,000	-	2,625,000
Interest and fiscal charges	-	933,955	467	934,422
Total expenditures	<u>15,171,450</u>	<u>3,558,955</u>	<u>2,710,431</u>	<u>21,440,836</u>
Excess of revenues over (under) expenditures	<u>3,428,674</u>	<u>(2,720,515)</u>	<u>(1,239,170)</u>	<u>(531,011)</u>
<b>Other financing sources (uses):</b>				
Inception of capital lease	187,290	-	-	187,290
Issuance of debt	-	3,895,000	-	3,895,000
Premium on issuance of debt	-	157,625	-	157,625
Transfers – in	-	1,048,441	941,016	1,989,457
Transfers – out	(1,841,016)	(100,000)	(48,441)	(1,989,457)
Total other financing sources (uses)	<u>(1,653,726)</u>	<u>5,001,066</u>	<u>892,575</u>	<u>4,239,915</u>
Net change in fund balances	1,774,948	2,280,551	(346,595)	3,708,904
Fund balances (deficit) – beginning of year	<u>5,294,457</u>	<u>(2,981,939)</u>	<u>1,305,627</u>	<u>3,618,145</u>
Fund balances (deficit) – end of year	\$ <u>7,069,405</u>	\$ <u>(701,388)</u>	\$ <u>959,032</u>	\$ <u>7,327,049</u>

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

## 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, 2014

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Net change in fund balances – total governmental funds \$ 3,708,904

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

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

Capital outlay	\$ 1,197,012	
Depreciation	<u>(788,488)</u>	
Total		408,524

In the statement of activities, only the loss on the disposal of property and equipment are reported, whereas, in the governmental funds, the proceeds from the disposal increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the property and equipment. (80,098)

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

Property and other taxes	(303,416)	
Municipal income taxes	229,979	
Special assessments	103,693	
Intergovernmental	56,259	
Charges for services	<u>70,532</u>	
Total		157,047

Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position.

Certificates of participation issued	(1,800,000)	
General obligation bonds issued	(2,095,000)	
Premium on debt issuance	(157,625)	
Inception of capital leases	<u>(187,290)</u>	
Total		(4,239,915)

Repayment of bond, note and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,925,741

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 on bonds	(6,986)	
Amortization of premiums	<u>64,657</u>	
Total		57,671

(Continued)

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Continued)

For the Year Ended December 31, 2014

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

Claims payable	36,560	
Tap in fee agreement payable	(40,000)	
Judgments payable	726,595	
Compensated absences	<u>(96,659)</u>	
Total		<u>626,496</u>
Change in net position of governmental activities		\$ <u>3,564,370</u>

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

## Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 367,972	\$ 367,972	\$ 422,671	\$ 54,699
Municipal income taxes	13,166,111	13,743,813	15,501,483	1,757,670
Other local taxes	196,460	206,768	233,373	26,605
Intergovernmental	438,641	461,656	521,058	59,402
Interest income	5,589	5,882	6,639	757
Licenses and permits	683,527	719,391	811,956	92,565
Fines and forfeitures	87,442	92,030	103,872	11,842
Charges for services	369,598	388,990	439,042	50,052
All other revenues	<u>170,265</u>	<u>179,198</u>	<u>202,256</u>	<u>23,058</u>
Total revenues	<u>15,485,605</u>	<u>16,165,700</u>	<u>18,242,350</u>	<u>2,076,650</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Security of persons and property:</b>				
Police and other	4,788,918	4,834,782	4,597,576	237,206
Fire	3,064,143	3,429,608	3,261,343	168,265
Public health services	52,000	55,824	53,085	2,739
Leisure time activities	476,745	543,332	516,675	26,657
Community development	578,577	579,810	551,363	28,447
Basic utility services	1,081,714	1,245,169	1,184,078	61,091
Transportation	1,322,610	1,432,648	1,362,359	70,289
General government	<u>3,703,698</u>	<u>3,741,421</u>	<u>3,557,859</u>	<u>183,562</u>
Total expenditures	<u>15,068,405</u>	<u>15,862,594</u>	<u>15,084,338</u>	<u>778,256</u>
Excess of revenues over (under) expenditures	417,200	303,106	3,158,012	2,854,906
<b>Other financing sources (uses):</b>				
Transfers – out	<u>(1,327,000)</u>	<u>(1,869,000)</u>	<u>(1,841,016)</u>	<u>27,984</u>
Net change in fund balance	(909,800)	(1,565,894)	1,316,996	2,882,890
Fund balance – beginning of year	2,995,225	2,995,225	2,995,225	-
Prior year encumbrances appropriated	<u>218,174</u>	<u>218,174</u>	<u>218,174</u>	<u>-</u>
Fund balance – end of year	\$ <u>2,303,599</u>	\$ <u>1,647,505</u>	\$ <u>4,530,395</u>	\$ <u>2,882,890</u>

The accompanying notes are an integral part of these basic financial statements.

**City of Warrensville Heights**

Statement of Fiduciary Assets and Liabilities –  
Fiduciary Funds

December 31, 2014

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	<u>Agency Funds</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ <u>230,252</u>
Liabilities:	
Deposits held and due to others	\$ <u>230,252</u>

The accompanying notes are an integral part of these basic financial statements.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

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## **Note 1: Description of the City and Reporting Entity**

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

### ***Reporting Entity***

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City, this includes the agencies and departments that provide the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, and general administrative services. The City’s departments include a public safety department, a public service department, a street maintenance department, a parks and recreation department, a planning and zoning department, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operations of each of these activities and entities are directly controlled by the City Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and 1) the City is able to significantly influence the programs or services performed or provided by the organization; or 2) the City is legally entitled to or can otherwise access the organization’s resources; or 3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

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

## **Note 2: Summary of Significant Accounting Policies**

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***A. Basis of Presentation***

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

#### ***Government-Wide Financial Statements***

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements usually distinguish between those activities that are governmental and those that are considered business-type; the City, however, has no business-type activities.

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

#### ***Fund Financial Statements***

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

### ***B. Fund Accounting***

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***B. Fund Accounting (continued)***

#### ***Governmental Funds***

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

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

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

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

#### ***Fiduciary Funds***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds are for holding deposits from contractors, for collecting Senior Civic Center rental deposits and for payroll clearing.

### ***C. Measurement Focus***

#### ***Government-Wide Financial Statements***

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***C. Measurement Focus (continued)***

#### ***Fund Financial Statements***

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources generally are included on the balance sheet.

The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

#### ***D. Basis of Accounting***

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

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

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include municipal income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from municipal income taxes is recognized in the year in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***D. Basis of Accounting (continued)***

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

### ***Deferred Outflows/Inflows of Resources***

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance year 2015 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, special assessments, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

### ***Expenses/Expenditures***

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

### ***E. Cash and Cash Equivalents***

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

During the year, the City's investments were limited to STAR Ohio.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***E. Cash and Cash Equivalents (continued)***

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. STAROhio 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 STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2014.

Following the Charter and Codified Ordinances of the City as well as Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest is distributed to the General Fund, the Bureau of Justice Grant, and the Local Law Enforcement Block Grant special revenue funds. Interest income credited to the General Fund during 2014 amounted to \$6,639.

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

### ***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

### ***G. Inventory***

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

### ***H. Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using the appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of one 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.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## Note 2: Summary of Significant Accounting Policies (continued)

### H. Capital Assets (continued)

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

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

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

### I. Interfund Balances

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

### J. Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for all employees after five years of service.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***K. Payables, Accrued Liabilities, and Long-Term Obligations***

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

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

### ***L. Fund Balance***

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

*Nonspendable* – The nonspendable fund balance classification includes amounts that cannot be spent because they are not spendable in form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

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

*Committed* – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***L. Fund Balance (continued)***

Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

### ***M. Net Position***

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restriction imposed by creditors, grantors, or laws or regulations of other governments. The government-wide statement of net position reports \$3,108,427 of restricted net position, none of which is restricted by enabling legislation. Net position restricted for other purposes include various federal and state grant funds.

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***N. Internal Activity***

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

### ***O. Deferred Loss of Refunding***

The difference between the reacquisition price and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense. This accounting loss is amortized over the remaining life of the old or new debt, whichever is shorter, and is presented net of the refunding general obligation bonds payable on the statement of net position.

### ***P. Bond Premiums and Discounts***

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

### ***Q. Extraordinary and Special Items***

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

### ***R. Estimates***

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***S. Budgetary Process***

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the object level.

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

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

### ***T. Reclassification***

Prior year data presented in the Management's Discussion and Analysis have been reclassified in order to be comparative and provide an understanding of the changes in financial position and operations. Certain reclassifications have been made to the 2013 data in order to conform to the 2014 presentation.

## **Note 3: Changes in Accounting Principles**

For 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations* and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 69 establishes accounting and financial reporting standards for mergers, acquisitions, and transfers of operations (i.e., government combinations). The Statement also provides guidance on how to determine the gain or loss on a disposal of government operations. The implementation of this Statement did not result in any change in the City's financial statements.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 3: Changes in Accounting Principles (continued)**

GASB Statement No. 70 establishes accounting and financial reporting standards for situations where a state or local government, as a guarantor, agrees to indemnify a third-party obligation holder under specified conditions (i.e. nonexchange financial guarantees). The issuer of the guaranteed obligation can be a legally separate entity or individual, including a blended or discretely presented component unit. Guidance is provided for situations where a state or local government extends or receives a nonexchange financial guarantee. These changes were incorporated into the City's financial statements; however, there was no effect on the beginning net position/fund balance.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2014. The City has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.* The requirements of this Statement should be applied simultaneously with the provisions of Statement 68. The City has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

## **Note 4: Accountability and Compliance**

### **A. Accountability**

The following funds had deficit fund balances as of December 31, 2014:

Major Funds:		
General Obligation Bond Retirement Fund	\$	701,388
Nonmajor Funds:		
Special Revenue Funds:		
Neighborhood Street Light		559
2007 Nature Works Grant		19,589
Capital Projects Funds:		
Building Repairs and Improvements		340
Land Acquisition		127,853

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 4:            Accountability and Compliance (continued)**

***B. Compliance***

The following funds had final expenditures in excess of the final appropriations for 2014, contrary to Ohio Revised Code, Section 5705.41:

Major Funds:	
General Obligation Bond Retirement Fund	\$       110,808
Nonmajor Funds:	
Special Revenue Funds:	
Building Levy	18,260
Neighborhood Street Light	141,460
Capital Projects Funds:	
City Hall Boiler Replacement	19,750

The following funds had appropriations in excess of estimated resources plus beginning balances, contrary to Section 5705.39, Ohio Revised Code.

	Estimated Resources Plus <u>Carryover Balances</u>	<u>Appropriations</u>	<u>Excess</u>
<b>Original Budget</b>			
<i>Special Revenue Funds:</i>			
Street Construction, Maintenance, and Repair	561,802	746,454	(184,652)
<b>Final Budget</b>			
<i>Special Revenue Funds:</i>			
Street Construction, Maintenance, and Repair	578,805	746,454	(167,649)
Building Levy	194,790	198,000	(3,210)

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## Note 5: Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balance – budget (non-GAAP budgetary basis) and actual for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budgetary) rather than as a part of restricted, committed, and assigned fund balances (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but which are reported on the operating statements prepared using GAAP.
5. Advances-in and Advances-out are operating transactions (budgetary) as opposed to balance sheet transaction (GAAP).
6. Some funds that could be included in the General Fund (GAAP), but have separate legally adopted budgets (budgetary).

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

Net Change in Fund Balance	
GAAP basis	\$ 1,774,948
Increase (decrease) due to:	
Revenue accruals	(545,064)
Expenditure accruals	(151,101)
Outstanding encumbrances	<u>238,213</u>
Budgetary basis	<u>\$ 1,316,996</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

## Note 6: Fund Balances

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

	General Fund	General Obligation Bond Retirement	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepaid items	\$ 60,780	\$ -	\$ -	\$ 60,780
Inventories	56,591	-	-	56,591
Interfund balances	<u>122,708</u>	<u>-</u>	<u>-</u>	<u>122,708</u>
Total nonspendable	<u>240,079</u>	<u>-</u>	<u>-</u>	<u>240,079</u>
Restricted for:				
Fire pension	-	-	10,765	10,765
Police pension	-	-	10,959	10,959
Police and fire services	-	-	15,631	15,631
Dare grant	-	-	55,985	55,985
Other law enforcement	-	-	143,178	143,178
CDBG grant	-	-	4,564	4,564
FEMA grant	-	-	30,521	30,521
Homeland security grant	-	-	1,999	1,999
Sidewalk replacement	-	-	7,104	7,104
Civic Center Park restoration grant	-	-	38,808	38,808
2008 great grant	-	-	29,342	29,342
Streets and highways	-	-	370,241	370,241
Street lighting	-	-	51,725	51,725
Building levy	-	-	24,885	24,885
Other purposes	<u>-</u>	<u>-</u>	<u>130,257</u>	<u>130,257</u>
Total restricted	<u>-</u>	<u>-</u>	<u>925,964</u>	<u>925,964</u>
Committed to:				
CRA monitoring fees	-	-	149,161	149,161
Economic development	-	-	28,150	28,150
Grass refuse	-	-	22,300	22,300
Occupancy program	<u>-</u>	<u>-</u>	<u>14,685</u>	<u>14,685</u>
Total committed	<u>-</u>	<u>-</u>	<u>214,296</u>	<u>214,296</u>
Assigned to:				
Purchases on order	<u>165,860</u>	<u>-</u>	<u>-</u>	<u>165,860</u>
Total assigned	<u>165,860</u>	<u>-</u>	<u>-</u>	<u>165,860</u>
Unassigned (deficit)	<u>6,663,466</u>	<u>(701,388)</u>	<u>(181,228)</u>	<u>5,780,850</u>
Total fund balances	\$ <u><u>7,069,405</u></u>	\$ <u><u>(701,388)</u></u>	\$ <u><u>959,032</u></u>	\$ <u><u>7,327,049</u></u>

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 7: Deposits and Investments**

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

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

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

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## Note 7: Deposits and Investments (continued)

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

### *Deposits*

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

At year-end, the carrying amount of the City's deposits was \$4,819,695 and the bank balance was \$5,149,254. Of the City's bank balance \$729,220 was covered by Federal Depository Insurance Company (FDIC) and \$4,420,034 was uninsured. At year-end, the City had \$600 in cash on hand.

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

### *Investments*

As of December 31, 2014, the City had the following investment:

	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>
STAROhio	\$ <u>2,650,681</u>	\$ <u>Less than one 2,650,681</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## Note 7: Deposits and Investments (continued)

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

**Credit Risk** – STAR Ohio carries a rating of AAAM by Standard and Poor’s. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that would further limit its investment choices.

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

**Concentration of Credit Risk** – The City places no limit on the amount it may invest in any one issuer. The following is the City’s allocation as of December 31, 2014:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
STAROhio	100%

## Note 8: Receivables

### A. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2014 for real and public utility property taxes represents collections for 2013 taxes. Property tax payments received during 2014 for tangible personal property, except for public utility property, are for prior year unpaid tangible personal property taxes.

Real property taxes (other than public utility property) are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by the County Auditor at 35 percent of the appraised market value, and reappraisal of all property is required every six years with a triennial update. The last reappraisal was completed for tax year 2013 affecting collections beginning in 2014.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 8: Receivables (continued)**

**A. Property Taxes (continued)**

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

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

Real and public utility property taxes are payable annually or semi-annually. If paid annually, payment is due December 31. If paid semi-annually, the first payment is due December 31, with the remainder payable by June 30. Under certain circumstances, state statute permits earlier or later payment dates to be established.

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

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

The full tax rate for all City operations for the year ended December 31, 2014, was \$9.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2014 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 221,949,170
Public Property	<u>7,924,770</u>
Total	\$ <u>229,873,940</u>

Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2014 and for which there is an enforceable legal claim. In the General Fund, the General Obligation Bond Retirement Fund, the Police Salary and Equipment, the Fire Salary and Equipment, the Street Lighting, the Building Levy, the Fire Pension and the Police Pension special revenue funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2014 operations and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred inflows of resources.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 8: Receivables (continued)**

***B. Municipal Income Taxes***

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

***C. Intergovernmental Receivables***

A summary of intergovernmental receivables follows:

	<u>Amounts</u>
Local government funds	\$ 251,478
Gasoline tax and auto registration fees	206,507
Homestead and rollback	58,125
Public utility reimbursement	3,102
Permissive tax	2,389
Miscellaneous grants	<u>900</u>
Total	<u>\$ 522,501</u>

**Note 9: Interfund Transfers**

The transfers among City funds were made to provide additional resources for current operations and for the payment of debt. The General Fund made the following transfers during the year ended December 31, 2014:

<u>Transfers to</u>	<u>Transfers from</u>		
	<u>General Fund</u>	<u>G.O. Bond Retirement</u>	<u>Other Governmental Funds</u>
General Obligation Bond Retirement Fund	\$ 1,000,000	\$ -	\$ 48,441
Nonmajor Governmental Funds	<u>841,016</u>	<u>100,000</u>	<u>-</u>
	<u>\$ 1,841,016</u>	<u>\$ 100,000</u>	<u>\$ 48,441</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## Note 10: Interfund Balances

Interfund balances at December 31, 2014, consist of the following interfund receivable and payables:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>
	<u>General</u>
Major Governmental Funds:	
General Obligation Bond Retirement Fund	\$ 46,954
Nonmajor Governmental Funds:	
Bureau of Justice Grant	148
Community Development Block Grant	27,919
Neighborhood Street Light	559
COPS Grant	21,566
2007 NatureWorks Grant	19,589
Land Acquisition	-
Town Center Project Fund	<u>5,973</u>
Total	\$ <u><u>122,708</u></u>

The loans to the other major and other governmental funds from the General Fund were made to cover expenditures until reimbursements are received. All of the loans will be repaid in subsequent periods.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

## Note 11: Capital Assets

Capital asset activity for the year ended December 31, 2013, was as follows:

	<u>Balances</u> <u>12/31/2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balances</u> <u>12/31/2014</u>
Governmental activities:				
Nondepreciable assets:				
Land	\$ 3,232,200	\$ -	\$ -	\$ 3,232,200
Construction in progress	<u>-</u>	<u>382,466</u>	<u>(52,456)</u>	<u>330,010</u>
Total nondepreciable assets	<u>3,232,200</u>	<u>382,466</u>	<u>(52,456)</u>	<u>3,562,210</u>
Depreciable assets:				
Buildings	13,917,107	628,245	-	14,545,352
Land improvements	698,004	-	-	698,004
Machinery and equipment	2,137,244	24,297	-	2,161,541
Furniture and fixtures	92,708	-	-	92,708
Vehicles	5,550,042	162,004	(123,228)	5,588,818
Infrastructure:				
Roads	8,068,298	52,456	-	8,120,754
Sanitary sewers	2,583,416	-	-	2,583,416
Waterlines	2,162,689	-	-	2,162,689
Storm sewers	<u>2,426,227</u>	<u>-</u>	<u>-</u>	<u>2,426,227</u>
Total depreciable assets	<u>37,635,735</u>	<u>867,002</u>	<u>(123,228)</u>	<u>38,379,509</u>
Less accumulated depreciation				
Buildings	(1,963,554)	(291,790)	-	(2,255,344)
Land improvements	(458,232)	(19,301)	-	(477,533)
Machinery and equipment	(1,884,388)	(81,165)	-	(1,965,553)
Furniture and fixtures	(45,590)	(2,748)	-	(48,338)
Vehicles	(4,572,612)	(191,480)	43,130	(4,720,962)
Infrastructure:				
Roads	(3,635,969)	(107,396)	-	(3,743,365)
Sanitary sewers	(1,536,264)	(34,363)	-	(1,570,627)
Waterlines	(1,241,717)	(27,984)	-	(1,269,701)
Storm sewers	<u>(1,310,307)</u>	<u>(32,261)</u>	<u>-</u>	<u>(1,342,568)</u>
Total accumulated depreciation	<u>(16,648,633)</u>	<u>(788,488)</u>	<u>43,130</u>	<u>(17,393,991)</u>
Total depreciable assets, net	<u>20,987,102</u>	<u>78,514</u>	<u>(80,098)</u>	<u>20,985,518</u>
Governmental activities capital assets, net	\$ <u>24,219,302</u>	\$ <u>460,980</u>	\$ <u>(132,554)</u>	\$ <u>24,547,728</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 11: Capital Assets (continued)**

Depreciation expense was charged to governmental activities as follows:

Security of persons and property	\$	156,126
Leisure time activities		228,910
Transportation		76,733
General government		<u>326,719</u>
Total depreciation expense	\$	<u><u>788,488</u></u>

**Note 12: Long-Term Obligations**

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

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Year of Maturity</u>
General obligation bonds:			
2013 Various purpose improvement refunding bonds	2.00% - 3.125%	\$ 9,055,000	2032
2013 Various purpose improvement refunding bonds	2.00% - 4.00%	1,725,000	2029
Unamortized Premium	n/a	304,219	2032
2014 Cinema Park improvement bonds	1.500% - 4.00%	2,095,000	2030
Unamortized Premium	n/a	142,163	2030
Certificates of participation:			
2013 Certificates of participation	3.125%-4.50%	9,800,000	2037
2013 Certificates of participation	2.500%	1,900,000	2014
2014 Certificates of participation	2.375%	1,800,000	2015
Unamortized premiums	n/a	154,021	2013-2037

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

## Note 12: Long-Term Obligations (continued)

	Balance 12/31/2013	Additions	Reductions	Balance 12/31/2014	Amount Due in One Year
Governmental activities:					
General obligation bonds:					
Various purpose bonds series 2013-1	\$ 8,430,000	\$ -	\$ (620,000)	\$ 7,810,000	\$ 625,000
Various purpose bonds series 2013-2	1,640,000	-	(105,000)	1,535,000	110,000
Cinema Park improvement Bonds series 2014	-	2,095,000	-	2,095,000	5,000
Unamortized premium	<u>288,021</u>	<u>142,163</u>	<u>(24,561)</u>	<u>405,623</u>	<u>-</u>
Total general obligation bonds	<u>10,358,021</u>	<u>2,237,163</u>	<u>(749,561)</u>	<u>11,845,623</u>	<u>740,000</u>
Certificates of participation:					
2013 Certificates of participation	9,800,000	-	-	9,800,000	-
2013 Certificates of participation	1,900,000	-	(1,900,000)	-	-
2014 Certificates of participation	-	1,800,000	-	1,800,000	-
Unamortized premium	<u>133,077</u>	<u>15,462</u>	<u>(40,096)</u>	<u>108,443</u>	<u>-</u>
Total certificates of participation	<u>11,833,077</u>	<u>1,815,462</u>	<u>(1,940,096)</u>	<u>11,708,443</u>	<u>-</u>
Other long-term obligations:					
Compensated absences	2,060,327	1,280,724	(1,184,065)	2,156,986	1,184,065
Claims payable	87,828	-	(36,560)	51,268	6,544
Tap in fee agreement payable	-	40,000	-	40,000	13,333
Judgments payable	1,036,620	-	(726,595)	310,025	310,025
Capital leases	<u>992,469</u>	<u>187,290</u>	<u>(300,741)</u>	<u>879,018</u>	<u>273,410</u>
Total governmental activities	\$ <u>26,368,342</u>	\$ <u>5,560,639</u>	\$ <u>(4,937,618)</u>	\$ <u>26,991,363</u>	\$ <u>2,527,377</u>

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

The City issued \$2,095,000 of general obligation bonds in 2014 to retire a portion of the \$3,755,000 of various purpose improvement bond anticipation notes outstanding at December 31, 2013. The general obligation bonds will be paid from property taxes received in the debt service funds.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 12: Long-Term Obligations (continued)**

The City issued \$1,800,000 in certificates of participation (COPs) in 2014 to retire \$1,900,000 in COPs issued on December 18, 2013 at 2.37 percent. These COPs were issued to provide funds for constructing, furnishing, and equipping the City’s Community Center.

The City has a liability to the City of Bedford Heights for \$40,000 related to tap in fees received and earned in 2014 and prior on water lines owned by the City of Bedford Heights. The cities have agreed for the City of Warrensville Heights to pay the City of Bedford Heights in three annual payments of \$13,333 starting January 30, 2015. The City will use General Fund resources to repay this liability.

The City has a liability to the Warrensville City School District (School District) for \$310,025 related to a revenue sharing program between the City and the School District. The City will use General Fund resources to repay this liability.

Compensated absences, claims payable, and capital leases (see Notes 14 and 16 for additional detail on capital leases and claims payable) will be paid from the General Fund.

As of December 31, 2014, the City’s overall legal debt margin was \$12,291,141 and the unvoted legal debt margin was \$797,444.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2014 are as follows:

Year ending December 31,	<u>Governmental Activities</u>			
	<u>General Obligation</u>		<u>Certificates of Participation</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 740,000	\$ 346,936	\$ 1,800,000	\$ 419,294
2016	735,000	312,488	-	376,663
2017	770,000	297,263	-	376,663
2018	560,000	281,288	100,000	376,663
2019	710,000	268,938	365,000	372,663
2020-2024	3,580,000	1,064,194	2,045,000	1,643,206
2025-2029	3,225,000	512,694	2,400,000	1,286,931
2030-2034	1,120,000	65,856	2,865,000	816,775
2035-2039	-	-	2,025,000	184,950
Total	\$ <u>11,440,000</u>	\$ <u>3,149,657</u>	\$ <u>11,600,000</u>	\$ <u>5,853,808</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 13: Note Debt**

In 2014, the City issued \$1,560,000 in various improvement bond anticipation notes on August 14, 2014 at 2.13 percent and maturing August 13, 2015. This note had a premium of \$21,232 outstanding at year-end.

The City also issued a \$145,000 real property acquisition note on September 11, 2014 at 1.05 percent and maturing on September 10, 2015 and a \$70,000 real property acquisition note on October 31, 2014 at 1.40 percent and maturing on October 30, 2015.

<u>Types/Issues</u>	<u>Balance</u> <u>12/31/2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2014</u>
2013 Real property acquisition note	\$ 100,000	\$ -	\$ (100,000)	\$ -
2013 Bond anticipation notes	3,655,000	-	(3,655,000)	-
2014 Bond anticipation notes	-	1,560,000	-	1,560,000
2014 Real property acquisition note, Series 2014-2	-	70,000	-	70,000
2014 Real property acquisition note, Series 2014-3	-	145,000	-	145,000
Total governmental funds	\$ <u>3,755,000</u>	\$ <u>1,755,000</u>	\$ <u>(3,755,000)</u>	\$ <u>1,755,000</u>

All the notes are backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the funds which received the proceeds. As of December 31, 2014, all of the short-term note proceeds have been expended. The notes will be paid off from the debt service funds.

**Note 14: Leases**

**Capital Leases**

The City has entered into several lease agreements for various vehicles, machinery and equipment. These lease obligations meet the criteria of a capital lease as defined by Financial Accounting Standards Board Statement Number 13, *Accounting for Leases*, and have been recorded on the government-wide statements. The machinery, equipment, and vehicles have been capitalized in the amount of \$1,239,446, the present value of the minimum lease payments at the inception of the lease.

The assets acquired through capital leases are as follows:

	<u>Governmental</u> <u>Activities</u>
Asset:	
Machinery and equipment	\$ 334,268
Vehicles	<u>905,178</u>
Total historical cost	1,239,446
Less: Accumulated depreciation	<u>(303,403)</u>
Total book value as of December 31, 2014	\$ <u>936,043</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 14: Leases (continued)**

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

<u>Year ending December 31,</u>		
2015	\$	299,508
2016		249,218
2017		219,547
2018		71,625
2019		43,857
2020-2024		<u>65,790</u>
Total Minimum lease payments		949,545
Less: Amount representing interest		<u>(70,527)</u>
Present value of minimum lease	\$	<u><u>879,018</u></u>

Capital lease payments have been presented as part of the General Fund's program expenditures on the statement of revenues, expenditures and changes in fund balances and principal payments reduce liabilities rather than being an expense on the statement of activities.

**Note 15: Contingencies**

**A. Litigation**

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

**B. Grants**

The City received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2014.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## Note 16: Risk Management

### A. Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. During 2014, the City contracted with U.S. Specialty Insurance Company for various types of insurance as follows:

<u>Company</u>	<u>Coverage</u>	<u>Amount</u>
U.S. Specialty Ins. Company	General Liability (per Occurrence/Aggregate)	\$1,000,000/\$3,000,000
	Fire Damage Liability	50,000
	Premises Medical Payments (per Person)	10,000
	Employee Benefits Liability (per Occurrence/Aggregate)	1,000,000/3,000,000
	Ohio Stop Gap	1,000,000
	Automobile Liability and Physical Damage Coverage:	
	Combined Bodily Injury and Property Damage	1,000,000
	Medical Payments	10,000
	Law Enforcement Liability (per Occurrence/Aggregate)	1,000,000/1,000,000
	Public Officials Liability (per Occurrence/Aggregate)	1,000,000/1,000,000
	Crime:	
	Forgery and Alteration	250,000
	Computer Fraud	250,000
	Theft, Disappearance and Destruction	25,000
	Employee Dishonesty	500,000
	Flood	500,000
	Earthquake	500,000
	Electronic Data Processing Systems	309,920
	Property (Building and Contents) Coverage	26,117,194
	Inland Marine Coverage	2,298,505
	Umbrella Liability	5,000,000

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

### B. Workers' Compensation

The City participates in the State Workers' Compensation retrospective rating and payment plan. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for injured employees. The balance of claims payable at December 31, 2014, represents an estimate of the liability for unpaid claims costs provided by Bureau of Workers' Compensation. The claims liability for the Workers' Compensation retrospective rating and payment system at December 31, 2014, was \$51,268. All of the claims are paid from the General Fund.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## Note 16: Risk Management (continued)

### B. Workers' Compensation (continued)

The claims liability reported at December 31, 2014 for workers' compensation is based on the requirements of Governmental Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated adjustment expenses. Changes in claims activity for the years 2010 through 2014 are as follows:

	<u>Beginning of Year</u>	<u>Claims</u>	<u>Payments</u>	<u>End of year</u>
2010	\$ 288,631	\$ 39,467	\$ 95,487	\$ 232,611
2011	232,611	-	44,339	188,272
2012	188,272	-	112,337	75,935
2013	75,935	13,823	1,930	87,828
2014	87,828	-	36,560	51,268

## Note 17: Defined Benefit Pension Plans

### A. Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 that has elements of both a defined benefit and a defined contribution 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, whose investment 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 that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800)-222-7377.

For 2014, member and employer contribution rates were consistent across all three plans. For the year ended December 31, 2014, the members of all three plans were required to contribute 10.0 percent of their annual earnable salary to fund pension obligations.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 17: Defined Benefit Pension Plans (continued)**

### ***A. Ohio Public Employees Retirement System (continued)***

The City contributed 14.0 percent of earnable salaries, of which 2.0 percent was used to fund health care coverage for retirees for both traditional pension plan combined plan members. The contribution rate is determined actuarially. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations, excluding the health care portion, to the traditional pension and combined plans for the years ended December 31, 2014, 2013, and 2012 were 406,374 \$457,842, and \$437,597, respectively. The full amount has been contributed for 2013 and 2012, while 92.1 percent has been contributed for 2014 with the remainder being reported as a liability. Contributions to the member-directed plan for 2014 were \$539 made by the City and \$385 made by the plan members.

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

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

From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.5 percent of their annual covered salary. Throughout 2014, employers were required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. Contributions are authorized by State statute. The City's contributions to OP&F for police and firefighters were \$490,658 and \$528,067 for the year ended December 31, 2014, \$486,641 and \$531,591 for the year ended December 31, 2013, and 332,201 and \$399,714 for the year ended December 31, 2012. The full amount has been contributed for 2013 and 2012. 92.3 percent for police and 92.7 percent for firefighters has been contributed for 2014 with the remainder being reported as a liability.

## **Note 18: Post-Employment Benefits**

### ***A. Ohio Public Employees Retirement System***

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 18: Post-Employment Benefits (continued)**

### ***A. Ohio Public Employees Retirement System (continued)***

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to 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.

In order to qualify for post-retirement 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 recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the OPERS 2013 CAFR for details.

The Ohio Revised Code permits, but does not mandate, OPERS to provide the OPEB Plan to its eligible members and beneficiaries. Authority to establish and amend the OPEB Plan is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 E. Town St., Columbus, OH, 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2014, state and local employers contributed at a rate of 14.0 percent of earnable salaries. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent earnable salaries for state and local employer units. Active members do not make contributions to the OPEB plan.

OPERS' Post-Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of the post-employment health care benefits. The portion of employer contributions allocated to health care for members in the traditional pension plan was 2.0 percent during calendar year 2014.

Effective January 1, 2015, the portion of employer contributions allocated to health care remains at 2.0 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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## **Note 18: Post-Employment Benefits (continued)**

### ***A. Ohio Public Employees Retirement System (continued)***

The City's contributions for health care for the years ended December 31, 2014, 2013, and 2012 were \$67,697, \$32,690 and \$125,021, respectively. 92.1 percent has been contributed for 2014 and 100 percent has been contributed for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.0 percent of the employer contributions toward the health care fund after the end of the transition period.

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

The City of Warrensville Heights 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 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 E. Town St., Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

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

OP&F maintains funds for health care in two separate accounts. 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.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 18: Post-Employment Benefits (continued)**

***B. Ohio Police and Fire Pension Fund***

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.5 percent of covered payroll from January 1, 2014 thru December 31, 2014. The amount of employer contributions allocated to the health care plan each year is subject to the Board Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's health care contributions to OP&F for police and fire for the years ending December 31, 2014, 2013, and 2012 were \$12,757 and \$11,089, \$90,699 and \$80,298, \$175,752 and \$156,217, respectively. 92.3 percent for police and 92.7 for firefighters has been contributed for 2014 and 100 percent for 2013 and 2012.

**Note 19: Compensated Absences**

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

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 19:           Compensated Absences (continued)**

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

**Note 20:           Jointly Governed Organizations**

***First Suburbs Consortium of Northeast Ohio Council of Governments*** – The City is a member of the First Suburbs Consortium of Northeast Ohio Council of Government (“Council”). The Council is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. The Council is currently comprised of 18 communities. The Council was formed to foster cooperation between municipalities in matters of mutual concern including but not limited to, initiation and support of policies and practices which protect, maintain and redevelop mature communities and other matters which affect health, safety, welfare, education, economic conditions, and regional development.

The Council is governed by an Assembly made up of one representative from each member community. The representatives then elect the Governing Board made up of a Chair, Vice Chair, and other members elected in annual elections. The Governing Board oversees and manages the Council. The degree of control exercised by any participating government is limited to its representation in the Assembly and on the Governing Board. During 2014, the City contributed \$3,000 to the Council. Financial information can be obtained by contacting First Suburbs Consortium of Northeast Ohio Council of Governments, 40 Severance Circle, Cleveland Heights, Ohio 44118.

***Northeast Ohio Public Energy Council*** – The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of energy. NOPEC is currently comprised of 134 members in 174 communities in 10 counties who have been authorized by ballot to purchase energy on behalf of their citizens. The intent of NOPEC is to provide energy at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide energy to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board of Directors oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board of Directors. The City of Warrensville Heights did not contribute to NOPEC during 2014. Financial information can be obtained by contacting NOPEC, 31320 Solon Rd, Suite 20, Solon, Ohio 44139.

# City of Warrensville Heights

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2014

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**Note 20: Jointly Governed Organizations (continued)**

**Chagrin/Southeast Council of Government** – The Chagrin/Southeast Council of Government operates the Chagrin/Southeast HazMat Response Team. The team was formed in 1990 to assist local fire departments in responding to incidents involving industrial chemicals. The Council of Government has established two subsidiary organizations, the West Shore Hazardous Materials Committee which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team. During 2014, the City contributed \$3,500 to the organization. The Chagrin/Southeast Council of Government financial statements may be obtained by contacting the Finance Director of the Village of Glenwillow, 29555 Pettibone Road, Glenwillow, Ohio 44139.

**Valley Enforcement Regional Council of Government** – The City is a member of Valley Enforcement Regional Council of Government (“VERCOG”), a jointly governed organization. VERCOG is a regional council of government formed under Chapter 167 of the Ohio Revised Code. VERCOG was formed to continue to foster cooperation among political subdivisions through sharing of facilities for their common benefit. It includes the supervision and control of the Valley Enforcement Group (“VEG”), which has been a mutual aid organization providing the mutual interchange and sharing of police personnel and police equipment. VERCOG is comprised of communities located within the Chagrin Valley which exercise law enforcement authority under Ohio law and whose law enforcement agency consists of four or more full-time, sworn law enforcement officers. VERCOG is authorized to acquire and own police equipment and other property, to be used by all participating members, and may do any other thing permitted by law to accomplish its general purposes. During 2014, the City paid \$7,000 to VERCOG. Financial information can be obtained by contacting the City of Pepper Pike, 28000 Shaker Boulevard, Pepper Pike, Ohio 44124.

**Note 21: Other Significant Commitments**

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

	<u>Encumbrances</u>
General Fund	\$ 165,860
Nonmajor Governmental Funds	<u>295,117</u>
Total Governmental Funds	<u>\$ 460,977</u>

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

# City of Warrensville Heights

## Combining Statements – Nonmajor Governmental Funds

For the Year Ended December 31, 2014

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### **Nonmajor Special Revenue Funds**

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

#### ***Street Construction, Maintenance, and Repair Fund***

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

#### ***State Highway Fund***

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

#### ***Police Salary and Equipment Fund***

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

#### ***Fire Salary and Equipment Fund***

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

#### ***Street Lighting Fund***

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

#### ***Building Levy Fund***

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

#### ***Law Enforcement Trust Fund***

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

#### ***Bureau of Justice Grant Fund***

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

#### ***Fire Pension Fund***

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

#### ***Police Pension Fund***

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

#### ***DARE Grant Fund***

The DARE Grant Fund accounts for grant monies received which are used to educate the public regarding drug abuse and drug abuse prevention.

## **City of Warrensville Heights**

Combining Statements – Nonmajor Governmental Funds (continued)

For the Year Ended December 31, 2014

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### ***Community Development Block Grant Fund***

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

### ***Juvenile Diversion Program Fund***

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

### ***Fire Department Child Safety Grant Fund***

The Fire Department Child Safety Grant Fund accounts for monies to be used for fire safety programs for children.

### ***EMS Training and Equipment Grant Fund***

The EMS Training and Equipment Grant Fund accounts for monies used for the purchase of computers in the fire department.

### ***Local Law Enforcement Block Grant Fund***

The Local Law Enforcement Block Grant Fund accounts for monies used for the purchase of equipment in the police department.

### ***Sidewalk Replacement Fund***

The Sidewalk Replacement Fund accounts for monies received from the Cuyahoga County Community Development department for the inspection and improvement of sidewalks within the City. There was no budgetary information for 2014.

### ***COPS Grant Fund***

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

### ***FEMA Grant Fund***

The FEMA Grant Fund accounts for monies received from the Federal Emergency Management Agency to be expended on personal protective equipment for use by the fire department. There was no budgetary information for 2014.

### ***Cleveland Browns Foundation Fund***

The Cleveland Browns Foundation Fund accounts for monies to be used for youth crime prevention programs. There was no budgetary information for 2014.

### ***CRA Monitoring Fee Fund***

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

## City of Warrensville Heights

Combining Statements – Nonmajor Governmental Funds (continued)

For the Year Ended December 31, 2014

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### ***The Cleveland Foundation Fund***

The Cleveland Foundation Fund accounts for monies received from the Cleveland Foundation to be used for a summer and after school family based prevention program within the City. There was no budgetary information for 2014.

### ***Economic Development Stimulus Incentive Grant Fund***

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

### ***Grass Refuse Fund***

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

### ***Homeland Security Grant Fund***

The Homeland Security Grant Fund accounts for federal grant monies received to provide overtime payments to the service department employees participating in emergency preparedness. There was no budgetary information for 2014.

### ***Civic Center Park Restoration Grant Fund***

The Civic Center Park Restoration Grant Fund accounts for local grant monies used for the assessment, consultation, and implementation of sewer and drainage requirements; sidewalk repairs, and reconstruction; provision of recreation facilities; and rehabilitation of community housing and code enforcement. There was no budgetary information for 2014.

### ***Neighborhood Street Light Fund***

The Neighborhood Street Light Fund accounts for funds received from the Cuyahoga County to be used for the neighborhood street light program.

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

The G.R.E.A.T. Grant Fund accounts for federal grant monies used to implement gang-prevention education activities and programming for elementary school students. There was no budgetary information for 2014.

### ***Fire Reporting Grant Fund***

The Fire Reporting Grant Fund accounts for revenues received from the State of Ohio's Fire Marshall's office to be used towards computers, printers, and accessories to assist in the department's fire reporting requirements, and provide fire protection to the citizens for the community. There was no budgetary information for 2014.

## **City of Warrensville Heights**

Combining Statements – Nonmajor Governmental Funds (continued)

For the Year Ended December 31, 2014

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### ***2007 NatureWorks Grant Fund***

The NatureWorks Grant Fund accounts for revenues received from the Ohio Department of Natural Resources and City's matching funds. The fund expends funds in compliance with the NatureWorks Local Grant Program State/Local Project Agreement, which includes: new playground equipment and various other improvements at the Green Road Civic Center and Park. There was no budgetary information for 2014.

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

The G.R.E.A.T. Grant Fund accounts for federal grant monies used to implement gang prevention education activities and programming for elementary school students. The 2008 grant is a subsequent grant to the 2007 G.R.E.A.T. Grant. There was no budgetary information for 2014.

### ***Residential Demolition Fund***

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

### ***Master Plan Grant Fund***

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

### ***Warrensville Heights Occupancy Program Fund***

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

### ***EMS Computer Grant Fund***

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

### ***Community Recycling Grant Fund***

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

### **Nonmajor Capital Projects Funds**

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

### ***Street Improvement Fund***

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

## **City of Warrensville Heights**

Combining Statements – Nonmajor Governmental Funds (continued)

For the Year Ended December 31, 2014

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### ***Building Repair and Improvement Fund***

The Building Repair and Improvement Fund accounts for resources to be used for improving and refurbishing City owned buildings.

### ***Information Technology System Fund***

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

### ***Land Acquisition Fund***

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

### ***Snavelly Project Fund***

The Snavelly Project Fund accounts for note proceeds used to pay for the costs of constructing a development within the City which will consist of new office buildings and housing.

### ***Emery Woods Project Fund***

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

### ***Siren Warning System Fund***

The Siren Warning System Fund accounts for monies received from a note issuance to be used for installing sirens throughout the City.

### ***Route 8 and Northfield Road Project Fund***

The Route 8 and Northfield Road Fund accounts for monies received from a note issuance to be used for the City's portion of the Route 8 and Northfield Road project.

### ***Sidewalk Repair and Replacement Project Fund***

The Sidewalk Replacement Grant Fund accounts for monies received from a note issuance and a grant to be used for the City's sidewalk replacement program.

### ***Generators Fund***

The Generator Fund accounts for monies received from a note issuance to be used for the purchase and installation of a generator at City Hall. There was no budgetary information for 2014.

### ***Green Road Park Improvement Fund***

The Green Road Improvement Fund accounts for monies received from a note issuance to be used for the improvement of the Green Road Park.

### ***City Hall Boiler Replacement Fund***

The City Hall Boiler Replacement Fund accounts for monies received from a NOPEC "Powering Our Communities" grant that will be used to replace the City Hall's boiler.

## **City of Warrensville Heights**

Combining Statements – Nonmajor Governmental Funds (continued)

For the Year Ended December 31, 2014

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### ***Cinema Park Fund***

The Cinema Park Fund accounts for note proceeds used to pay for the costs of the infrastructure improvements at a housing development project.

### ***Town Center Project Fund***

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

# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Governmental Funds

December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 827,702	\$ 656,025	\$ 1,483,727
Intergovernmental receivable	240,964	-	240,964
Property and other taxes receivable	638,033	-	638,033
Total assets	<u>\$ 1,706,699</u>	<u>\$ 656,025</u>	<u>\$ 2,362,724</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 46,594	\$ 343,740	\$ 390,334
Interfund payable	69,781	5,973	75,754
Accrued interest payable	-	467	467
Notes payable	-	145,000	145,000
Total liabilities	<u>116,375</u>	<u>495,180</u>	<u>611,555</u>
<b>Deferred inflows of resources:</b>			
Property taxes	483,732	-	483,732
Unearned revenues	308,405	-	308,405
Total deferred inflows of resources	<u>792,137</u>	<u>-</u>	<u>792,137</u>
<b>Fund balances:</b>			
Restricted	604,039	321,925	925,964
Committed	214,296	-	214,296
Unassigned	(20,148)	(161,080)	(181,228)
Total fund balances	<u>798,187</u>	<u>160,845</u>	<u>959,032</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,706,699</u>	<u>\$ 656,025</u>	<u>\$ 2,362,724</u>

## City of Warrensville Heights

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds

For the year ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 580,006	\$ -	\$ 580,006
Other local taxes	14,356	-	14,356
Intergovernmental	713,934	-	713,934
Interest income	233	-	233
Fines and forfeitures	66,940	-	66,940
Charges for services	65,080	-	65,080
All other revenues	18,847	11,865	30,712
Total revenues	<u>1,459,396</u>	<u>11,865</u>	<u>1,471,261</u>
Expenditures:			
Current:			
Security of persons and property:			
Police and others	526,347	-	526,347
Fire	347,380	-	347,380
Community development	180,497	-	180,497
Transportation	769,578	701,792	1,471,370
General government	13,404	-	13,404
Capital outlay	-	170,966	170,966
Debt service:			
Interest and fiscal charges	-	467	467
Total expenditures	<u>1,837,206</u>	<u>873,225</u>	<u>2,710,431</u>
Excess of revenues under expenditures	(377,810)	(861,360)	(1,239,170)
Other financing sources (uses):			
Transfer – in	-	941,016	941,016
Transfer – out	-	(48,441)	(48,441)
Total other financing sources (uses)	<u>-</u>	<u>892,575</u>	<u>892,575</u>
Net change in fund balances	(377,810)	31,215	(346,595)
Fund balances – beginning of year	<u>1,175,997</u>	<u>129,630</u>	<u>1,305,627</u>
Fund balances – end of year	\$ <u>798,187</u>	\$ <u>160,845</u>	\$ <u>959,032</u>

# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Special Revenue Funds

December 31, 2014

	<u>Street Construction, Maintenance, and Repair</u>	<u>State Highway</u>	<u>Police Salary and Equipment</u>	<u>Fire Salary and Equipment</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 81,469	\$ 11,294	\$ 10,859	\$ 4,772
Intergovernmental receivable	186,133	20,374	3,344	3,344
Property and other taxes receivable	-	-	106,381	106,381
Total assets	<u>\$ 267,602</u>	<u>\$ 31,668</u>	<u>\$ 120,584</u>	<u>\$ 114,497</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 6,847	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-
Total liabilities	<u>6,847</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes	-	-	80,947	80,947
Unearned revenues	108,829	14,107	28,778	28,778
Total deferred inflows of resources	<u>108,829</u>	<u>14,107</u>	<u>109,725</u>	<u>109,725</u>
<b>Fund balances:</b>				
Restricted	151,926	17,561	10,859	4,772
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>151,926</u>	<u>17,561</u>	<u>10,859</u>	<u>4,772</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 267,602</u>	<u>\$ 31,668</u>	<u>\$ 120,584</u>	<u>\$ 114,497</u>

<u>Street Lighting</u>	<u>Building Levy</u>	<u>Law Enforcement Trust</u>	<u>Bureau of Justice Grant</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>DARE Grant</u>
\$ 86,985	\$ 26,983	\$ 79,492	\$ 9,153	\$ 10,765	\$ 10,959	\$ 55,985
13,538	5,207	-	-	4,062	4,062	-
<u>213,337</u>	<u>75,180</u>	<u>-</u>	<u>-</u>	<u>68,377</u>	<u>68,377</u>	<u>-</u>
\$ <u>313,860</u>	\$ <u>107,370</u>	\$ <u>79,492</u>	\$ <u>9,153</u>	\$ <u>83,204</u>	\$ <u>83,398</u>	\$ <u>55,985</u>
\$ 35,260	\$ 4,487	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	148	-	-	-
<u>35,260</u>	<u>4,487</u>	<u>-</u>	<u>148</u>	<u>-</u>	<u>-</u>	<u>-</u>
161,300	56,992	-	-	51,773	51,773	-
<u>65,575</u>	<u>21,006</u>	<u>-</u>	<u>-</u>	<u>20,666</u>	<u>20,666</u>	<u>-</u>
<u>226,875</u>	<u>77,998</u>	<u>-</u>	<u>-</u>	<u>72,439</u>	<u>72,439</u>	<u>-</u>
51,725	24,885	79,492	9,005	10,765	10,959	55,985
-	-	-	-	-	-	-
<u>51,725</u>	<u>24,885</u>	<u>79,492</u>	<u>9,005</u>	<u>10,765</u>	<u>10,959</u>	<u>55,985</u>
\$ <u>313,860</u>	\$ <u>107,370</u>	\$ <u>79,492</u>	\$ <u>9,153</u>	\$ <u>83,204</u>	\$ <u>83,398</u>	\$ <u>55,985</u>

(continued)

# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Special Revenue Funds (continued)

December 31, 2014

	Community Development <u>Block Grant</u>	Juvenile Diversion <u>Program</u>	Fire Department Child Safety <u>Grant</u>	EMS Training and Equipment <u>Grant</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 32,483	\$ 13,183	\$ 808	\$ 4,845
Intergovernmental receivable	-	900	-	-
Property and other taxes receivable	-	-	-	-
Total assets	<u>\$ 32,483</u>	<u>\$ 14,083</u>	<u>\$ 808</u>	<u>\$ 4,845</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund payable	<u>27,919</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>27,919</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes	-	-	-	-
Unearned revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Restricted	4,564	14,083	808	4,845
Committed	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>4,564</u>	<u>14,083</u>	<u>808</u>	<u>4,845</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 32,483</u>	<u>\$ 14,083</u>	<u>\$ 808</u>	<u>\$ 4,845</u>

<u>Local Law Enforcement Block Grant</u>	<u>Sidewalk Replacement</u>	<u>COPS Grant</u>	<u>FEMA Grant</u>	<u>Cleveland Browns Foundation</u>	<u>CRA Monitoring Fee</u>	<u>The Cleveland Foundation</u>
\$ 21	\$ 7,104	\$ 27,949	\$ 30,521	\$ 568	\$ 149,161	\$ 4,819
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 21</u>	<u>\$ 7,104</u>	<u>\$ 27,949</u>	<u>\$ 30,521</u>	<u>\$ 568</u>	<u>\$ 149,161</u>	<u>\$ 4,819</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	21,566	-	-	-	-
-	-	21,566	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
21	7,104	6,383	30,521	568	-	4,819
-	-	-	-	-	149,161	-
-	-	-	-	-	-	-
<u>21</u>	<u>7,104</u>	<u>6,383</u>	<u>30,521</u>	<u>568</u>	<u>149,161</u>	<u>4,819</u>
<u>\$ 21</u>	<u>\$ 7,104</u>	<u>\$ 27,949</u>	<u>\$ 30,521</u>	<u>\$ 568</u>	<u>\$ 149,161</u>	<u>\$ 4,819</u>

(continued)

# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Special Revenue Funds (continued)

December 31, 2014

	Economic Development Stimulus <u>Incentive Grant</u>	Grass Refuse <u>Refuse</u>	Homeland Security Grant <u>Grant</u>	Civic Center Park Restoration Grant <u>Grant</u>	Neighborhood Street Light <u>Light</u>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 28,150	\$ 22,300	\$ 1,999	\$ 38,808	\$ -
Intergovernmental receivable	-	-	-	-	-
Property and other taxes receivable	-	-	-	-	-
Total assets	<u>\$ 28,150</u>	<u>\$ 22,300</u>	<u>\$ 1,999</u>	<u>\$ 38,808</u>	<u>-</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-	559
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>559</u>
<b>Deferred inflows of resources:</b>					
Property taxes	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>					
Restricted	-	-	1,999	38,808	-
Committed	28,150	22,300	-	-	-
Unassigned	-	-	-	-	(559)
Total fund balances (deficits)	<u>28,150</u>	<u>22,300</u>	<u>1,999</u>	<u>38,808</u>	<u>(559)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 28,150</u>	<u>\$ 22,300</u>	<u>\$ 1,999</u>	<u>\$ 38,808</u>	<u>\$ -</u>

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<u>G.R.E.A.T. Grant</u>	<u>Fire Reporting Grant</u>	<u>2007 NatureWorks Grant</u>	<u>2008 G.R.E.A.T. Grant</u>	<u>Residential Demolition</u>	<u>Master Plan Grant</u>
\$ 3,668	\$ 188	\$ -	\$ 29,342	\$ 31	\$ 25,353
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,668</u>	<u>\$ 188</u>	<u>\$ -</u>	<u>\$ 29,342</u>	<u>\$ 31</u>	<u>\$ 25,353</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	19,589	-	-	-
-	-	19,589	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,668	188	-	29,342	31	25,353
-	-	-	-	-	-
-	-	(19,589)	-	-	-
<u>3,668</u>	<u>188</u>	<u>(19,589)</u>	<u>29,342</u>	<u>31</u>	<u>25,353</u>
<u>\$ 3,668</u>	<u>\$ 188</u>	<u>\$ -</u>	<u>\$ 29,342</u>	<u>\$ 31</u>	<u>\$ 25,353</u>

(continued)

# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Special Revenue Funds (continued)

December 31, 2014

	Warrensville Heights Occupancy Program	EMS Computer Grant	Community Recycling Grant	Nonmajor Special Revenue Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 14,685	\$ 3,000	\$ -	\$ 827,702
Intergovernmental receivable	-	-	-	240,964
Property and other taxes receivable	-	-	-	638,033
Total assets	<u>\$ 14,685</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 1,706,699</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 46,594
Interfund payable	-	-	-	69,781
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,375</u>
<b>Deferred inflows of resources:</b>				
Property taxes	-	-	-	483,732
Unearned revenues	-	-	-	308,405
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>792,137</u>
<b>Fund balances:</b>				
Restricted	-	3,000	-	604,039
Committed	14,685	-	-	214,296
Unassigned	-	-	-	(20,148)
Total fund balances (deficits)	<u>14,685</u>	<u>3,000</u>	<u>-</u>	<u>798,187</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,685</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 1,706,699</u>

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## City of Warrensville Heights

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds

For the year ended December 31, 2014

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	Street Construction, Maintenance, and Repair	State Highway	Police Salary and Equipment	Fire Salary and Equipment
Revenues:				
Property taxes	\$ -	\$ -	\$ 94,446	\$ 94,446
Other local taxes	-	-	-	-
Intergovernmental	446,640	36,213	6,687	6,686
Interest income	143	90	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
All other revenue	-	-	-	-
Total revenues	<u>446,783</u>	<u>36,303</u>	<u>101,133</u>	<u>101,132</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others	-	-	165,000	-
Fire	-	-	-	215,000
Community development	-	-	-	-
Transportation	493,609	108,445	-	-
General government	-	-	-	-
Total expenditures	<u>493,609</u>	<u>108,445</u>	<u>165,000</u>	<u>215,000</u>
Net change in fund balances	(46,826)	(72,142)	(63,867)	(113,868)
Fund balances (deficits) – beginning of year	<u>198,752</u>	<u>89,703</u>	<u>74,726</u>	<u>118,640</u>
Fund balances (deficits) – end of year	\$ <u>151,926</u>	\$ <u>17,561</u>	\$ <u>10,859</u>	\$ <u>4,772</u>

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<u>Street Lighting</u>	<u>Building Levy</u>	<u>Law Enforcement Trust</u>	<u>Bureau of Justice Grant</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>DARE Grant</u>
\$ 189,657	\$ 79,249	\$ -	\$ -	\$ 61,104	\$ 61,104	\$ -
8,972	-	-	-	2,692	2,692	-
18,103	8,024	-	-	5,431	5,430	8,000
-	-	-	-	-	-	-
-	-	42,900	-	-	-	-
-	-	-	-	-	-	-
-	18,527	-	-	-	-	-
<u>216,732</u>	<u>105,800</u>	<u>42,900</u>	<u>-</u>	<u>69,227</u>	<u>69,226</u>	<u>8,000</u>
250,067	-	-	-	-	111,000	-
-	-	-	-	131,000	-	-
-	-	-	-	-	-	-
-	167,524	-	-	-	-	-
-	5,873	-	-	-	-	-
<u>250,067</u>	<u>173,397</u>	<u>-</u>	<u>-</u>	<u>131,000</u>	<u>111,000</u>	<u>-</u>
(33,335)	(67,597)	42,900	-	(61,773)	(41,774)	8,000
<u>85,060</u>	<u>92,482</u>	<u>36,592</u>	<u>9,005</u>	<u>72,538</u>	<u>52,733</u>	<u>47,985</u>
\$ <u>51,725</u>	\$ <u>24,885</u>	\$ <u>79,492</u>	\$ <u>9,005</u>	\$ <u>10,765</u>	\$ <u>10,959</u>	\$ <u>55,985</u>

(continued)

## City of Warrensville Heights

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds (continued)

For the year ended December 31, 2014

	Community Development <u>Block Grant</u>	Juvenile Diversion <u>Program</u>	Fire Department Child Safety <u>Grant</u>	EMS Training and Equipment <u>Grant</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Intergovernmental	20,000	3,780	-	-
Interest income	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
All other revenue	-	320	-	-
Total revenues	<u>20,000</u>	<u>4,100</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others	-	280	-	-
Fire	-	-	-	1,380
Community development	4,117	-	-	-
Transportation	-	-	-	-
General government	-	-	-	-
Total expenditures	<u>4,117</u>	<u>280</u>	<u>-</u>	<u>1,380</u>
Net change in fund balances	15,883	3,820	-	(1,380)
Fund balances (deficits) – beginning of year	<u>(11,319)</u>	<u>10,263</u>	<u>808</u>	<u>6,225</u>
Fund balances (deficits) – end of year	\$ <u>4,564</u>	\$ <u>14,083</u>	\$ <u>808</u>	\$ <u>4,845</u>

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<u>Local Law Enforcement Block Grant</u>	<u>Sidewalk Replacement</u>	<u>COPS Grant</u>	<u>FEMA Grant</u>	<u>Cleveland Browns Foundation</u>	<u>CRA Monitoring Fee</u>	<u>The Cleveland Foundation</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	24,040	-
-	-	-	-	-	44,500	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,540</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,531</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,531</u>	<u>-</u>
-	-	-	-	-	61,009	-
<u>21</u>	<u>7,104</u>	<u>6,383</u>	<u>30,521</u>	<u>568</u>	<u>88,152</u>	<u>4,819</u>
\$ <u>21</u>	\$ <u>7,104</u>	\$ <u>6,383</u>	\$ <u>30,521</u>	\$ <u>568</u>	\$ <u>149,161</u>	\$ <u>4,819</u>

(continued)

## City of Warrensville Heights

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds (continued)

For the year ended December 31, 2014

	Economic Development Stimulus Incentive Grant	Grass Refuse	Homeland Security Grant	Civic Center Park Restoration Grant	Neighborhood Street Light
<b>Revenues:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	145,260
Interest income	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Charges for services	-	18,330	-	-	-
All other revenue	-	-	-	-	-
Total revenues	<u>-</u>	<u>18,330</u>	<u>-</u>	<u>-</u>	<u>145,260</u>
<b>Expenditures:</b>					
<b>Current:</b>					
Security of persons and property:					
Police and others	-	-	-	-	-
Fire	-	-	-	-	-
Community development	-	26,881	-	-	145,819
Transportation	-	-	-	-	-
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>26,881</u>	<u>-</u>	<u>-</u>	<u>145,819</u>
Net change in fund balances	-	(8,551)	-	-	(559)
Fund balances (deficits) – beginning of year	<u>28,150</u>	<u>30,851</u>	<u>1,999</u>	<u>38,808</u>	<u>-</u>
Fund balances (deficits) – end of year	\$ <u>28,150</u>	\$ <u>22,300</u>	\$ <u>1,999</u>	\$ <u>38,808</u>	\$ <u>(559)</u>



## City of Warrensville Heights

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds (continued)

For the year ended December 31, 2014

	Warrensville Heights Occupancy Program	EMS Computer Grant	SAFER Hiring Program	Community Recycling Grant	Nonmajor Special Revenue Funds
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 580,006
Other local taxes	-	-	-	-	14,356
Intergovernmental	-	-	-	3,680	713,934
Interest income	-	-	-	-	233
Fines and forfeitures	-	-	-	-	66,940
Charges for services	2,250	-	-	-	65,080
All other revenue	-	-	-	-	18,847
Total revenues	<u>2,250</u>	<u>-</u>	<u>-</u>	<u>3,680</u>	<u>1,459,396</u>
Expenditures:					
Current:					
Security of persons and property:					
Police and others	-	-	-	-	526,347
Fire	-	-	-	-	347,380
Community development	-	-	-	3,680	180,497
Transportation	-	-	-	-	769,578
General government	-	-	-	-	13,404
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,680</u>	<u>1,837,206</u>
Net change in fund balances	2,250	-	-	-	(377,810)
Fund balances (deficits) – beginning of year	<u>12,435</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>1,175,997</u>
Fund balances (deficits) – end of year	\$ <u>14,685</u>	\$ <u>3,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>798,187</u>

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# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Capital Projects Funds

December 31, 2014

	<u>Street Improvement</u>	<u>Building Repair and Improvement</u>	<u>Information Technology System</u>	<u>Land Acquisition</u>	<u>Snavely Project</u>	<u>Emery Woods Project</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ <u>512,810</u>	\$ <u>-</u>	\$ <u>305</u>	\$ <u>31,004</u>	\$ <u>-</u>	\$ <u>65,584</u>
Total assets	\$ <u>512,810</u>	\$ <u>-</u>	\$ <u>305</u>	\$ <u>31,004</u>	\$ <u>-</u>	\$ <u>65,584</u>
Liabilities and fund balances:						
Liabilities:						
Accounts payable	\$ 330,010	\$ 340	\$ -	\$ 13,390	\$ -	\$ -
Interfund payable	-	-	-	-	-	-
Accrued interest payable	-	-	-	467	-	-
Notes payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,000</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>330,010</u>	<u>340</u>	<u>-</u>	<u>158,857</u>	<u>-</u>	<u>-</u>
Fund balances:						
Restricted	200,754	-	305	-	-	80,517
Unassigned	<u>(17,954)</u>	<u>(340)</u>	<u>-</u>	<u>(127,853)</u>	<u>-</u>	<u>(14,933)</u>
Total fund balances (deficits)	<u>182,800</u>	<u>(340)</u>	<u>305</u>	<u>(127,853)</u>	<u>-</u>	<u>65,584</u>
Total liabilities and fund balances	\$ <u>512,810</u>	\$ <u>-</u>	\$ <u>305</u>	\$ <u>31,004</u>	\$ <u>-</u>	\$ <u>65,584</u>

<u>Siren Warning System</u>	<u>Route 8 &amp; Northfield Road Project</u>	<u>Sidewalk Repair and Replacement Project</u>	<u>Generators</u>	<u>Green Road Park Improvement</u>	<u>City Hall Boiler Replacement</u>	<u>Cinema Park</u>	<u>Town Center Project Fund</u>	<u>Nonmajor Capital Projects Funds</u>
\$ -	\$ -	\$ -	\$ 10,666	\$ -	\$ 950	\$ 9,353	\$ 25,353	\$ 656,025
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,666</u>	<u>\$ -</u>	<u>\$ 950</u>	<u>\$ 9,353</u>	<u>\$ 25,353</u>	<u>\$ 656,025</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 343,740
-	-	-	-	-	-	-	5,973	5,973
-	-	-	-	-	-	-	-	467
-	-	-	-	-	-	-	-	145,000
-	-	-	-	-	-	-	5,973	495,180
-	-	-	10,666	-	950	9,353	19,380	321,925
-	-	-	-	-	-	-	-	(161,080)
-	-	-	10,666	-	950	9,353	19,380	160,845
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,666</u>	<u>\$ -</u>	<u>\$ 950</u>	<u>\$ 9,353</u>	<u>\$ 25,353</u>	<u>\$ 656,025</u>

# City of Warrensville Heights

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds

For the Year Ended December 31, 2014

	<u>Street Improvement</u>	<u>Building Repair and Improvement</u>	<u>Information Technology System</u>	<u>Land Acquisition</u>	<u>Snavelly Project</u>	<u>Emery Woods Project</u>
Revenues:						
All other revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:						
Current:						
Transportation	667,796	340	-	-	-	17,495
Capital outlay	-	-	-	150,498	-	-
Debt Service:						
Interest and fiscal charges	-	-	-	467	-	-
Total expenditures	<u>667,796</u>	<u>340</u>	<u>-</u>	<u>150,965</u>	<u>-</u>	<u>17,495</u>
Excess of revenues under expenditures	<u>(667,796)</u>	<u>(340)</u>	<u>-</u>	<u>(150,965)</u>	<u>-</u>	<u>(17,495)</u>
Other financing sources (uses):						
Transfers – in	841,016	-	-	100,000	-	-
Transfers – out	<u>(17,954)</u>	<u>(1,738)</u>	<u>-</u>	<u>-</u>	<u>(2,286)</u>	<u>(14,933)</u>
Total other financing sources (uses)	<u>823,062</u>	<u>(1,738)</u>	<u>-</u>	<u>100,000</u>	<u>(2,286)</u>	<u>(14,933)</u>
Net change in fund balances	155,266	(2,078)	-	(50,965)	(2,286)	(32,428)
Fund balances (deficits) beginning of year	<u>27,534</u>	<u>1,738</u>	<u>305</u>	<u>(76,888)</u>	<u>2,286</u>	<u>98,012</u>
Fund balances (deficits) end of year	\$ <u>182,800</u>	\$ <u>(340)</u>	\$ <u>305</u>	\$ <u>(127,853)</u>	\$ <u>-</u>	\$ <u>65,584</u>

<u>Siren Warning System</u>	<u>Route 8 &amp; Northfield Road Project</u>	<u>Sidewalk Repair and Replacement Project</u>	<u>Generators</u>	<u>Green Road Park Improvement</u>	<u>City Hall Boiler Replacement</u>	<u>Cinema Park</u>	<u>Town Center Project Fund</u>	<u>Nonmajor Capital Projects Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,526	\$ 10,339	\$ 11,865
-	-	-	-	-	9,839	6,322	-	701,792
-	-	-	-	-	-	468	20,000	170,966
-	-	-	-	-	-	-	-	467
-	-	-	-	-	9,839	6,790	20,000	873,225
-	-	-	-	-	(9,839)	(5,264)	(9,661)	(861,360)
-	-	-	-	-	-	-	-	941,016
(457)	(3,841)	(81)	-	(7,151)	-	-	-	(48,441)
(457)	(3,841)	(81)	-	(7,151)	-	-	-	892,575
(457)	(3,841)	(81)	-	(7,151)	(9,839)	(5,264)	(9,661)	31,215
457	3,841	81	10,666	7,151	10,789	14,617	29,041	129,630
\$ -	\$ -	\$ -	\$ 10,666	\$ -	\$ 950	\$ 9,353	\$ 19,380	\$ 160,845

# City of Warrensville Heights

## Combining Statement of Changes in Assets and Liabilities – Agency Funds

December 31, 2014

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### ***Agency Funds***

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations and other governmental units. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of operations.

### ***Developers' Deposits Fund***

The Developers Deposits Fund accounts for deposits from contractors, held by the City, to insure compliance with various City ordinances regarding development within the City.

### ***Senior Civic Center Rental Fund***

The Senior Civic Center Rental Fund accounts for monies received as security deposit for rental of the civic and senior center.

### ***Payroll Clearing Fund***

The Payroll Clearing Fund accounts for payroll deductions collected for other governmental units or entities.

### ***Self-Insurance Fund***

The Self-Insurance Fund accounts for payroll deductions collected for health care self-insurance.

# City of Warrensville Heights

## Combining Statement of Changes in Assets and Liabilities – Agency Funds

December 31, 2014

	Beginning Balance <u>12/31/2013</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>12/31/2014</u>
<b>Developers' Deposits Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>26,085</u>	\$ <u>228,351</u>	\$ <u>209,683</u>	\$ <u>44,753</u>
Liabilities:				
Deposits held and due to others	\$ <u>26,085</u>	\$ <u>228,351</u>	\$ <u>209,683</u>	\$ <u>44,753</u>
<b>Senior Civic Center Rental Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>1,130</u>	\$ <u>1,300</u>	\$ <u>2,100</u>	\$ <u>330</u>
Liabilities:				
Deposits held and due to others	\$ <u>1,130</u>	\$ <u>1,300</u>	\$ <u>2,100</u>	\$ <u>330</u>
<b>Payroll Clearing Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>177,509</u>	\$ <u>-</u>	\$ <u>2,371</u>	\$ <u>175,138</u>
Liabilities:				
Deposits held and due to others	\$ <u>177,509</u>	\$ <u>-</u>	\$ <u>2,371</u>	\$ <u>175,138</u>
<b>Self-Insurance Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>-</u>	\$ <u>10,031</u>	\$ <u>-</u>	\$ <u>10,031</u>
Liabilities:				
Deposits held and due to others	\$ <u>-</u>	\$ <u>10,031</u>	\$ <u>-</u>	\$ <u>10,031</u>
<b>Total All Agency Funds</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>204,724</u>	\$ <u>239,682</u>	\$ <u>214,154</u>	\$ <u>230,252</u>
Liabilities:				
Deposits held and due to others	\$ <u>204,724</u>	\$ <u>239,682</u>	\$ <u>214,154</u>	\$ <u>230,252</u>

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

# City of Warrensville Heights

## Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 367,972	\$ 367,972	\$ 422,671	\$ 54,699
Municipal income taxes	13,166,111	13,743,813	15,501,483	1,757,670
Other local taxes	196,460	206,768	233,373	26,605
Intergovernmental	438,641	461,656	521,058	59,402
Interest income	369,598	388,990	439,042	50,052
Licenses and permits	683,527	719,391	811,956	92,565
Fines and forfeitures	87,442	92,030	103,872	11,842
Charges for services	5,589	5,882	6,639	757
All other revenues	<u>170,265</u>	<u>179,198</u>	<u>202,256</u>	<u>23,058</u>
Total revenues	<u>15,485,605</u>	<u>16,165,700</u>	<u>18,242,350</u>	<u>2,076,650</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Security of persons and property:</b>				
<b>Police department:</b>				
Personal services	3,834,198	4,441,759	4,223,836	217,923
Materials and supplies	613,521	193,460	183,968	9,492
Contractual services	43,299	42,436	40,354	2,082
Capital outlay	<u>297,900</u>	<u>157,127</u>	<u>149,418</u>	<u>7,709</u>
Total police department	<u>4,788,918</u>	<u>4,834,782</u>	<u>4,597,576</u>	<u>237,206</u>
<b>Fire department:</b>				
Personal services	2,719,962	3,201,773	3,044,687	157,086
Materials and supplies	286,737	90,061	85,642	4,419
Contractual services	51,644	40,512	38,524	1,988
Capital outlay	<u>5,800</u>	<u>97,262</u>	<u>92,490</u>	<u>4,772</u>
Total fire department	<u>3,064,143</u>	<u>3,429,608</u>	<u>3,261,343</u>	<u>168,265</u>
Total security of persons and property	<u>7,853,061</u>	<u>8,264,390</u>	<u>7,858,919</u>	<u>405,471</u>
<b>Public health services:</b>				
<b>Professional services:</b>				
Contractual services	<u>52,000</u>	<u>55,824</u>	<u>53,085</u>	<u>2,739</u>
<b>Leisure time activities:</b>				
<b>Community activities:</b>				
Personal services	65,923	178,123	169,384	8,739
Materials and supplies	132,740	69,263	65,865	3,398
Contractual services	<u>6,273</u>	<u>10,628</u>	<u>10,106</u>	<u>522</u>
Total community activities	<u>204,936</u>	<u>258,014</u>	<u>245,355</u>	<u>12,659</u>

Continued

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Civic center:				
Personal services	223,210	245,190	233,162	12,028
Materials and supplies	48,599	39,352	37,421	1,931
Contractual services	-	776	737	39
Total civic center	<u>271,809</u>	<u>285,318</u>	<u>271,320</u>	<u>13,998</u>
Total leisure time activities	<u>476,745</u>	<u>543,332</u>	<u>516,675</u>	<u>26,657</u>
Community development:				
Economic development:				
Personal services	68,326	91,759	87,257	4,502
Materials and supplies	5,650	1,004	955	49
Contractual services	-	295	280	15
Total economic development	<u>73,976</u>	<u>93,058</u>	<u>88,492</u>	<u>4,566</u>
Building department:				
Personal services	452,898	458,280	435,796	22,484
Materials and supplies	38,653	12,777	12,150	627
Contractual services	13,050	15,695	14,925	770
Total building department	<u>504,601</u>	<u>486,752</u>	<u>462,871</u>	<u>23,881</u>
Total community development	<u>578,577</u>	<u>579,810</u>	<u>551,363</u>	<u>28,447</u>
Basic utility services:				
Solid waste:				
Personal services	1,031,266	1,083,536	1,030,375	53,161
Materials and supplies	39,240	-	-	-
Contractual services	11,208	161,633	153,703	7,930
Total basic utility services	<u>1,081,714</u>	<u>1,245,169</u>	<u>1,184,078</u>	<u>61,091</u>
Transportation:				
Service department:				
Personal services	590,643	743,901	707,405	36,496
Materials and supplies	526,150	641,060	609,608	31,452
Contractual services	205,817	34,219	32,539	1,680
Capital Outlay	-	13,468	12,807	661
Total Transportation	<u>1,322,610</u>	<u>1,432,648</u>	<u>1,362,359</u>	<u>70,289</u>

Continued

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund (continued)

For the Year Ended December 31, 2014

	Budget		Actual	Continued Variance with Final Budget Positive (Negative)
	Original	Final		
General government:				
City council:				
Personal services	172,243	193,339	183,853	9,486
Materials and supplies	114,096	34,288	32,606	1,682
Contractual services	<u>7,000</u>	<u>53,282</u>	<u>50,668</u>	<u>2,614</u>
Total city council	<u>293,339</u>	<u>280,909</u>	<u>267,127</u>	<u>13,782</u>
Mayor:				
Personal services	321,060	355,590	338,144	17,446
Materials and supplies	28,224	7,379	7,017	362
Contractual services	-	569	541	28
Capital outlay	<u>-</u>	<u>2,649</u>	<u>2,519</u>	<u>130</u>
Total mayor	<u>349,284</u>	<u>366,187</u>	<u>348,221</u>	<u>17,966</u>
Finance department:				
Personal services	366,717	375,705	357,272	18,433
Materials and supplies	14,047	8,008	7,615	393
Capital outlay	<u>500</u>	<u>392,041</u>	<u>372,807</u>	<u>19,234</u>
Total finance department	<u>381,264</u>	<u>775,754</u>	<u>737,694</u>	<u>38,060</u>
Municipal income tax:				
Personal services	12,304	36,108	34,336	1,772
Contractual services	<u>571,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total municipal income tax	<u>583,604</u>	<u>36,108</u>	<u>34,336</u>	<u>1,772</u>
Legal:				
Personal services	108,104	97,948	93,143	4,805
Materials and supplies	18,259	7,719	7,340	379
Contractual services	<u>160,875</u>	<u>135,930</u>	<u>129,261</u>	<u>6,669</u>
Total legal	<u>287,238</u>	<u>241,597</u>	<u>229,744</u>	<u>11,853</u>
Human resources:				
Personal services	91,279	105,227	100,064	5,163
Materials and supplies	19,796	849	807	42
Contractual services	<u>6,745</u>	<u>6,453</u>	<u>6,136</u>	<u>317</u>
Total human resources	<u>117,820</u>	<u>112,529</u>	<u>107,007</u>	<u>5,522</u>

Continued

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund (continued)

For the Year Ended December 31, 2014

Board commissions:				
Personal services	10,595	6,522	6,202	320
Materials and supplies	<u>4,225</u>	<u>308</u>	<u>293</u>	<u>15</u>
Total boards and commissions	<u>14,820</u>	<u>6,830</u>	<u>6,495</u>	<u>335</u>
Engineering:				
Contractual services	<u>60,260</u>	<u>52,426</u>	<u>49,854</u>	<u>2,572</u>
Election:				
Contractual services	<u>25,000</u>	<u>39,680</u>	<u>37,733</u>	<u>1,947</u>
Information technology:				
Contractual services	<u>197,722</u>	<u>247,097</u>	<u>234,974</u>	<u>12,123</u>
Lands and buildings:				
Materials and supplies	340,533	331,433	315,172	16,261
Contractual services	93,500	211,350	200,981	10,369
Capital outlay	<u>-</u>	<u>344</u>	<u>327</u>	<u>17</u>
Total lands and buildings	<u>434,033</u>	<u>543,127</u>	<u>516,480</u>	<u>26,647</u>
Other government:				
Personal services	51,600	98,411	93,584	4,827
Materials and supplies	68,265	-	-	-
Contractual services	<u>839,449</u>	<u>940,766</u>	<u>894,610</u>	<u>46,156</u>
Total other government	<u>959,314</u>	<u>1,039,177</u>	<u>988,194</u>	<u>50,983</u>
Total general government	<u>3,703,698</u>	<u>3,741,421</u>	<u>3,557,859</u>	<u>183,562</u>
Total expenditures	<u>15,068,405</u>	<u>15,862,594</u>	<u>15,084,338</u>	<u>778,256</u>
Excess of revenues over (under) expenditures	417,200	303,106	3,158,012	2,854,906
Other financing sources (uses):				
Transfers – out	<u>(1,327,000)</u>	<u>(1,869,000)</u>	<u>(1,841,016)</u>	<u>27,984</u>
Net change in fund balance	(909,800)	(1,565,894)	1,316,996	2,882,890
Fund balance – beginning of year	2,995,225	2,995,225	2,995,225	-
Prior year encumbrances appropriated	<u>218,174</u>	<u>218,174</u>	<u>218,174</u>	<u>-</u>
Fund balance – end of year	\$ <u>2,303,599</u>	\$ <u>1,647,505</u>	\$ <u>4,530,395</u>	\$ <u>2,882,890</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Obligation Bond Retirement Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 363,478	\$ 363,478	\$ 408,877	\$ 45,399
Other local taxes	41,492	56,105	53,167	(2,938)
Intergovernmental	27,071	36,605	34,688	(1,917)
Special assessments	266,672	360,594	341,708	(18,886)
All other revenues	<u>4,434,765</u>	<u>5,996,696</u>	<u>5,682,625</u>	<u>(314,071)</u>
Total revenues	<u>5,133,478</u>	<u>6,813,478</u>	<u>6,521,065</u>	<u>(292,413)</u>
<b>Expenditures:</b>				
<b>Debt Service:</b>				
Principal – G.O. bonds	620,000	4,480,000	4,380,000	100,000
Principal – notes	1,900,000	1,900,000	2,000,000	(100,000)
Interest and fiscal charges – G.O. bonds	690,000	783,000	880,978	(97,978)
Interest and fiscal charges – notes	<u>50,000</u>	<u>50,000</u>	<u>62,830</u>	<u>(12,830)</u>
Total expenditures	<u>3,260,000</u>	<u>7,213,000</u>	<u>7,323,808</u>	<u>(110,808)</u>
Excess of revenues over (under) expenditures	1,873,478	(399,522)	(802,743)	(403,221)
<b>Other financing sources (uses):</b>				
Transfers – in	<u>901,073</u>	<u>901,073</u>	<u>1,048,441</u>	<u>147,368</u>
Net change in fund balance	2,774,551	501,551	245,698	(255,853)
Fund balance – beginning of the year	<u>742,691</u>	<u>742,691</u>	<u>742,691</u>	<u>-</u>
Fund balance – end of year	\$ <u>3,517,242</u>	\$ <u>1,244,242</u>	\$ <u>988,389</u>	\$ <u>(255,853)</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Street Construction, Maintenance, and Repair Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 424,856	\$ 441,853	\$ 431,283	\$ (10,570)
Interest income	<u>141</u>	<u>147</u>	<u>143</u>	<u>(4)</u>
Total revenues	<u>424,997</u>	<u>442,000</u>	<u>431,426</u>	<u>(10,574)</u>
Expenditures:				
Current:				
Transportation:				
Street maintenance:				
Personal services	330,000	330,000	327,797	2,203
Materials and supplies	<u>189,000</u>	<u>189,000</u>	<u>38,434</u>	<u>150,566</u>
Total street maintenance	<u>519,000</u>	<u>519,000</u>	<u>366,231</u>	<u>152,769</u>
Snow and ice removal:				
Materials and supplies	<u>178,000</u>	<u>178,000</u>	<u>129,960</u>	<u>48,040</u>
Traffic control:				
Materials and supplies	<u>49,454</u>	<u>49,454</u>	<u>20,400</u>	<u>29,054</u>
Total expenditures	<u>746,454</u>	<u>746,454</u>	<u>486,762</u>	<u>229,863</u>
Net change in fund balance	(321,457)	(304,454)	(85,165)	219,289
Fund balance – beginning of year	21,034	21,034	21,034	-
Prior year encumbrances appropriated	<u>115,771</u>	<u>115,771</u>	<u>115,771</u>	-
Fund balance (deficit) – end of year	\$ <u>(184,652)</u>	\$ <u>(167,649)</u>	\$ <u>51,640</u>	\$ <u>219,289</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – State Highway Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 45,882	\$ 45,882	\$ 34,969	\$ (10,913)
Interest income	118	118	90	(28)
Total revenues	<u>46,000</u>	<u>46,000</u>	<u>35,059</u>	<u>(10,941)</u>
Expenditures:				
Current:				
Transportation:				
Street maintenance:				
Personal services	25,000	105,000	105,000	-
Vehicle repairs	5,000	5,000	4,988	12
Materials and supplies	-	-	454	(454)
Total expenditures	<u>30,000</u>	<u>110,000</u>	<u>110,442</u>	<u>(442)</u>
Net change in fund balance	16,000	(64,000)	(75,383)	(11,383)
Fund balance – beginning of year	84,226	84,226	84,226	-
Prior year encumbrances appropriated	<u>454</u>	<u>454</u>	<u>454</u>	<u>-</u>
Fund balance – end of year	\$ <u>100,680</u>	\$ <u>20,680</u>	\$ <u>9,297</u>	\$ <u>(11,383)</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Police Salary and Equipment Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 83,019	\$ 101,019	\$ 94,446	\$ (6,573)
Intergovernmental	-	-	6,687	6,687
Total revenues	<u>83,019</u>	<u>101,019</u>	<u>101,133</u>	<u>114</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others:				
Personal services	<u>140,000</u>	<u>165,000</u>	<u>165,000</u>	<u>-</u>
Net change in fund balance	(56,981)	(63,981)	(63,867)	114
Fund balance – beginning of year	<u>74,726</u>	<u>74,726</u>	<u>74,726</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>17,745</u></u>	\$ <u><u>10,745</u></u>	\$ <u><u>10,859</u></u>	\$ <u><u>114</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Fire Salary and Equipment Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 83,019	\$ 101,019	\$ 94,446	\$ (6,573)
Intergovernmental	-	-	6,686	6,686
Total revenues	<u>83,019</u>	<u>101,019</u>	<u>101,132</u>	<u>113</u>
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
Personal services	<u>200,000</u>	<u>215,000</u>	<u>215,000</u>	<u>-</u>
Net change in fund balance	(116,981)	(113,981)	(113,868)	113
Fund balance – beginning of year	<u>118,640</u>	<u>118,640</u>	<u>118,640</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>1,659</u></u>	\$ <u><u>4,659</u></u>	\$ <u><u>4,772</u></u>	\$ <u><u>113</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Street Lighting Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 148,735	\$ 148,735	\$ 189,657	\$ 40,922
Other local taxes	7,036	7,036	8,972	1,936
Intergovernmental	<u>14,197</u>	<u>14,197</u>	<u>18,103</u>	<u>3,906</u>
Total revenues	<u>169,968</u>	<u>169,968</u>	<u>216,732</u>	<u>46,764</u>
Expenditures:				
Current:				
Community development:				
Street lighting:				
Contractual services	<u>200,000</u>	<u>257,000</u>	<u>238,900</u>	<u>18,100</u>
Net change in fund balance	(30,032)	(87,032)	(22,168)	64,864
Fund balance – beginning of the year	<u>109,153</u>	<u>109,153</u>	<u>109,153</u>	<u>-</u>
Fund balance – end of year	\$ <u>79,121</u>	\$ <u>22,121</u>	\$ <u>86,985</u>	\$ <u>64,864</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Building Levy Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property taxes	\$ 45,432	\$ 64,591	\$ 79,249	\$ 14,658
Intergovernmental	3,230	4,593	5,635	1,042
All other revenues	<u>10,621</u>	<u>15,100</u>	<u>18,527</u>	<u>3,427</u>
Total revenues	<u>59,283</u>	<u>84,284</u>	<u>103,411</u>	<u>19,127</u>
Expenditures:				
Current:				
General government:				
Building levy:				
Materials and supplies	113,000	113,000	164,591	(51,591)
Contractual services	-	80,000	49,036	30,964
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>2,633</u>	<u>2,367</u>
Total expenditures	<u>118,000</u>	<u>198,000</u>	<u>216,260</u>	<u>(18,260)</u>
Net change in fund balance	(58,717)	(113,716)	(112,849)	867
Fund balance – beginning of year	73,204	73,204	73,204	-
Prior year encumbrances appropriated	<u>37,302</u>	<u>37,302</u>	<u>37,302</u>	-
Fund balance (deficit) – end of year	\$ <u>51,789</u>	\$ <u>(3,210)</u>	\$ <u>(2,343)</u>	\$ <u>867</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Law Enforcement Trust Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 60,000	\$ 30,000	\$ -	\$ (30,000)
Fines and forfeitures	-	-	42,900	42,900
Total revenues	<u>60,000</u>	<u>30,000</u>	<u>42,900</u>	<u>12,900</u>
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Capital outlay	10,000	10,000	-	10,000
Materials and supplies	<u>50,000</u>	<u>50,000</u>	-	<u>50,000</u>
Total expenditures	<u>60,000</u>	<u>60,000</u>	-	<u>60,000</u>
Net change in fund balance	-	(30,000)	42,900	72,900
Fund balance – beginning of year	<u>36,592</u>	<u>36,592</u>	<u>36,592</u>	-
Fund balance – end of year	\$ <u><u>36,592</u></u>	\$ <u><u>6,592</u></u>	\$ <u><u>79,492</u></u>	\$ <u><u>72,900</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Bureau of Justice Grant Fund

For the Year Ended December 31, 2014

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	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
All other revenues	\$ <u>5,000</u>	\$ <u>5,000</u>	\$ <u>-</u>	\$ <u>(5,000)</u>
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Materials and supplies	<u>-</u>	<u>6,200</u>	<u>-</u>	<u>6,200</u>
Net change in fund balance	5,000	(1,200)	-	1,200
Fund balance – beginning of year	<u>9,153</u>	<u>9,153</u>	<u>9,153</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>14,153</u></u>	\$ <u><u>7,953</u></u>	\$ <u><u>9,153</u></u>	\$ <u><u>1,200</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Fire Pension Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 48,124	\$ 59,598	\$ 61,104	\$ 1,506
Other local taxes	2,120	2,626	2,692	66
Intergovernmental	<u>4,277</u>	<u>5,297</u>	<u>5,431</u>	<u>134</u>
Total revenues	<u>54,521</u>	<u>67,521</u>	<u>69,227</u>	<u>1,706</u>
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
Personal services	<u>65,000</u>	<u>136,000</u>	<u>131,000</u>	<u>5,000</u>
Net change in fund balance	(10,479)	(68,479)	(61,773)	6,706
Fund balance – beginning of year	<u>72,538</u>	<u>72,538</u>	<u>72,538</u>	<u>-</u>
Fund balance – end of year	\$ <u>62,059</u>	\$ <u>4,059</u>	\$ <u>10,765</u>	\$ <u>6,706</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Police Pension Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 48,124	\$ 59,599	\$ 61,104	\$ 1,505
Other local taxes	2,120	2,626	2,692	66
Intergovernmental	<u>4,277</u>	<u>5,296</u>	<u>5,430</u>	<u>134</u>
Total revenues	<u>54,521</u>	<u>67,521</u>	<u>69,226</u>	<u>1,705</u>
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Personal services	<u>70,000</u>	<u>111,000</u>	<u>111,000</u>	<u>-</u>
Net change in fund balance	(15,479)	(43,479)	(41,774)	1,705
Fund balance – beginning of year	<u>52,733</u>	<u>52,733</u>	<u>52,733</u>	<u>-</u>
Fund balance – end of year	\$ <u>37,254</u>	\$ <u>9,254</u>	\$ <u>10,959</u>	\$ <u>1,705</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – DARE Grant Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ <u>25,000</u>	\$ <u>-</u>	\$ <u>8,000</u>	\$ <u>8,000</u>
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Personal services	<u>25,000</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>
Net change in fund balance	-	(45,000)	8,000	53,000
Fund balance – beginning of year	<u>47,985</u>	<u>47,985</u>	<u>47,985</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>47,985</u></u>	\$ <u><u>2,985</u></u>	\$ <u><u>55,985</u></u>	\$ <u><u>53,000</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Community Development Block Grant Fund

For the Year Ended December 31, 2014

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	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ <u>-</u>	\$ <u>20,000</u>	\$ <u>20,000</u>	\$ <u>-</u>
Expenditures:				
Current:				
Community development	<u>-</u>	<u>20,000</u>	<u>4,117</u>	<u>15,883</u>
Net change in fund balance	-	-	15,883	15,883
Fund balance – beginning of year	<u>16,600</u>	<u>16,600</u>	<u>16,600</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>16,600</u></u>	\$ <u><u>16,600</u></u>	\$ <u><u>32,483</u></u>	\$ <u><u>15,883</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Juvenile Diversion Program Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,564	\$ -	\$ 4,080	\$ 4,080
All other revenues	<u>436</u>	<u>-</u>	<u>320</u>	<u>320</u>
Total revenues	<u>6,000</u>	<u>-</u>	<u>4,400</u>	<u>4,400</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others:				
Personal services	-	6,200	280	5,920
Materials and supplies	<u>808</u>	<u>2,825</u>	<u>-</u>	<u>2,825</u>
Total expenditures	<u>808</u>	<u>9,025</u>	<u>280</u>	<u>8,745</u>
Net change in fund balance	5,192	(9,025)	4,120	13,145
Fund balance – beginning of year	<u>9,063</u>	<u>9,063</u>	<u>9,063</u>	<u>-</u>
Fund balance – end of year	\$ <u>14,255</u>	\$ <u>38</u>	\$ <u>13,183</u>	\$ <u>13,145</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Fire Department Child Safety Grant Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons and property:				
Materials and supplies	\$ <u>808</u>	\$ <u>808</u>	\$ <u>-</u>	\$ <u>808</u>
Net change in fund balance	(808)	(808)	-	808
Fund balance – beginning of year	<u>808</u>	<u>808</u>	<u>808</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>808</u></u>	\$ <u><u>808</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – EMS Training and Equipment Grant Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
Capital outlay	\$ <u>        -</u>	\$ <u>      6,225</u>	\$ <u>      1,380</u>	\$ <u>      4,845</u>
Net change in fund balance	-	(6,225)	(1,380)	4,845
Fund balance – beginning of year	<u>      6,225</u>	<u>      6,225</u>	<u>      6,225</u>	<u>        -</u>
Fund balance – end of year	\$ <u>      6,225</u>	\$ <u>        -</u>	\$ <u>      4,845</u>	\$ <u>      4,845</u>

**City of Warrensville Heights**

Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
 Budget (Non-GAAP Budgetary Basis) and Actual – Local Law Enforcement Block Grant Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Fund balance – beginning of year	\$ <u>21</u>	\$ <u>21</u>	\$ <u>21</u>	\$ <u>-</u>
Fund balance – end of year	\$ <u><u>21</u></u>	\$ <u><u>21</u></u>	\$ <u><u>21</u></u>	\$ <u><u>-</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – COPS Grant

For the Year Ended December 31, 2014

---

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Security of property and persons:				
Police and others:				
Personal services	\$ <u>5,000</u>	\$ <u>5,000</u>	\$ <u>-</u>	\$ <u>5,000</u>
Net change in fund balance	(5,000)	(5,000)	-	5,000
Fund balance – beginning of year	<u>27,949</u>	<u>27,949</u>	<u>27,949</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>22,949</u></u>	\$ <u><u>22,949</u></u>	\$ <u><u>27,949</u></u>	\$ <u><u>5,000</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – CRA Monitoring Fee Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for service	\$ 45,448	\$ -	\$ 44,500	\$ 44,500
Fines and forfeitures	<u>24,552</u>	<u>-</u>	<u>24,040</u>	<u>24,040</u>
Total revenues	<u>70,000</u>	<u>-</u>	<u>68,540</u>	<u>68,540</u>
Expenditures:				
Current:				
General government:				
Contractual services	<u>-</u>	<u>25,000</u>	<u>7,531</u>	<u>17,469</u>
Net change in fund balance	70,000	(25,000)	61,009	86,009
Fund balance – beginning of year	<u>88,152</u>	<u>88,152</u>	<u>88,152</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>158,152</u></u>	\$ <u><u>63,152</u></u>	\$ <u><u>149,161</u></u>	\$ <u><u>86,009</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Economic Development Stimulus Incentive Grant Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Expenditures:				
Current:				
Security of persons and property	\$ <u>28,150</u>	\$ <u>28,150</u>	\$ <u>-</u>	\$ <u>28,150</u>
Net change in fund balance	(28,150)	(28,150)	-	28,150
Fund balance – beginning of year	<u>28,150</u>	<u>28,150</u>	<u>28,150</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>28,150</u></u>	\$ <u><u>28,150</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Grass Refuse Fund

For the Year Ended December 31, 2014

---

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ <u>30,000</u>	\$ <u>40,000</u>	\$ <u>18,330</u>	\$ <u>(21,670)</u>
Expenditures:				
Current:				
Community development:				
Building:				
Contractual services	<u>43,119</u>	<u>43,119</u>	<u>39,681</u>	<u>3,438</u>
Net change in fund balance	(13,119)	(3,119)	(21,351)	(18,232)
Fund balance – beginning of year	17,943	17,943	17,943	-
Prior year encumbrances appropriated	<u>12,908</u>	<u>12,908</u>	<u>12,908</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>17,732</u></u>	\$ <u><u>27,732</u></u>	\$ <u><u>9,500</u></u>	\$ <u><u>(18,232)</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Neighborhood Street Light Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 183,000	\$ 145,260	\$ (37,740)
Expenditures:				
Current:				
Leisure time activities:				
Community development	3,800	3,800	145,260	(141,460)
Net change in fund balance	(3,800)	179,200	-	(179,200)
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	\$ (3,800)	\$ 179,200	\$ -	\$ (179,200)

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Residential Demolition Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ <u>100,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Net change in fund balance	100,000	-	-	-
Fund balance – beginning of year	<u>31</u>	<u>31</u>	<u>31</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>100,031</u></u>	\$ <u><u>31</u></u>	\$ <u><u>31</u></u>	\$ <u><u>-</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Master Plan Grant Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	\$ (17,991)	\$ (17,991)	\$ -	\$ 17,991
Net change in fund balance	(17,991)	(17,991)	-	17,991
Fund balance – beginning of year	<u>25,353</u>	<u>25,353</u>	<u>25,353</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>7,362</u></u>	\$ <u><u>7,362</u></u>	\$ <u><u>25,353</u></u>	\$ <u><u>17,991</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Warrensville Heights Occupancy Program Fund

For the Year Ended December 31, 2014

---

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ <u>          -</u>	\$ <u>      5,000</u>	\$ <u>      2,250</u>	\$ <u>      (2,750)</u>
Net change in fund balance	-	5,000	2,250	(2,750)
Fund balance – beginning of year	<u>      12,435</u>	<u>      12,435</u>	<u>      12,435</u>	<u>                  -</u>
Fund balance – end of year	\$ <u>      12,435</u>	\$ <u>      17,435</u>	\$ <u>      14,685</u>	\$ <u>      (2,750)</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – EMS Computer Grant Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Capital outlay	\$ <u>          -</u>	\$ <u>      3,000</u>	\$ <u>          -</u>	\$ <u>      3,000</u>
Net change in fund balance	-	(3,000)	-	3,000
Fund balance – beginning of year	<u>      3,000</u>	<u>      3,000</u>	<u>      3,000</u>	<u>          -</u>
Fund balance – end of year	\$ <u>      3,000</u>	\$ <u>          -</u>	\$ <u>      3,000</u>	\$ <u>      3,000</u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Community Recycling Grant Fund

For the Year Ended December 31, 2014

---

	<u>Budget</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ <u>4,000</u>	\$ <u>4,000</u>	\$ <u>3,680</u>	\$ <u>(320)</u>
Expenditures:				
Current:				
Leisure time activities:				
Community development	<u>-</u>	<u>3,910</u>	<u>3,680</u>	<u>230</u>
Net change in fund balance	4,000	90	-	(90)
Fund balance – beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>4,000</u></u>	\$ <u><u>90</u></u>	\$ <u><u>-</u></u>	\$ <u><u>(90)</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Street Improvement Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ <u>300,000</u>	\$ <u>895,000</u>	\$ <u>-</u>	\$ <u>(895,000)</u>
Expenditures:				
Current:				
Transportation:				
Contractual services	<u>300,000</u>	<u>907,954</u>	<u>878,451</u>	<u>29,503</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(12,954)</u>	<u>(878,451)</u>	<u>(865,497)</u>
Other financing sources (uses):				
Transfers – in	841,016	841,016	841,016	-
Transfers – out	<u>(17,954)</u>	<u>(17,954)</u>	<u>(17,954)</u>	<u>-</u>
Net change in fund balance	823,062	810,108	(55,389)	(865,497)
Fund balance – beginning of year	<u>27,534</u>	<u>27,534</u>	<u>27,534</u>	<u>-</u>
Fund balance (deficit) – end of year	\$ <u><u>850,596</u></u>	\$ <u><u>837,642</u></u>	\$ <u><u>(27,855)</u></u>	\$ <u><u>(865,497)</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Building Repair and Improvement Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government	\$ <u>-</u>	\$ <u>1,738</u>	\$ <u>-</u>	\$ <u>1,738</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(1,738)</u>	<u>-</u>	<u>(1,738)</u>
Other financing (uses):				
Transfers – out	<u>-</u>	<u>-</u>	<u>(1,738)</u>	<u>(1,738)</u>
Net change in fund balance	-	(1,738)	(1,738)	-
Fund balance – beginning of year	<u>1,738</u>	<u>1,738</u>	<u>1,738</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>1,738</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Information Technology System Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
All other revenues	\$ <u>          -</u>	\$ <u>      32,000</u>	\$ <u>          -</u>	\$ <u>      (32,000)</u>
Net change in fund balance	-	32,000	-	(32,000)
Fund balance – beginning of year	<u>          305</u>	<u>          305</u>	<u>          305</u>	<u>          -</u>
Fund balance – end of year	\$ <u>      <u>305</u></u>	\$ <u>      <u>32,305</u></u>	\$ <u>      <u>305</u></u>	\$ <u>      <u>(32,000)</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Land Acquisition Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Contractual services	-	5,000	-	5,000
Capital outlay	-	148,000	147,813	187
Total expenditures	-	153,000	147,813	5,187
Excess of revenues over (under) expenditures	-	(153,000)	(147,813)	5,187
Other financing sources:				
Note proceeds	-	139,000	145,000	6,000
Net change in fund balance	-	(14,000)	(2,813)	11,187
Fund balance – beginning of year	23,112	23,112	23,112	-
Fund balance – end of year	\$ 23,112	\$ 9,112	\$ 20,299	\$ 11,187

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Snavely Project Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	\$ -	\$ (2,286)	\$ (2,286)	\$ -
Net change in fund balance	-	(2,286)	(2,286)	-
Fund balance – beginning of year	2,286	2,286	2,286	-
Fund balance – end of year	\$ 2,286	\$ -	\$ -	\$ -

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Emery Woods Project Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All other revenues	\$ -	\$ 20,000	\$ -	\$ (20,000)
Expenditures:				
Capital outlay:				
Contractual services	<u>80,000</u>	<u>80,000</u>	<u>19,890</u>	<u>60,110</u>
Excess of revenues over (under) expenditures	(80,000)	(60,000)	(19,890)	40,110
Other financing sources (uses):				
Transfers – out	<u>-</u>	<u>(14,933)</u>	<u>(14,933)</u>	<u>-</u>
Net change in fund balance	(80,000)	(74,933)	(34,823)	40,110
Fund balance – beginning of year	<u>98,012</u>	<u>98,012</u>	<u>98,012</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>18,012</u></u>	\$ <u><u>23,079</u></u>	\$ <u><u>63,189</u></u>	\$ <u><u>40,110</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Siren Warning System Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	\$ -	\$ (457)	\$ (457)	\$ -
Net change in fund balance	-	(457)	(457)	-
Fund balance – beginning of year	457	457	457	-
Fund balance – end of year	\$ 457	\$ -	\$ -	\$ -

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Route 8 and Northfield Road Project Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	\$ -	\$ (3,841)	\$ (3,841)	\$ -
Net change in fund balance	-	(3,841)	(3,841)	-
Fund balance – beginning of year	3,841	3,841	3,841	-
Fund balance – end of year	\$ 3,841	\$ -	\$ -	\$ -

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Sidewalk Repair and Replacement Project Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	\$ -	\$ (81)	\$ (81)	\$ -
Net change in fund balance	-	(81)	(81)	-
Fund balance – beginning of year	81	81	81	-
Fund balance – end of year	\$ 81	\$ -	\$ -	\$ -

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Green Road Park Improvement Fund

For the Year Ended December 31, 2014

---

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Transfers – out	\$ <u>-</u>	\$ <u>(7,151)</u>	\$ <u>(7,151)</u>	\$ <u>-</u>
Net change in fund balance	-	(7,151)	(7,151)	-
Fund balance – beginning of year	<u>7,151</u>	<u>7,151</u>	<u>7,151</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>7,151</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – City Hall Boiler Replacement Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All other revenues	\$ -	\$ 25,000	\$ -	\$ (25,000)
Expenditures:				
Current:				
Transportation:				
Contractual services	-	2,000	21,750	(19,750)
Net change in fund balance	-	23,000	(21,750)	(44,750)
Fund balance – beginning of year	22,700	22,700	22,700	-
Fund balance – end of year	\$ 22,700	\$ 45,700	\$ 950	\$ (44,750)

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Cinema Park Fund

For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All other revenues	\$ -	\$ -	\$ 1,526	\$ 1,526
Expenditures:				
Current:				
Transportation:				
Contractual services	14,000	14,000	9,707	4,293
Capital outlay	-	-	468	(468)
Total expenditures	<u>14,000</u>	<u>14,000</u>	<u>10,175</u>	<u>3,825</u>
Net change in fund balance	(14,000)	(14,000)	(8,649)	5,351
Fund balance – beginning of year	<u>14,617</u>	<u>14,617</u>	<u>14,617</u>	-
Fund balance – end of year	\$ <u><u>617</u></u>	\$ <u><u>617</u></u>	\$ <u><u>5,968</u></u>	\$ <u><u>5,351</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Town Center Project Fund

For the Year Ended December 31, 2014

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All other revenues	\$ -	\$ 15,000	\$ 10,339	\$ (4,661)
Expenditures:				
Capital outlay:				
Contractual services	-	45,000	20,000	25,000
Net change in fund balance	-	(30,000)	(9,661)	20,339
Fund balance – beginning of year	35,014	35,014	35,014	-
Fund balance – end of year	\$ 35,014	\$ (5,014)	\$ 25,353	\$ 20,339

## **Statistical Section**

# City of Warrensville Heights

Statistical Section

December 31, 2014

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This part of City of Warrensville Heights'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><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	137-142
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	143-148
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	149-153
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	154-155
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	156-160

**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 34 in 2003; schedules presenting government-wide information include information beginning in that year.

# City of Warrensville Heights

## Net position by Component – Accrual Basis of Accounting

Last Ten Years

Table 1

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental activities:										
Investment in capital assets(1)	\$ (1,660,356)	\$ (2,719,265)	\$ 4,741,934	\$ (1,396,664)	\$ (1,790,978)	\$ (2,121,770)	\$ (2,136,804)	\$ (777,382)	\$ (614,457)	\$ 1,893,723
Restricted for:										
Capital projects	306,185	229,630	200,257	133,539	135,117	857,341	490,388	-	-	803,927
Streets	409,723	632,092	616,951	477,528	451,898	555,791	500,392	535,939	552,258	275,643
Police	39,637	122,122	100,840	130,420	123,898	96,712	91,134	114,889	224,613	107,801
Fire	33,550	166,035	129,579	147,844	89,282	76,928	108,076	90,273	80,301	220,475
Building levy	45,891	126,547	203,745	183,607	130,156	58,305	147,560	-	-	-
Debt service	1,675,502	1,296,384	1,136,956	1,553,049	799,916	359,660	507,624	442,118	-	8,333
Other purposes	597,939	612,974	469,722	430,731	377,815	400,742	315,479	296,327	189,078	111,153
Unrestricted (deficit)	<u>6,244,214</u>	<u>3,661,396</u>	<u>(2,676,263)</u>	<u>1,119,275</u>	<u>799,973</u>	<u>(1,491,137)</u>	<u>(438,790)</u>	<u>(185,216)</u>	<u>(9,958)</u>	<u>(1,638,328)</u>
Total governmental activities net position	\$ <u>7,692,285</u>	\$ <u>4,127,915</u>	\$ <u>4,923,721</u>	\$ <u>2,779,329</u>	\$ <u>1,117,077</u>	\$ <u>(1,207,428)</u>	\$ <u>(414,941)</u>	\$ <u>516,948</u>	\$ <u>421,835</u>	\$ <u>1,782,727</u>

### Notes:

(1) – Item reported as Invested in capital assets, net of related debt through December 31, 2014.

# City of Warrensville Heights

## Change in net position – Accrual Basis of Accounting

### Last Ten Years

Table 2

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Program revenues:										
Governmental activities:										
Charges for services:										
Security of persons and property:										
Police and others	\$ 102,818	\$ 84,406	\$ 117,895	\$ 599,807	\$ 204,229	\$ 212,881	\$ 255,246	\$ 361,456	\$ 313,492	\$ 393,133
Fire	485,035	494,087	291,371	453,935	392,027	363,966	315,518	267,729	211,625	261,603
Public health services	-	-	-	-	-	-	-	3,857	3,057	4,312
Leisure time activities	58,434	55,235	16,793	18,912	21,341	28,409	31,273	20,764	15,816	20,300
Community development	21,991	25,210	20,937	18,387	138,768	19,149	28,383	64,823	51,681	81,530
Basic utility services	60	520	220	50	-	-	-	4,327	69,129	107,642
Transportation	-	-	-	1,518	780	4,031	941	252,906	103,251	135,615
General government	818,026	420,821	749,238	373,205	228,995	285,557	348,619	193,833	182,754	206,353
Subtotal – charges for services	1,486,364	1,080,279	1,196,454	1,465,814	986,140	913,993	979,980	1,169,695	950,805	1,210,488
Operating grants and contributions:										
Security of persons and property:										
Police and others	12,080	19,962	24,253	204,041	323,149	17,337	160,050	24,799	62,244	61,567
Fire	-	530,135	806,566	403,087	-	-	3,000	8,399	2,500	84,303
Public health services	-	-	-	-	-	-	-	-	2,112	-
Leisure time activities	-	-	-	-	-	-	-	-	-	2,100
Community development	3,680	5,643	2,790	37,833	33,917	-	-	290,475	388,722	218,345
Transportation	482,853	482,840	476,258	469,914	495,784	481,369	516,508	736,232	598,391	531,359
General government	-	-	25,353	-	-	49,740	28,250	23,278	5,600	-
Subtotal - operating grants and contributions	498,613	1,038,580	1,335,220	1,114,875	852,850	548,446	707,808	1,083,183	1,059,569	897,674
Capital grants and contributions:										
Security of persons and property:										
Police and others	-	-	-	-	-	100,000	-	15,033	-	-
Fire	-	-	-	-	-	-	-	-	-	-
Public health services	-	-	-	-	-	-	-	-	-	-
Leisure time activities	-	-	-	-	-	122,409	-	-	-	-
Community development	165,260	-	-	33,766	69,100	269,416	578,433	-	-	-
Basic utility services	-	-	-	-	-	-	-	-	-	85,000
Transportation	-	-	-	-	-	-	-	-	384,163	244,517
General government	410,248	137,309	270,779	262,014	287,175	278,796	76,060	324,478	-	-
Subtotal - capital grants and contributions	575,508	137,309	270,779	295,780	356,275	770,621	654,493	339,511	384,163	329,517
Total governmental activities program revenues	2,560,485	2,256,168	2,802,453	2,876,469	2,195,265	2,233,060	2,342,281	2,592,389	2,394,537	2,437,679

(continued)

# City of Warrensville Heights

## Change in net position – Accrual Basis of Accounting

Last Ten Years

Table 2

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenses:										
Governmental activities:										
Security of persons and property:										
Police and others	5,163,481	4,734,068	4,905,321	5,372,668	4,780,991	5,097,249	6,024,849	5,138,945	5,708,747	5,408,241
Fire	3,603,854	4,062,419	3,677,433	3,626,904	3,471,641	4,140,298	3,685,852	3,806,397	3,543,673	3,810,719
Public health services	65,183	52,001	52,001	55,903	27,952	55,903	54,833	54,834	65,802	56,006
Leisure time activities	697,906	664,913	291,803	266,661	227,379	302,387	326,782	295,210	329,692	295,706
Community development	873,757	528,141	470,806	882,581	1,087,614	953,234	1,256,777	1,122,810	1,091,122	1,169,496
Basic utility services	1,173,154	1,298,203	1,201,675	1,024,141	1,136,196	1,562,976	1,772,473	1,489,299	1,358,581	1,457,364
Transportation	2,637,135	2,429,523	1,680,189	1,697,499	2,052,226	1,773,859	2,209,178	1,966,685	2,308,721	2,399,454
General government	2,265,261	4,364,751	4,745,370	3,730,870	3,156,023	2,907,654	3,078,419	2,755,794	3,233,323	2,732,119
Interest and fiscal charges	<u>876,751</u>	<u>1,606,014</u>	<u>534,465</u>	<u>849,472</u>	<u>543,135</u>	<u>565,318</u>	<u>627,851</u>	<u>704,801</u>	<u>549,714</u>	<u>544,927</u>
Total governmental activities expense	<u>17,356,482</u>	<u>19,740,033</u>	<u>17,559,063</u>	<u>17,506,699</u>	<u>16,483,157</u>	<u>17,358,878</u>	<u>19,037,014</u>	<u>17,334,775</u>	<u>18,189,375</u>	<u>17,874,032</u>
Net (expense)/revenue governmental activities	<u>(14,795,997)</u>	<u>(17,483,865)</u>	<u>(14,756,610)</u>	<u>(14,630,230)</u>	<u>(14,287,892)</u>	<u>(15,125,818)</u>	<u>(16,694,733)</u>	<u>(14,742,386)</u>	<u>(15,794,838)</u>	<u>(15,436,353)</u>
General revenues:										
Governmental activities:										
Property and other local taxes levied for:										
General purposes	592,698	597,335	681,322	611,674	801,710	664,309	1,053,510	1,028,599	1,236,022	1,061,074
Debt service	353,953	387,121	539,409	661,791	406,829	573,336	662,896	724,197	553,998	547,017
Other purposes	504,456	516,621	658,505	662,777	598,037	610,702	711,090	783,059	712,565	667,078
Municipal income taxes levied for:										
General purposes	16,169,998	14,526,593	14,228,423	13,185,755	13,158,561	10,857,890	11,735,849	10,658,860	10,625,219	10,318,081
Grants and entitlements not restricted to specific programs	543,717	306,927	586,783	1,091,130	1,478,918	1,514,445	1,418,423	1,430,120	1,073,104	1,456,018
Interest income	6,872	7,879	26,502	7,054	1,742	2,137	40,642	166,362	173,564	126,112
Gain on sale of capital assets	-	-	-	-	-	-	-	354	-	-
All other revenues	<u>188,673</u>	<u>345,583</u>	<u>180,058</u>	<u>72,301</u>	<u>166,600</u>	<u>110,512</u>	<u>140,434</u>	<u>45,948</u>	<u>59,474</u>	<u>322,867</u>
Total general revenues	<u>18,360,367</u>	<u>16,688,059</u>	<u>16,901,002</u>	<u>16,292,482</u>	<u>16,612,397</u>	<u>14,333,331</u>	<u>15,762,844</u>	<u>14,837,499</u>	<u>14,433,946</u>	<u>14,498,247</u>
Change in net position:										
Governmental activities	\$ <u>3,564,370</u>	\$ <u>(795,806)</u>	\$ <u>2,144,392</u>	\$ <u>1,662,252</u>	\$ <u>2,324,505</u>	\$ <u>(792,487)</u>	\$ <u>(931,889)</u>	\$ <u>95,113</u>	\$ <u>(1,360,892)</u>	\$ <u>(938,106)</u>

# City of Warrensville Heights

## Fund Balances, Governmental Funds – Modified Accrual Basis of Accounting

Last Ten Years

Table 3

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General fund										
Nonspendable	\$ 240,079	\$ 224,285	\$ 346,317	\$ 373,140	\$ 395,282	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	165,860	144,018	40,900	600,805	49,993	-	-	-	-	-
Unassigned	6,663,466	4,926,154	4,859,616	2,871,394	2,222,634	-	-	-	-	-
Reserved	-	-	-	-	-	48,312	52,875	68,891	92,809	-
Unreserved	-	-	-	-	-	221,247	600,550	577,945	1,073,732	1,243,030
Total general fund	<u>7,069,405</u>	<u>5,294,457</u>	<u>5,246,833</u>	<u>3,845,339</u>	<u>2,667,909</u>	<u>269,559</u>	<u>653,425</u>	<u>646,836</u>	<u>1,166,541</u>	<u>1,243,030</u>
All other governmental funds										
Restricted	925,964	1,253,835	2,204,901	4,394,852	3,159,390	-	-	-	-	-
Committed	214,296	159,588	168,120	232,940	194,003	-	-	-	-	-
Unassigned (deficit)	(882,616)	(3,089,735)	(88,578)	(5,650,602)	(5,687,816)	-	-	-	-	-
Reserved	-	-	-	-	-	3,747	29,442	8,980	28,436	172,879
Unreserved, undesignated, reported in:										
Special revenue funds	-	-	-	-	-	755,159	441,210	566,702	698,309	357,868
Debt service funds	-	-	-	-	-	257,832	(22,889)	66,393	69,298	164,888
Capital project funds	-	-	-	-	-	(5,455,083)	(4,442,972)	(2,727,398)	(2,217,021)	2,253,502
Total all other governmental funds	<u>257,644</u>	<u>(1,676,312)</u>	<u>2,284,443</u>	<u>(1,022,810)</u>	<u>(2,334,423)</u>	<u>(4,438,345)</u>	<u>(3,995,209)</u>	<u>(2,085,323)</u>	<u>(1,420,978)</u>	<u>2,949,137</u>
Total governmental funds	\$ <u>7,327,049</u>	\$ <u>3,618,145</u>	\$ <u>7,531,276</u>	\$ <u>2,822,529</u>	\$ <u>333,486</u>	\$ <u>(4,168,786)</u>	\$ <u>(3,341,784)</u>	\$ <u>(1,438,487)</u>	\$ <u>(254,437)</u>	\$ <u>4,192,167</u>

Note: In 2011, the City implemented GASB Statement No. 54. As a result, the 2010 fund balances were reclassified to reflect the effects of GASB Statement No. 54.

# City of Warrensville Heights

## Changes in Fund Balances, Governmental Funds – Modified Accrual Basis of Accounting

Last Ten Years

Table 4

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Revenues</b>										
Property and other										
local taxes	\$ 1,707,323	\$ 1,920,190	\$ 1,669,752	\$ 1,824,328	\$ 1,711,860	\$ 1,799,439	\$ 2,377,955	\$ 2,326,090	\$ 2,444,893	\$ 2,258,293
Municipal income taxes	15,872,496	14,233,365	14,165,018	13,326,443	12,829,743	11,099,006	11,934,424	10,739,288	10,568,048	10,369,292
Intergovernmental	1,266,054	1,628,155	2,084,485	2,261,416	2,179,335	2,424,082	2,208,652	2,321,745	2,211,419	2,436,351
Interest income	6,872	7,879	26,502	7,054	1,742	2,137	40,642	166,362	173,564	126,112
Licenses and permits	812,181	351,843	256,690	385,966	267,270	265,502	362,746	356,550	430,681	437,052
Fines and forfeitures	170,812	221,822	586,020	597,017	192,370	209,213	246,287	296,926	283,167	259,304
Rentals	-	-	-	-	-	-	-	-	-	10,045
Charges for services	498,852	458,069	490,120	433,371	352,805	425,150	514,392	295,782	334,341	340,695
Special assessments	341,708	107,969	184,610	222,362	242,138	690,621	446,947	382,781	475,297	236,742
All other revenues	233,527	352,009	55,646	210,301	280,201	126,450	213,860	45,948	59,474	407,877
Total revenues	<u>20,909,825</u>	<u>19,281,301</u>	<u>19,518,843</u>	<u>19,268,258</u>	<u>18,057,464</u>	<u>17,041,600</u>	<u>18,345,905</u>	<u>16,931,472</u>	<u>16,980,884</u>	<u>16,881,763</u>
<b>Expenditures</b>										
<b>Current:</b>										
<b>Security of persons and property:</b>										
Police and others	5,177,961	4,652,818	4,909,799	5,454,369	4,762,219	4,968,400	5,826,037	5,048,633	4,809,157	4,797,841
Fire	3,552,650	4,000,675	3,726,203	4,063,276	3,406,521	4,049,393	3,726,265	3,510,938	3,200,162	3,239,053
Public health services	53,085	52,001	52,001	55,903	27,952	55,903	54,392	54,392	50,615	50,615
Leisure time activities	470,772	437,558	276,706	227,370	178,910	288,646	301,870	278,762	261,904	238,295
Community development	736,622	506,859	488,755	882,581	1,091,745	949,103	1,267,359	1,153,715	918,719	1,058,386
Basic utility services	1,186,403	1,274,543	1,186,379	995,680	1,025,838	1,310,451	1,677,865	1,427,767	1,144,734	1,263,610
Transportation	2,809,577	2,705,284	2,290,622	1,739,710	1,777,858	1,889,374	1,593,785	2,130,634	1,812,967	2,060,585
General government	3,536,088	3,808,277	3,470,257	3,264,306	2,785,533	2,779,632	2,947,051	2,619,985	2,726,545	2,495,624
Capital outlay	358,256	318,538	3,611,711	7,233,855	1,218,367	392,590	760,435	1,552,707	2,404,728	2,572,219
<b>Debt service:</b>										
Principal retirement	2,625,000	28,977,060	20,605,060	4,030,000	450,000	938,478	730,000	899,393	970,136	959,466
Interest and fiscal charges	934,422	1,161,616	894,883	491,367	461,207	525,906	610,612	755,494	598,501	351,231
Bond issuance costs	-	584,403	44,227	86,600	-	-	-	-	-	-
Total expenditures	<u>21,440,836</u>	<u>48,479,632</u>	<u>41,556,603</u>	<u>28,525,017</u>	<u>17,186,150</u>	<u>18,147,876</u>	<u>19,495,671</u>	<u>19,432,420</u>	<u>18,898,168</u>	<u>19,086,925</u>
Excess of revenues over (under) expenditures	<u>(531,011)</u>	<u>(29,198,331)</u>	<u>(22,037,760)</u>	<u>(9,256,759)</u>	<u>871,314</u>	<u>(1,106,276)</u>	<u>(1,149,766)</u>	<u>(2,500,948)</u>	<u>(1,917,284)</u>	<u>(2,205,162)</u>

(continued)

# City of Warrensville Heights

## Changes in Fund Balances, Governmental Funds – Modified Accrual Basis of Accounting

Last Ten Years

Table 4

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	1,960	-	1,673	-	-
Inception of capital lease	187,290	318,538	305,000	705,826	27,898	203,314	30,469	198,225	10,680	146,041
Certificates of participation issued	1,800,000	11,700,000	11,717,000	11,200,000	-	-	-	-	-	-
Bond anticipation notes issued	-	2,610,000	10,895,060	-	-	-	-	-	-	-
Land acquisition notes issued	-	100,000	-	-	-	-	-	-	-	-
Refunding notes issued	-	-	-	8,680,060	12,495,060	8,892,000	8,818,000	9,602,000	6,580,000	11,025,000
General obligation bonds issued	2,095,000	10,070,000	-	-	-	-	-	-	-	-
Premium on debt issuance	157,625	486,662	83,308	94,976	-	-	-	-	-	69,696
Current refunding	-	-	-	(8,935,060)	(8,892,000)	(8,818,000)	(9,602,000)	(8,485,000)	(9,120,000)	(2,295,000)
Transfers – in	1,989,457	1,385,857	6,756,346	1,617,682	533,756	173,704	130,640	506,397	1,479,263	1,157,274
Transfers – out	(1,989,457)	(1,385,857)	(6,756,346)	(1,617,682)	(533,756)	(173,704)	(130,640)	(506,397)	(1,479,263)	(1,157,274)
Total other financing sources (uses)	<u>4,239,915</u>	<u>25,285,200</u>	<u>26,746,507</u>	<u>11,745,802</u>	<u>3,630,958</u>	<u>279,274</u>	<u>(753,531)</u>	<u>1,316,898</u>	<u>(2,529,320)</u>	<u>8,945,737</u>
Net change in fund balances \$	<u>3,708,904</u>	<u>(3,913,131)</u>	<u>4,708,747</u>	<u>2,489,043</u>	<u>4,502,272</u>	<u>(827,002)</u>	<u>(1,903,297)</u>	<u>(1,184,050)</u>	<u>(4,446,604)</u>	<u>6,740,575</u>
Debt service as a percentage of Noncapital expenditures	17.58%	62.85%	55.83%	22.38%	5.65%	8.31%	7.00%	9.47%	9.39%	7.94%

# City of Warrensville Heights

## Assessed Valuations and Estimated Actual Values of Taxable Property

Last Ten Years

Table 5

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU			Assessed Value
2014	\$ 80,172,290	\$ 141,778,880	\$ 614,167,742	\$ 7,924,770	\$ 9,266,534
2013	80,562,990	138,384,370	625,563,886	6,897,690	7,838,284
2012	114,113,300	148,000,100	748,895,429	6,363,060	7,230,750
2011	115,140,720	146,856,870	748,564,543	6,107,320	6,940,136
2010	115,592,130	137,838,050	724,086,229	5,816,510	6,609,670
2009	121,729,160	136,218,930	736,994,543	5,346,390	6,075,443
2008	121,100,670	136,965,560	737,332,086	5,098,070	5,793,261
2007	121,171,620	143,841,240	757,179,600	747,885	5,983,080
2006	121,805,680	139,133,100	745,539,371	2,792,947	14,895,716
2005	103,386,585	113,790,495	620,505,943	12,772,240	14,513,909

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

The assessed value of real property (including public utility real property) is 35% of estimated true value. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories. The general business tangible personal property tax started being phased out beginning in 2006. For collection year 2007, both types of general business tangible personal property were assessed at 12.5%. The percentage will be 6.25% for 2008, and zero for subsequent collection years.

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

Source: Cuyahoga County, Ohio; County Fiscal Office

# City of Warrensville Heights

## Assessed Valuations and Estimated Actual Values of Taxable Property

Last Ten Years

Table 5

<u>Tangible Personal Property</u>		<u>Total</u>		<u>Ratio</u>	<u>Total Direct Tax Rate</u>
<u>General Business</u>		<u>Assessed Value</u>	<u>Estimated Actual Value</u>		
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>		
\$ -	\$ -	\$ 229,873,940	\$ 623,434,276	36.87 %	\$ 9.70
-	-	225,845,050	633,402,170	35.66	9.70
-	-	268,476,460	756,126,179	35.51	9.70
-	-	268,104,910	755,504,679	35.49	9.70
-	-	259,246,690	730,695,899	35.48	9.70
12,215,192	-	275,509,672	743,069,986	37.08	9.70
24,039,677	384,634,832	287,203,977	1,127,760,179	25.47	9.70
13,016,219	104,129,752	278,776,964	867,292,432	32.14	13.20
28,901,882	154,143,371	292,633,609	914,578,458	32.00	13.20
35,108,650	140,434,600	265,057,970	775,454,452	34.18	13.20

## City of Warrensville Heights

Direct and Overlapping Property Tax Rates (Per \$1,000 of Assessed Valuation)

Last Ten Years

Table 6

Collection Year	City of Warrensville Heights				Warrensville Heights School District	Orange City School District	Cuyahoga County	Special (2) Taxing Districts	Total Tax Levy
	General Fund	Special (1) Funds	Debt Service	Total Levy					
2014	\$ 3.60	\$ 4.10	\$ 2.00	\$ 9.70	\$ 91.80	\$ 91.10	\$ 14.05	\$ 8.48	\$ 215.13
2013	3.60	4.10	2.00	9.70	89.00	91.10	13.22	7.58	210.60
2012	2.90	4.10	2.70	9.70	89.00	91.10	13.22	7.58	210.60
2011	3.40	3.60	2.70	9.70	89.00	91.10	13.22	7.58	210.60
2010	3.60	4.10	2.00	9.70	89.50	86.10	13.32	7.58	206.20
2009	3.60	4.10	2.00	9.70	90.10	86.00	13.32	7.28	206.40
2008	3.30	4.10	2.30	9.70	90.10	86.00	13.32	7.28	206.40
2007	6.80	4.10	2.30	13.20	90.10	86.10	13.42	6.78	209.60
2006	6.80	4.10	2.30	13.20	89.60	86.10	13.52	6.78	209.20
2005	6.80	4.10	2.30	13.20	89.40	86.10	13.52	6.78	209.00

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) Policy Levy, Fire Levy, Street Lighting, Building Levy, Fire Pension, and Police Pension special revenue funds

(2) Cleveland Metro Parks, Cuyahoga County Library, Cuyahoga Community College and Cleveland-Cuyahoga Port Authority

## City of Warrensville Heights

### Property Tax Levies and Collections

Last Ten Years

Table 7

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Tax Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Total Tax Levy</u>
2014	\$ 2,264,718	\$ 1,352,331	59.71%	\$ 153,636	\$ 1,505,968	66.50%	\$ 447,462	19.76%
2013	2,455,753	1,220,594	49.70	395,845	1,616,438	65.82	662,824	26.99
2012	1,671,028	1,291,783	77.31	139,276	1,431,059	85.64	950,335	56.87
2011	1,683,572	1,473,818	87.54	114,013	1,587,831	94.31	840,918	49.95
2010	1,690,295	1,487,774	88.02	111,273	1,599,047	94.60	692,722	40.98
2009	1,709,587	1,528,821	89.43	103,153	1,631,974	95.46	634,288	37.10
2008	2,242,841	2,007,496	89.51	158,913	2,166,409	96.59	584,743	26.07
2007	2,144,001	1,915,149	89.33	110,223	2,025,372	94.47	433,791	20.23
2006	2,199,723	3,465,835	157.56	196,497	3,662,332	166.49	327,207	14.87
2005	2,712,282	2,152,970	79.38	123,932	2,276,902	83.95	425,420	15.68

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) State reimbursement of rollback and homestead exemptions are included.

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

# City of Warrensville Heights

## Property Tax Levies and Collections

2014 and 2005

Table 8

<u>Name of Taxpayer</u>	<u>2014</u>	
	<u>Assessed Valuation (1)</u>	<u>Assessed Valuation</u>
JP JLP Harvard Park, LLC	\$ 11,954,430	5.20%
Cleveland East Hotel	8,497,970	3.70%
Cleveland Illuminating Company	6,811,860	2.96%
Meridia Healthcare	6,612,240	2.88%
Highlandwood Apartments, NS	6,146,440	2.67%
Clarkwood Apartments, LTD	4,887,790	2.13%
Galaxy Dev Limited	3,235,490	1.41%
Richmond Road, LLC	2,923,220	1.27%
Sherwin-Williams	2,792,830	1.21%
Ellacott Parkway, LLC	<u>2,638,130</u>	<u>1.15%</u>
Total	\$ <u>56,500,400</u>	<u>24.58%</u>
Total Assessed Valuation	\$ <u>229,873,940</u>	

<u>Name of Taxpayer</u>	<u>2005</u>	
	<u>Real Property Assessed Valuation (1)</u>	<u>Percentage of Real Assessed Valuation</u>
Alltel Ohio Limited Partnership	\$ 5,029,450	2.39%
Clarkwood Apartments, LTD	4,882,750	2.32%
Dalebridge Renaissance, LTD	4,561,210	2.17%
Cleveland Illuminating Company	4,011,300	1.90%
Loctite Corporation Adhesive Products	3,191,130	1.52%
Sherwin-Williams Automotive Paint	3,054,000	1.45%
BJ's Wholesale Club	2,784,120	1.32%
Granada Apartments Company	2,771,060	1.32%
Heinen's, Inc.	2,570,380	1.22%
Highland Business Park LLC.	<u>2,071,580</u>	<u>0.98%</u>
Total	\$ <u>34,926,980</u>	<u>16.59%</u>
Total Assessed Valuation	\$ <u>210,580,170</u>	

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) Excludes Public Utilities

# City of Warrensville Heights

## Income Tax Revenue Base Collections

Last Ten Years

Table 9

<u>Tax Year (1)</u>	<u>Tax Rate (2)</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes from Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2014	2.60 %	\$ 15,103,264	\$ 11,854,771	78.49 %	\$ 1,926,434	12.76 %	\$ 1,322,058	8.75 %
2013	2.60	13,696,569	11,364,475	82.97	1,324,053	9.67	1,008,041	7.36
2012	2.60	13,398,636	10,805,480	80.65	1,230,748	9.18	1,360,394	10.17
2011	2.60	13,185,755	11,020,654	83.58	995,525	7.55	1,169,576	8.87
2010	2.60	13,158,561	10,405,766	79.08	1,199,094	9.11	1,553,701	11.81
2009	2.60	10,857,890	8,551,674	78.76	993,497	9.15	1,312,719	12.09
2008	2.00	11,735,849	9,257,333	78.88	1,065,149	9.08	1,413,367	12.04
2007	2.00	10,658,860	8,229,196	77.21	1,075,261	10.09	1,354,403	12.71
2006	2.00	10,625,219	8,567,114	80.63	1,100,773	10.36	957,332	9.01
2005	2.00	10,318,081	8,431,976	81.72	888,228	8.61	997,877	9.67

(1) Effective July 1, 2009, the City's Electors voted to increase the City's income tax rate from 2.00% to 2.60%.

(2) The City is statutorily prohibited from presenting individual taxpayers.

## City of Warrensville Heights

### Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

Last Ten Years

Table 10

Fiscal Year (1)	Governmental Activities						Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	C.O.P.s	Long-term Notes	Capital Leases				
2014	\$ 11,845,623	\$ -	\$ 11,708,443	\$ -	\$ 879,018	\$ 24,433,084	9.10%	\$ 1,232	
2013	10,358,021	-	11,833,077	-	992,469	23,183,567	9.08	1,712	
2012	-	-	11,730,214	14,581,781	877,710	27,189,705	10.32	2,008	
2011	658,572	55,000	11,215,829	8,680,060	720,684	21,330,145	8.10	1,575	
2010	1,054,608	117,533	-	12,495,060	181,011	13,848,212	5.26	1,023	
2009	1,437,037	173,673	-	8,892,000	339,394	10,842,104	3.86	718	
2008	2,110,162	229,117	-	8,818,000	334,558	11,491,837	4.09	761	
2007	2,758,983	298,865	-	9,602,000	499,401	13,159,249	4.68	871	
2006	3,378,500	362,917	-	8,485,000	505,569	12,731,986	4.53	843	
2005	3,978,714	456,272	-	11,025,000	760,025	16,220,011	5.77	1,074	

Note: Population and Personal Income data are presented on page 155.

## City of Warrensville Heights

### Ratio of General Obligation Bonded Debt to Estimated Actual Value of Taxable Property and Bonded Debt Per Capita

Last Ten Years

Table 11

<u>Year</u>	<u>Population</u>		<u>Estimated Actual Value of Taxable Property</u>	<u>General Obligation Debt (3)</u>	<u>Resources Available for Repayment</u>	<u>Net General Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Bonded Debt Per Capita</u>
2014	13,542	b	\$ 623,434,276	\$ 23,554,066	\$ -	\$ 23,554,066	3.78%	\$ 1,739.33
2013	13,542	b	643,145,906	22,191,098	-	22,191,098	3.45	1,638.69
2012	13,542	b	645,271,571	11,730,214	1,136,956	10,593,258	1.64	782.25
2011	13,542	b	755,504,679	11,874,401	812,585	11,061,816	1.46	816.85
2010	13,542	b	730,695,899	1,054,608	152,856	901,752	0.12	66.59
2009	15,109	a	743,069,986	1,437,037	257,832	1,179,205	0.16	78.05
2008	15,109	a	1,127,760,179	2,110,162	-	2,110,162	0.19	139.66
2007	15,109	a	867,292,432	2,758,983	-	2,758,983	0.32	182.61
2006	15,109	a	914,578,458	3,378,500	69,298	3,309,202	0.36	219.02
2005	15,109	a	775,454,452	3,978,714	164,888	3,813,826	0.49	252.42

#### Sources:

(1) U. S. Bureau of Census, Census of Population

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Cuyahoga County, Ohio; County Fiscal Office

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

# City of Warrensville Heights

## Legal Debt Margin

### Last Ten Years

Table 12

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Total assessed property value \$	<u>229,873,940</u>	<u>225,845,050</u>	<u>268,476,460</u>	<u>268,104,910</u>	<u>259,246,690</u>	<u>275,509,672</u>	<u>287,203,977</u>	<u>278,776,964</u>	<u>292,633,609</u>	<u>265,057,970</u>
Debt limit - 10 1/2 % of assessed valuation	\$ 24,136,764	\$ 23,713,730	\$ 28,190,028	\$ 28,151,016	\$ 27,220,902	\$ 28,928,516	\$ 30,156,418	\$ 29,271,581	\$ 30,726,529	\$ 27,831,087
Debt outstanding:										
General obligation bonds	11,845,623	10,358,021	-	658,572	1,054,608	1,437,037	2,110,162	2,758,983	3,378,500	4,058,728
Special assessment bonds	-	-	-	55,000	117,533	173,673	229,117	298,865	362,917	456,272
Certificates of participation	11,708,443	11,833,077	11,730,885	11,215,829	-	-	-	-	-	-
Real property acquisition notes	215,000	100,000	-	-	-	-	-	-	-	-
Bond anticipation notes	<u>1,560,000</u>	<u>3,655,000</u>	<u>14,565,060</u>	<u>14,387,060</u>	<u>18,153,560</u>	<u>14,889,000</u>	<u>14,323,000</u>	<u>12,726,000</u>	<u>12,479,000</u>	<u>11,025,000</u>
Total gross indebtedness	25,329,066	25,946,098	26,295,945	26,316,461	19,325,701	16,499,710	16,662,279	15,783,848	16,220,417	15,540,000
Less:										
Notes issued in anticipation of the levy or collection of municipal income taxes	(1,775,000)	(3,755,000)	(9,170,060)	(8,935,060)	(9,118,560)	(9,192,000)	(8,654,500)	(7,976,000)	(9,218,000)	(8,155,000)
Bonds and notes issued in anticipation of the levy or collection of special assessments (excluding city's portion)	-	-	(5,241,000)	(5,357,000)	(5,442,533)	(5,870,673)	(5,897,617)	(4,037,500)	(2,825,215)	(3,876,272)
Certificates of participation	(11,708,443)	(11,833,077)	(11,730,885)	(11,215,829)	-	-	-	-	-	-
General obligation bond retirement fund balance	-	-	-	(812,585)	(152,856)	(257,832)	-	-	(69,298)	(164,888)
Total net debt applicable to debt limit	<u>11,845,623</u>	<u>10,358,021</u>	<u>154,000</u>	<u>(4,013)</u>	<u>4,611,752</u>	<u>1,179,205</u>	<u>2,110,162</u>	<u>3,770,348</u>	<u>4,107,904</u>	<u>3,343,840</u>
Legal debt margin within 10 1/2% limitations	\$ <u>12,291,141</u>	\$ <u>13,355,709</u>	\$ <u>28,036,028</u>	\$ <u>28,155,029</u>	\$ <u>22,609,150</u>	\$ <u>27,749,311</u>	\$ <u>28,046,256</u>	\$ <u>25,501,233</u>	\$ <u>26,618,625</u>	\$ <u>24,487,247</u>
Legal debt margin as a percentage of the debt limit	50.92%	56.32%	99.45%	100.01%	83.06%	95.92%	93.00%	87.12%	86.63%	87.99%

(Continued)

# City of Warrensville Heights

## Legal Debt Margin

Last Ten Years

Table 12

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt limitation -5.5% of Assessed unvoted value	\$ 12,643,067	\$ 12,421,478	\$ 14,766,205	\$ 14,745,770	\$ 14,258,568	\$ 15,153,032	\$ 15,796,219	\$ 15,332,733	\$ 16,094,848	\$ 14,578,188
Total gross indebtedness	25,329,066	25,946,098	26,295,945	26,316,461	19,325,701	16,499,710	16,662,279	15,783,848	16,220,417	15,540,000
Less:										
Notes issued in anticipation of the levy or collection of municipal income taxes	(1,775,000)	(3,755,000)	(9,170,060)	(8,935,060)	(9,118,560)	(9,192,000)	(8,654,500)	(7,976,000)	(9,218,000)	(8,155,000)
Bonds and notes issued in anticipation of the levy or collection of special assessments (excluding city's portion)	-	-	(5,241,000)	(5,357,000)	(5,442,533)	(5,870,673)	(5,897,617)	(4,037,500)	(2,825,215)	(3,876,272)
Certificates of participation	(11,708,443)	(11,833,077)	(11,730,885)	(11,215,829)	-	-	-	-	-	-
General obligation bond retirement fund balance	-	-	-	(812,585)	(152,856)	(257,832)	-	-	(69,298)	(164,888)
Net debt within 5 1/2% limitations	<u>11,845,623</u>	<u>10,358,021</u>	<u>154,000</u>	<u>(4,013)</u>	<u>4,611,752</u>	<u>1,179,205</u>	<u>2,110,162</u>	<u>3,770,348</u>	<u>4,107,904</u>	<u>3,343,840</u>
Unvoted legal debt margin within 5 1/2% limitations	\$ <u>797,444</u>	\$ <u>2,063,457</u>	\$ <u>14,612,205</u>	\$ <u>14,749,783</u>	\$ <u>9,646,816</u>	\$ <u>13,973,827</u>	\$ <u>13,686,057</u>	\$ <u>11,562,385</u>	\$ <u>11,986,944</u>	\$ <u>11,234,348</u>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	6.31%	16.61%	98.96%	100.03%	67.66%	92.22%	86.64%	75.41%	74.48%	77.06%

Source: City Financial Records

## City of Warrensville Heights

### Computation of Direct and Overlapping Governmental Activities Debt

2014

Table 13

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City(1)	Amount Applicable to City of Warrensville Heights
Direct debt:			
City of Warrensville Heights			
General obligation bonds	\$ 11,440,000	100.00%	\$ 11,440,000
Certificates of participation	11,600,000	100.00%	11,600,000
Capital leases	<u>879,018</u>	100.00%	<u>879,018</u>
Total direct debt	<u>23,919,018</u>		<u>23,919,018</u>
Overlapping debt:			
Warrensville Heights City School District	14,044,977	61.10%	8,581,540
Orange City School District	18,639,971	0.95%	177,956
Cuyahoga County	262,275,000	1.08%	2,832,334
Regional Transit Authority (RTA)	<u>102,840,000</u>	0.94%	<u>966,535</u>
Total overlapping debt	<u>397,799,948</u>		<u>12,558,365</u>
Total direct and overlapping debt	\$ <u>421,718,966</u>		\$ <u>36,477,383</u>

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

# City of Warrensville Heights

## Principal Employers

Current Year and Ten Years Ago

Table 14

2014 (1)		
<u>Employer</u>	<u>Employees</u>	<u>Employment</u>
Cleveland Clinic Foundation	1,434	10.20%
Warrensville Heights Board of Education	456	3.24%
Group Management Services	267	1.90%
University Hospital Health System	371	2.64%
Sherwin - Williams Co.	384	2.73%
Heinen's Inc.	250	1.78%
Progressive Interchange Healthcare Inc.	284	2.02%
One Source Employee Management	358	2.55%
GMRI/Olive Garden	229	1.63%
Little Sisters of the Poor	<u>203</u>	<u>1.44%</u>
Total	<u>4,236</u>	<u>30.13%</u>
Total Employment within the City	<u>14,058</u>	

2005		
<u>Employer</u>	<u>Employees</u>	<u>Employment</u>
Meridia South Pointe Hospital	1,800	N/A
Warrensville Heights Board of Education	569	N/A
Heinen's, Inc.	507	N/A
Smart Choice Marketing Inc.	364	N/A
Sherwin-Williams Automotive Finishes Corp	271	N/A
LLA Corp	269	N/A
University Hospital Home Care Services	229	N/A
City of Warrensville Heights	225	N/A
BJ's Wholesale Club	215	N/A
Little Sisters of the Poor	<u>202</u>	N/A
Total	<u>4,651</u>	
Total Employment within the City	<u>N/A</u>	

Source: (1) City of Cleveland Central Collection Agency  
 N/A - Information not available

# City of Warrensville Heights

## Demographic and Economic Statistics

Last Ten Years

Table 15

Year	Population	Total Personal Income(4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County, Ohio Unemployment Rate (3)	Total Assessed Property Value
2014	13,542 b	\$ 268,551,402	\$ 19,831 b	\$ 35,461 b	39.6 b	15.4 % b	1,432	6.9 %	\$ 229,873,940
2013	13,542 b	255,293,784	18,852 b	35,926 b	39.2 b	15.5 b	1,657	7.0	225,845,060
2012	13,542 b	263,432,526	19,453 b	36,461 b	39.2 b	14.40 b	1,700	6.6	268,476,460
2011	13,542 b	263,432,526	19,453 b	36,461 b	39.2 b	14.40 b	1,956	8.0	268,104,910
2010	13,542 b	263,432,526	19,453 b	36,461 b	39.2 b	14.40 b	2,145	8.9	259,246,690
2009	15,109 a	281,193,599	18,611 a	37,204 a	37.7 a	16.40 a	2,273	8.9	275,509,672
2008	15,109 a	281,193,599	18,611 a	37,204 a	37.7 a	16.40 a	2,321	7.1	287,203,977
2007	15,109 a	281,193,599	18,611 a	37,204 a	37.7 a	16.40 a	2,536	6.1	278,776,964
2006	15,109 a	281,193,599	18,611 a	37,204 a	37.7 a	16.40 a	2,700	5.7	292,633,609
2005	15,109 a	281,193,599	18,611 a	37,204 a	37.7 a	16.40 a	2,864	5.7	265,057,970

Sources: (1) U. S. Bureau of Census, Census of Population

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Ohio Department of Education for Warrensville Heights City School District

(3) U. S. Bureau of Labor Statistics

(4) Total Personal Income is calculated by multiplying Population times Personal Income per Capita

# City of Warrensville Heights

## Operating Indicators by Function/Program

### Last Ten Years

Table 16

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Security of persons and property:										
Police and others:										
Total calls for services	15,842	15,514	14,470	14,012	15,312	15,918	15,918	15,492	13,244	14,358
Number of traffic citations issued	1,809	1,951	1,765	1,698	2,138	1,965	1,965	1,935	2,137	2,934
Number of parking citations issued	811	768	762	820	1,114	1,580	1,580	1,900	1,631	1,813
Number of criminal arrests	670	642	593	639	589	867	867	1,027	894	965
Number of accident reports completed	1,018	725	763	744	731	763	763	784	683	797
Part 1 offenses (major offenses)	568	560	554	575	546	633	633	614	535	455
DUI arrests	24	12	17	12	9	17	17	21	10	31
Prisoners	40	43	76	142	117	1,000	1,000	965	896	974
Prisoner meal costs \$	-	-	-	149	437	15,706	15,706	29,816	18,552	17,017
Motor vehicle accidents	1,018	725	763	744	731	763	763	784	683	797
Property damage accidents	725	680	684	651	640	665	665	682	598	688
Fatalities from motor vehicle accidents	1	-	-	-	1	1	1	1	1	2
Gasoline costs of fleet \$	51,591	59,474	28,211	60,000	36,539	89,170	89,170	53,701	74,767	40,538
Community diversion program youths	14	16	18	21	23	40	40	25	29	30
Community diversion program – community service hours	385	478	490	470	640	728	728	806	494	576
Fire:										
EMS calls	2,037	1,950	1,899	1,902	1,678	1,869	1,869	1,991	1,775	1,757
Ambulance billing collections (net) \$	385,632	411,455	353,520	353,557	380,413	378,967	378,967	205,810	282,057	301,030
Fire calls	498	509	519	360	94	807	807	316	278	289
Fires with loss	14	12	41	23	16	46	46	37	24	32
Fires with losses exceeding \$10k	6	7	12	13	9	9	9	16	4	9
Fire losses \$	687,000	672,300	580,000	514,850	613,250	590,100	590,100	883,920	170,940	574,600
Fire safety inspections	85	83	49	192	247	257	257	265	257	236
Number of times mutual aid given to fire and EMS	27	14	4	44	44	44	44	75	72	89
Number of times mutual aid received for fire and EMS	38	18	19	90	105	12	12	12	14	10

(continued)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
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# City of Warrensville Heights

## Operating Indicators by Function/Program

### Last Ten Years

Table 16

#### Basic utility services:

Refuse disposal per year (in tons)	4,070	4,051	3,987	4,708	4,209	4,450	4,450	4,862	5,912	5,222
Refuse disposal costs per year (calendar year)	\$ 153,703	\$ 189,566	\$ 147,021	\$ 164,043	\$ 163,936	\$ 169,966	\$ 169,966	\$ 231,743	\$ 236,377	\$ 228,596
Annual recycling tonnage (excluding leaf, and compost items)	88	112	107	n/a	868	777	777	733	696	692
Percentage of waste recycled	2.13%	2.75%	2.61%	n/a	23.00%	15.21%	15.21%	13.57%	10.53%	11.70%

#### Transportation:

Street repair (curbs, aprons, berms, asphalt) (hours)	1,950	2,116	520	320	824	803	803	905	812	864
Guardrail repair (hours)	5	10	60	16	132	144	144	120	180	198
Paint striping (hours)	150	200	150	40	205	326	326	366	324	390
Street sweeper (hours)	350	400	625	112	726	805	805	841	880	896
Cold patch (hours)	620	800	725	392	824	872	872	883	808	816
Snow and ice removal overtime hours	1,800	1,500	2,145	2,456	-	-	-	-	-	-
Landscaping stump-chipper service (hours)	800	754	50	32	826	799	799	847	804	813
Holiday lights setup (hours)	200	196	86	80	88	96	96	88	76	80
Sign department (hours)	220	200	60	40	263	316	316	294	304	346
Number of trees planted per year	10	5	-	-	3	10	10	26	6	3
Tons of snow melting salt purchased (Nov - Mar)	7,000	7,000	5,600	4,835	4,991	7,100	7,100	5,391	3,413	4,435
Cost of salt purchased	\$ 161,313	\$ 230,388	\$ 190,512	\$ 220,444	\$ 230,055	\$ 180,461	\$ 180,461	\$ 177,783	\$ 104,967	\$ 141,218

#### General government:

##### Council and clerk:

Number of ordinances passed	139	134	188	104	114	155	155	171	178	211
Number of resolutions Passed	23	30	50	60	59	51	51	64	57	88

(continued)

# City of Warrensville Heights

## Operating Indicators by Function/Program

Last Ten Years

Table 16

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Finance department:										
Number of checks/vouchers issued	2,736	2,621	2,407	2,452	2,369	3,087	3,087	3,145	3,075	2,881
Amount of checks written \$	5,348,674	7,238,615	10,442,701	11,008,059	6,535,315	8,867,036	8,867,036	12,106,582	10,439,805	12,162,486
General Fund interest earnings for fiscal year (cash basis) \$	6,639	7,878	8,476	7,054	1,742	40,625	40,625	156,973	173,560	119,692
Number of receipts issued	3,869	3,427	3,502	3,300	3,466	3,267	3,267	3,806	4,098	4,200
Number of budget adjustments issued	6	50	30	16	61	10	10	82	162	201
Agency ratings - Moody's financial services	A-1	A-1	A-1	A-1	A-1	A-3	A-3	A-3	A-3	A-3
Health insurance costs vs. general fund expenditures (cash basis)	9.10%	9.40%	8.56%	8.61%	11.70%	9.74%	9.74%	10.80%	9.71%	10.36%
General Fund receipts (cash basis) \$	17,984,776	16,516,049	15,559,787	15,748,605	15,908,238	15,259,941	15,259,941	14,178,286	14,224,242	14,078,484
General Fund expenditures (cash basis) \$	16,555,825	15,815,121	14,716,911	14,899,241	14,680,884	15,764,972	15,764,972	14,415,510	13,916,892	13,937,358
General Fund cash balances	4,291,087	3,089,881	2,911,044	1,739,885	786,116	-	-	259,541	694,777	424,384
Building department indicators:										
Construction permits issued	667	282	609	647	631	631	631	213	820	1,026
Estimated value of construction	86,106,191	41,779,964	4,515,733	14,970,841	8,335,467	11,450,970	11,450,970	11,625,337	13,677,990	15,254,686
Number of plumbing and electrical permits issued	126	243	206	193	202	258	258	693	601	1,024
Amount of revenue generated from permits \$	613,841	427,684	222,617	422,070	186,986	237,736	237,736	313,340	238,583	131,497
Number of contract registrations issued	255	282	249	408	346	354	354	700	454	486
Number of rental inspections performed	1,206	718	662	572	833	544	544	414	662	500
Number of point of sale inspections	102	717	662	1,831	1,234	192	192	403	600	400

Source: Information for operating indicators was obtained from the various departments within the City.

# City of Warrensville Heights

## Capital Assets Statistics by Function/Program

Last Ten Years

Table 17

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Security of persons and property:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Square footage of building	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840
Vehicles	29	29	29	29	32	36	32	32	26	26
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Square footage of building	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460
Vehicles	11	11	11	11	11	11	12	12	12	11
Leisure time activities:										
Recreation:										
Number of parks	6	6	6	6	6	6	6	6	6	6
YMCA Square footage	40,000	40,000	40,000	-	-	-	-	-	-	-
Senior Community Center:										
Square footage of building	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300
Vehicles	1	1	1	1	1	1	1	1	1	1
Transportation:										
Public works:										
Square footage of building	43,360	43,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360
Vehicles	40	40	37	37	40	40	39	39	37	37
Streets (miles)	52	52	52	52	52	52	52	52	52	51
General government:										
Square footage occupied	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515
Administrative vehicles	-	-	-	1	1	1	1	1	1	2
Inspection vehicles	7	7	7	7	7	7	7	7	6	6

Source: City's capital asset records

# City of Warrensville Heights

## Full-Time Equivalent City Governmental Employees by Function/Program

Last Ten Years

Table 18

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Security of persons and property:										
Police	29.00	33.00	33.00	33.00	33.00	36.00	36.00	36.00	36.00	34.00
Police – auxiliary/guards	3.50	3.50	3.50	4.50	3.50	3.50	3.50	3.50	4.00	4.00
Police – dispatchers/office/other	8.00	8.00	9.00	9.00	10.00	11.00	11.00	11.00	11.00	9.00
Police – jailers	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00
Police – animal wardens	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire	27.00	29.00	31.00	32.00	28.00	35.00	35.00	35.00	35.00	33.00
Fire – secretary – other	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Leisure time activities:										
Senior and civic center	5.00	5.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Community liaison	0.50	-	-	-	-	-	0.50	0.50	1.00	1.00
Community development:										
Building	8.50	8.50	8.50	8.50	10.00	10.00	10.00	10.00	9.00	8.00
Economic development	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00	1.00	1.00
Transportation:										
Service	28.00	28.00	28.00	27.00	30.00	38.00	41.00	41.00	39.00	37.00
General government:										
Council	8.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
Executive administration	4.00	4.00	5.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00
Finance	5.00	4.00	5.00	4.00	5.00	6.00	6.00	6.00	6.00	6.00
Municipal income tax	0.50	0.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Legal	1.50	1.00	1.00	1.50	1.50	1.50	1.00	1.00	1.50	1.50
Human resources	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	1.00	2.00
Planning	2.00	2.00	2.50	2.50	2.00	2.00	2.00	2.00	2.00	2.00
Civil service	1.50	1.50	1.50	1.50	2.00	1.50	1.50	1.50	1.50	1.50
Community activities	1.00	1.00	1.00	-	-	-	-	-	-	-
Totals	<u>137.50</u>	<u>142.00</u>	<u>146.50</u>	<u>145.00</u>	<u>148.50</u>	<u>168.00</u>	<u>172.50</u>	<u>172.50</u>	<u>170.00</u>	<u>162.00</u>

**Source** City Payroll Department Payroll Register

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

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# Dave Yost • Auditor of State

**CITY OF WARRENSVILLE HEIGHTS**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 3, 2015**