

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

**AUDIT REPORT**

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

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





# Dave Yost • Auditor of State

Members of Council  
City of Warrensville Heights  
4301 Warrensville Center Road  
Warrensville Heights, Ohio 44128

We have reviewed the *Independent Auditor's Report* of the City of Warrensville Heights, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

September 28, 2016

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

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

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

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Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

The Honorable Dave Yost  
Auditor of State  
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights, Cuyahoga County, Ohio, (City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 21, 2016, wherein we noted the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68, and restated its net position at December 31, 2014 for governmental activities. In addition, the City restated its net position at December 31, 2014 for governmental activities due to an error in special assessments.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City of Warrensville Heights, Ohio's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Warrensville Heights, Ohio's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Warrensville Heights, Ohio's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City of Warrensville Heights, Ohio's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses that we considered a material weakness as item **2015-001**.

### ***Compliance and Other Matters***

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

### **Response to Finding**

The City of Warrensville Heights, Ohio's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. City of Warrensville Heights, Ohio's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly we express no opinion on it.

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Warrensville Heights, Ohio's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Warrensville Heights, Ohio's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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

June 21, 2016

**CITY OF WARRENSVILLE HEIGHTS  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2015**

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**Finding Number 2015-001 - Material Weakness - Special Assessment Receivable**

Condition/Criteria

The City understated the amount it was reporting for special assessment receivable. The following fund was restated:

General Obligation Bond Retirement Fund	\$ 2,094,975
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This restatement had no effect on fund balance. Net position of governmental activities increased by \$2,094,975.

Cause/Effect

The calculation of the special assessment receivable was understated.

Recommendation

To enhance controls over the accurate recording of special assessment receivable and financial statement reporting, we recommend that the City perform a more thorough review of special assessments certified to the County, and any associated debt be reviewed for inclusion.

**City's Response**

The City will implement the recommendation regarding recording of special assessment receivable.

**CITY OF WARRENSVILLE HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF PRIOR FINDINGS AND RECOMMENDATIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2015**

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The prior issued audit report, as of December 31, 2014, included material noncompliance citations.

Finding Number	Finding Summary	Fully Corrected?
2014-001	Appropriations Exceeded Estimated Resources	Partially corrected. Repeated as a management comment.
2014-002	Expenditures Plus Encumbrances Exceeded Appropriations	Yes

Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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# *Warrensville Heights*

## *Ohio*



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2015**

# **City of Warrensville Heights, Ohio**

**Comprehensive Annual Financial Report  
For the Year Ended December 31, 2015**

**Issued by the Department of Finance**

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

# City of Warrensville Heights

For the Year Ended December 31, 2015

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# City of Warrensville Heights

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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 14, 2016

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 end of December 31, 2015. This report enables the City to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis. It is also in compliance with the Ohio Revised Code Section 117.38, which requires the cities that are reporting on a GAAP basis to file unaudited basic financial statements with the Auditor of State 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. The cost of internal controls should not exceed anticipated benefits, therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Ohio Auditor of State, Dave Yost, has issued an unmodified (“clean”) opinion on the City of Warrensville Heights’ financial statements for the year end of December 31, 2015. The *Independent Auditor’s Report* is located at the front of the financial section of this report.

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

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

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

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

The City operates under, and is governed by, its Charter which was adopted in 1958 by its voters, and was last amended in 2010. The City is also subject to certain general laws applicable to all Ohio cities. Under the Ohio Constitution, the City may exercise all local self-government and police powers to the

extent that none are in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

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

The Council fixes compensation of City officials and employees; and enacts ordinances and resolutions relating to the City's services, 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 (90) day of the budget year, normally March 31. In recent years, Council has adopted an annual budget prior to December 31 of the preceding year.

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

### **Economic Condition and Outlook**

The City is an inner-ring suburb of the City of Cleveland. Primarily a residential community of beautifully maintained neighborhoods, as well as a thriving and robust business community. The City is home to one of the most technologically advanced hospitals in Northeast Ohio, South Pointe Hospital, a Cleveland Clinic affiliate that provides quality health care to Warrensville Heights' residents as well as the 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; and Marcus Thomas, a leading advertising firm, has its headquarters in our friendly City. Harvard Park features Cleveland Marriott East and numerous retail businesses and high-end restaurants. The top ten employers have over 4,200 employees working in the City. (A list of the ten largest employers is featured in the Statistical section.)

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 17.43% during a five-year period from 2011 to 2015. The City's income collection accounted for over 81.54% of the General Fund revenues. The growth in the income tax revenue helped offset the decline in other revenue sources.

In 2015, CarMax, the nation's largest retailer of used cars, finished construction of a 40,000 square foot store. 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.

In 2015, Tim Lally Chevrolet started construction on a 70,000 square foot building to serve as a new car dealership and general offices. The total estimated project cost during the construction period is approximately \$ 14,000,000 and will generate 150 new jobs. The City entered into a Tax Increment Financing (TIF) agreement with LBMK Properties LLC to assist with financing the project.

Xecligent, the City's new commercial real estate tracking software, is designed to provide the City with an inventory of occupied and vacant commercial buildings, tenant information, commercial buildings available for sales and lease and the lease rates. This software will be utilized by the Economic Development and Income Tax Departments.

The City in collaboration with Cuyahoga County, Ohio office of Emergency Management has implemented a ReadyNotify Emergency alert System. The City provides its residents and visitors with emergency community notifications in the event of emergency situations or during other situations that may warrant community notification, such as during major or prolonged weather events. These notifications are meant to provide information that is critical to the safety and well being of the City's residents and visitors. Notifications are provided via a telephone notification system that will dial each telephone number in our system within the affected area and provide the person who answers with any pertinent information regarding the emergency. This system is part of the City's larger vision to develop a state-of-art emergency management program.

The City continues to make significant progress in its efforts to strengthen its economic base and community development. Each day approximately 14,000 people come to work in Warrensville Heights and are responsible for 81.54% of the City's revenue through income tax. Property tax revenues collected in 2015 represented 1.78% of the City's total revenues.

### **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 \$860,000 and \$2,450,000, respectively.

The Cinema Park Housing Development which was reinvigorated in 2014 has completely sold all available lots. Because of the crash in the housing market in 2008, the project had been placed on hold. The project consists of ninety-seven (97) single-family homes on the 21-acre site of the former Miles Drive-In Theatre and added an additional \$15 to \$20 million to the City's total residential property value. The price of the home ranged from \$175,000 to \$255,000. 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.

### **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. The City purchased two buildings on the corridor that had remained vacant over several years. The buildings were once home to a new and used auto dealership and sits on approximately 5.7 acres. The building is scheduled for demolition and the land will be used for future development.

The City established its first Community Reinvestment Agreement (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 City School District. This program requires the approval of the City Council and Warrensville Heights Tax Incentive Review Council. Currently, ten companies receive a 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 \$881,177 of income tax revenues in the District in 2015. This was a 11.03% increase from the previous year.

### **Awards and Acknowledgements**

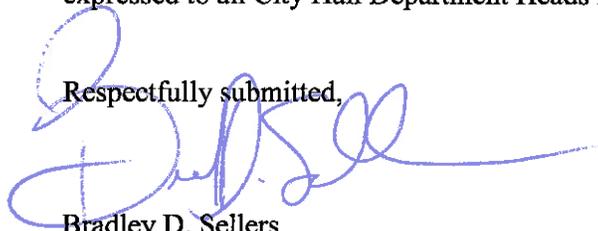
*Award*—The Government Finance Officers Association of the United States and Canada (GFOA) awarded a ‘**Certificate of Achievement for Excellence in Financial Reporting**’ to the City of Warrensville Heights for its Comprehensive Annual Financial Report for the year end of December 31, 2014.

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

The Award is valid for only one year. We believe that our report for the year end of December 31, 2015 continues to meet the standards of the Award. Therefore, we are submitting it to GFOA at this time.

*Acknowledgments* This Comprehensive Annual Financial Report (CAFR) was prepared by the Finance Department with the efficient and dedicated services of its entire staff. Sincere gratitude goes to City Council for 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  
Director of Finance

# CITY OF WARRENSVILLE HEIGHTS ORGANIZATIONAL CHART

**Citizens of  
Warrensville Heights**

**LEGISLATIVE**

**City Council**

Council Clerk

**EXECUTIVE**

**Mayor**

Executive Assistant

**Law Director**

Prosecutor

Assistant  
Law Director

**Chief of Staff**

**Safety Director**

Police Chief

Fire Chief

Economic Dev.  
Director

Senior Center  
Director

Programming  
Coordinator

**Building  
Commissioner**

Chief  
Building Official

Chief of Housing

Inspectors

Clerks

Communications  
Activities/Director

Service  
Director

**Finance  
Director**

Personnel  
Director

Assistant  
Finance Director

Clerks

Payroll  
Administrator

**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

Walter Stewart, Ward 4

Matthew Howard, Ward 5

Stanley Anderson, Ward 6

Kimberly Hodge-Edwards, Ward 7

APPOINTED OFFICIALS

Barbara L. Walker, Chief of Staff

Teresa Beasley, Director of Law

Rubin K. Moultrie, Director of Finance

Ted Sims, Director of Service

Wesley Haynes, Chief of Police

Herbert Waugh, Chief of Fire

Kelli Wilson, Personnel Director

Pequita Hansberry, Economic Development Director

Ashley Gowens, Community Activities Director

James McReynolds, Building Commissioner

Jennifer Lastery, 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, 2014**

Executive Director/CEO

## **Financial Section**

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

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

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Member American Institute of Certified Public Accountants

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Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

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

The Honorable Dave Yost  
Auditor of State  
State of Ohio

**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, (City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights, Cuyahoga County, Ohio, as of December 31, 2015, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension Liabilities and Pension Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Warrensville Heights, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2016, on our consideration of the City of Warrensville Heights, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Warrensville Heights, Ohio's internal control over financial reporting and compliance.



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

June 21, 2016

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# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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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, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to consider information presented here in conjunction with the additional information contained in the transmittal letter, as well as the basic financial statements to enhance their understanding of the City's financial performance.

### Financial Highlights

- The liabilities and deferred inflows of the City exceeded assets and deferred outflows at December 31, 2015 by \$1,388,783.
- For the year ended December 31, 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. The implementation of these statements resulted in the restatement of net position as of December 31, 2014 for the governmental activities. See Note 3 for additional information regarding the restatement.
- Total assets increased by \$671,283 and deferred outflows of resources increased by \$780,043 in 2015. The largest increase was cash and cash equivalents of \$778,239. This increase was offset by a decrease in income tax receivable of \$162,815. The increase in deferred outflows of resources was related to the pensions.
- Total liabilities decreased by \$809,374 and deferred inflows of resources increased by \$38,594 in 2015. The main fluctuations in liabilities related to a decrease in accounts payable (down \$347,719), long-term debt other than the net pension liability (down \$867,636), and the net pension liability (up \$811,786).
- Net position in total increased by \$2,222,106 during 2015. This represents an increase of 61.54 percent from 2014. The main reason for the increase in net position is due to the City's implementation of GASB 68 in 2015.

### *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, 2015

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

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

#### *Fund Financial Statements*

The analysis of the City's major funds begins on page 18. 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.

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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All City activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. The City's funds are reported using the accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's operations and the basic services it provides. 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 2015 compared to 2014.

**Table 1 – Net Position**

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>Restated 2014</u>
Assets:		
Current and other assets	\$ 17,390,068	\$ 16,564,746
Capital assets	<u>24,393,689</u>	<u>24,547,728</u>
Total assets	<u>41,783,757</u>	<u>41,112,474</u>
Deferred Outflows	<u>2,181,574</u>	<u>1,401,531</u>
Liabilities:		
Other liabilities	2,395,881	3,149,405
Long term liabilities:		
Due within one year	4,174,414	2,527,377
Due in more than one year	21,949,313	24,463,986
Net pension liability	<u>15,611,466</u>	<u>14,799,680</u>
Total liabilities	<u>44,131,074</u>	<u>44,940,448</u>
Deferred Inflows	<u>1,223,040</u>	<u>1,184,446</u>
Net position:		
Net investment in capital assets	(413,445)	(1,660,356)
Restricted	5,471,987	3,108,427
Unrestricted	<u>(6,447,325)</u>	<u>(5,058,960)</u>
Total net position	\$ <u>(1,388,783)</u>	\$ <u>(3,610,889)</u>

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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

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

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

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

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

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

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014. Additionally, the City restated the net position at December 21, 2014 for recording a special assessment receivable related to the special assessment bonds issued in 2013. Overall the restatement decreased net position at December 31, 2014 from \$7,692,285 to \$(3,610,889).

The largest portion of the City's net position reflects its restricted funds available to pay down the City's debt. At December 31, 2015, total net position had a balance of \$(1,388,783).

Total assets increased by \$671,283 from 2014 to 2015. Of that increase, the most significant changes were in equity in pooled cash and cash equivalents, which increased by \$778,239.

Total liabilities and deferred inflows decreased by \$770,780 in 2015. This decrease is primarily due to the repayment of the City's outstanding debt and other long-term liabilities in the current year.

Table 2 shows the change in net position for the year ended December 31, 2015 compared to 2014.

**Table 2 – Statement of Activities**

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>Restated 2014</u>
Program revenues:		
Charges for services	\$ 1,325,274	\$ 1,486,364
Operating grants and contributions	692,610	498,613
Capital grants and contributions	<u>581,923</u>	<u>2,670,483</u>
Total program revenues	<u>2,599,807</u>	<u>4,655,460</u>
General Revenues:		
Property and other local taxes	1,514,123	1,334,867
Municipal income taxes	16,576,878	16,169,998
Grants and entitlements	679,693	659,957
Interest income	14,054	6,872
All other revenues	<u>171,522</u>	<u>231,000</u>
Total general revenues	<u>18,956,270</u>	<u>18,402,694</u>
Total revenues	<u>21,556,077</u>	<u>23,058,154</u>

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

**Table 2 – Statement of Activities (continued)**

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Program expenses:		
Security of persons and property:		
Police and others	5,421,417	5,163,481
Fire	3,925,081	3,603,854
Public health services	53,085	65,183
Leisure time activities	495,965	697,906
Community development	961,571	873,757
Basic utility services	1,527,105	1,173,154
Transportation	2,004,180	2,637,135
General government	4,164,107	2,411,281
Interest and fiscal charges	<u>781,460</u>	<u>876,751</u>
Total program expenses	<u>19,333,971</u>	<u>17,502,502</u>
Change in net position	2,222,106	5,555,652
Net position, beginning of year, restated	<u>(3,610,889)</u>	n/a
Net position, end of year	\$ <u>(1,388,783)</u>	\$ <u>(3,610,889)</u>

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 2014 data in order to conform to the 2015 presentation.

### ***Effects of GASB 68***

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$1,401,531 in the governmental activities computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$1,564,547 in the governmental activities. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	<u>Governmental Activities</u>
Total 2015 program expenses under GASB 68	\$ 19,333,971
Pension expense under GASB 68	(1,564,547)
2015 Contractually required contribution	<u>1,474,960</u>
Adjusted 2015 program expenses	19,244,384
Total 2014 program expenses under GASB 27	<u>17,502,502</u>
Increase in program expenses not related to pension	\$ <u>1,741,882</u>

# City of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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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 \$16,576,878 or 76.90 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 \$1,514,123 accounted for 7.02 percent of total revenues. Charges for services of \$1,325,274 accounted for 6.15 percent of total revenue. All other revenue sources of \$2,139,802 accounted for the remaining 9.93 percent of the City's 2015 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 \$9,346,498, which is 48.3 percent of total City expenses for 2015. The general government expenses accounted for \$4,164,107, or 21.5 percent of total expenses. The transportation expenses, primarily the service department, accounted for \$2,004,180, or 10.36 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 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had revenues of \$21,627,213 and expenditures of \$22,086,830 (not including other financing sources and uses). The most significant fund is the General Fund with a fund balance at year-end of \$8,143,573. In 2015, the fund balance of the General Fund increased by \$1,074,168. 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 \$170,464 from 2014, with a deficit fund balance of \$530,924 at December 31, 2015. 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 \$9,034,177. 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.

### *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 of Warrensville Heights

## Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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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 2015, the City amended its General Fund budget in response to departmental needs. The original budgeted revenue, excluding other financing sources and uses, amounted to \$17,799,700 and the final budgeted revenue amount was \$19,704,331, for an increase of \$1,904,631. The increase was due mainly to an increase in municipal income taxes. Actual revenues, excluding other financing sources and uses, of \$19,305,351 were \$398,980 less than the final budgeted revenues. This increase is mainly due to less property and municipal income taxes received than budgeted.

The final budgeted expenditure amount, excluding other financing sources and uses, exceeded the original budget by \$1,189,300. Actual expenditures of \$16,627,419 were \$1,420,981 lower than the final budgeted expenditures. This variance can be attributed to the City's efforts to control costs in the current economic environment.

### ***Capital Assets and Debt Administration***

#### *Capital Assets*

At the end of 2015, the City had \$24,393,689 invested in land, buildings, land improvements, machinery and equipment, vehicles, furniture and fixtures, and infrastructure. Table 3 shows 2015 balances of capital assets as compared to 2014.

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

	Governmental Activities	
	2015	2014
Land	\$ 3,641,382	\$ 3,232,200
Construction in progress	-	330,010
Buildings	12,406,833	12,290,008
Land improvements	201,200	220,471
Machinery and equipment	183,004	195,988
Furniture and fixtures	41,622	44,370
Vehicles	754,827	867,856
Infrastructure:		
Roads	4,269,993	4,377,389
Sanitary sewers	978,426	1,012,789
Waterlines	865,004	892,988
Storm sewers	1,051,398	1,083,659
Total capital assets	\$ <u>24,393,689</u>	\$ <u>24,547,728</u>

## City of Warrensville Heights

### Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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Capital assets decreased by \$154,039 in 2015. The main reason was the expense of a construction in progress project that did not result in a capital asset as originally thought. The largest addition related to the City's purchase of the Northfield Road Bass building in 2015.

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.

#### *Long-Term Obligations*

At December 31, 2015, the City had \$41,735,193 in outstanding long-term obligations, of which debt obligations primarily consisted of \$11,605,465 in certificates of participation and \$11,081,062 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	
	2015	2014
General obligation bonds	\$ 11,081,062	\$ 11,845,623
Certificates of participation	11,605,465	11,708,443
Land installment loan	368,459	-
Compensated absences	2,231,921	2,156,986
Claims payable	49,139	51,268
Tap in fee agreement payable	26,667	40,000
Community reinvestment agreement payable	155,407	310,025
Capital leases	605,607	879,018
Net pension liability	<u>15,611,466</u>	<u>14,799,680</u>
Total outstanding long-term obligations	\$ <u>41,735,193</u>	\$ <u>41,791,043</u>

The City issued certificates of participation in 2015 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 \$12,322,177 with an unvoted legal debt margin of \$1,177,777 on December 31, 2015. For more information about the City's long-term obligations and short-term note activity, see Notes 12, 13, 14 and 17 to the basic financial statements.

# City of Warrensville Heights

Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2015

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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, 2015

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	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 8,018,963
Accounts receivable	607,118
Municipal income taxes receivable	3,639,872
Property and other taxes receivable	1,523,847
Special assessments receivable	2,777,757
Intergovernmental receivable	571,243
Accrued interest receivable	1,377
Materials and supplies inventory	187,110
Prepaid items	62,781
Nondepreciable capital assets	3,641,382
Depreciable capital assets, net	<u>20,752,307</u>
Total assets	<u>41,783,757</u>
Deferred outflows of resources:	
Pension	<u>2,181,574</u>
Liabilities:	
Accounts payable and contracts payable	274,272
Accrued wages	161,646
Intergovernmental payable	297,639
Matured compensated absences	80,333
Accrued interest payable	66,991
Notes payable	1,515,000
Long-term liabilities:	
Due within one year	4,174,414
Due in more than one year	21,949,313
Net pension liability	<u>15,611,466</u>
Total liabilities	<u>44,131,074</u>
Deferred inflows of resources:	
Property taxes	1,165,196
Pension	<u>57,844</u>
Total deferred inflows of resources	<u>1,223,040</u>
Net Position:	
Net investment in capital assets	(413,445)
Restricted for:	
Capital projects	643,180
Streets	394,833
Police	41,910
Fire	42,567
Building levy	23,996
Debt service	3,747,337
Other purposes	578,164
Unrestricted	<u>(6,447,325)</u>
Total net position	<u>\$ (1,388,783)</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, 2015

	<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>	
Governmental activities:				
Security of persons and property:				
Police and others	\$ 5,421,417	\$ 72,121	\$ 17,050	\$ -
Fire	3,925,081	419,462	40,000	-
Public health services	53,085	-	-	-
Leisure time activities	495,965	63,865	-	-
Community development	961,571	19,714	146,180	559
Basic utility services	1,527,105	68	-	-
Transportation	2,004,180	-	489,380	-
General government	4,164,107	750,044	-	581,364
Interest and fiscal charges	<u>781,460</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	\$ <u>19,333,971</u>	\$ <u>1,325,274</u>	\$ <u>692,610</u>	\$ <u>581,923</u>
General revenues:				
Property and other local taxes levied for:				
General purposes				687,313
Debt service				335,894
Other purposes				490,916
Municipal income taxes levied for:				
General purposes				16,576,878
Grants and entitlements not restricted to specific programs				679,693
Interest income				14,054
All other revenues				<u>171,522</u>
Total general revenues				<u>18,956,270</u>
Change in net position				2,222,106
Net position – beginning of year, restated				<u>(3,610,889)</u>
Net position – end of year				\$ <u>(1,388,783)</u>

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

# City of Warrensville Heights

## Balance Sheet – Governmental Funds

December 31, 2015

	General Fund	General Obligation Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 5,456,488	\$ 933,422	\$ 1,629,053	\$ 8,018,963
Materials and supplies inventory	187,110	-	-	187,110
Accounts receivable	607,118	-	-	607,118
Interfund receivable	122,149	-	-	122,149
Intergovernmental receivable	254,110	47,063	270,070	571,243
Prepaid items	62,781	-	-	62,781
Accrued interest receivable	1,377	-	-	1,377
Municipal income taxes receivable	3,639,872	-	-	3,639,872
Property and other taxes receivable	461,362	436,144	626,341	1,523,847
Special assessments receivable	-	<u>2,777,757</u>	-	<u>2,777,757</u>
Total assets	<u>\$ 10,792,367</u>	<u>\$ 4,194,386</u>	<u>\$ 2,525,464</u>	<u>\$ 17,512,217</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable and contracts payable	\$ 166,088	\$ -	\$ 108,184	\$ 274,272
Accrued wages	161,646	-	-	161,646
Intergovernmental payable	297,639	-	-	297,639
Matured compensated absences	80,333	-	-	80,333
Accrued interest payable	-	874	-	874
Interfund payable	-	46,954	75,195	122,149
Notes payable	-	<u>1,416,518</u>	<u>98,482</u>	<u>1,515,000</u>
Total liabilities	<u>705,706</u>	<u>1,464,346</u>	<u>281,861</u>	<u>2,451,913</u>
<b>Deferred inflows of resources:</b>				
Property taxes	353,229	333,104	478,863	1,165,196
Unavailable revenue	<u>1,589,859</u>	<u>2,927,860</u>	<u>343,212</u>	<u>4,860,931</u>
Total deferred inflows of resources	<u>1,943,088</u>	<u>3,260,964</u>	<u>822,075</u>	<u>6,026,127</u>
<b>Fund balances:</b>				
Nonspendable	372,040	-	-	372,040
Restricted	-	-	1,365,745	1,365,745
Committed	-	-	194,996	194,996
Assigned	1,735,968	-	-	1,735,968
Unassigned	<u>6,035,565</u>	<u>(530,924)</u>	<u>(139,213)</u>	<u>5,365,428</u>
Total fund balances (deficit)	<u>8,143,573</u>	<u>(530,924)</u>	<u>1,421,528</u>	<u>9,034,177</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,792,367</u>	<u>\$ 4,194,386</u>	<u>\$ 2,525,464</u>	<u>\$ 17,512,217</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, 2015

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Total governmental fund balances \$ 9,034,177

*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 24,393,689

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

Property and other taxes	\$ 358,651	
Municipal income taxes	846,850	
Intergovernmental	406,335	
Special assessments	2,777,757	
Charges for services	<u>471,338</u>	
Total		4,860,931

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (66,117)

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	(11,081,062)	
Certificates of participation	(11,605,465)	
Accrued compensated absences	(2,231,921)	
Claims payable	(49,139)	
Tap in fee agreement payable	(26,667)	
Community reinvestment agreement payable	(155,407)	
Land installment loan payable	(368,459)	
Capital leases	<u>(605,607)</u>	
Total		<u>(26,123,727)</u>

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows / outflows are not reported in governmental funds.

Deferred Outflows	2,181,574	
Net Pension Liability	(15,611,466)	
Deferred Inflows	<u>(57,844)</u>	
Total		<u>(13,487,736)</u>

Net position of governmental activities \$ (1,388,783)

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, 2015

	General Fund	General Obligation Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 355,350	\$ 343,456	\$ 497,739	\$ 1,196,545
Municipal income taxes	16,689,455	-	-	16,689,455
Other local taxes	336,281	55,841	7,178	399,300
Intergovernmental	542,288	35,610	733,931	1,311,829
Interest income	13,730	-	324	14,054
Licenses and permits	603,691	-	-	603,691
Fines and forfeitures	124,004	-	14,790	138,794
Charges for services	560,818	-	42,391	603,209
Special assessments	-	520,889	-	520,889
All other revenues	137,207	11,238	1,002	149,447
<b>Total revenues</b>	<u>19,362,824</u>	<u>967,034</u>	<u>1,297,355</u>	<u>21,627,213</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Security of persons and property:</b>				
Police and others	4,908,699	-	444,812	5,353,511
Fire	3,577,205	-	197,694	3,774,899
Public health services	53,085	-	-	53,085
Leisure time activities	444,831	-	660	445,491
Community development	595,789	-	407,074	1,002,863
Basic utility service	1,485,708	-	-	1,485,708
Transportation	1,206,657	-	1,014,357	2,221,014
General government	4,152,852	-	42,139	4,194,991
Capital outlay	-	-	105,879	105,879
<b>Debt service:</b>				
Principal retirement	81,541	2,540,000	-	2,621,541
Interest and fiscal charges	-	826,797	1,051	827,848
<b>Total expenditures</b>	<u>16,506,367</u>	<u>3,366,797</u>	<u>2,213,666</u>	<u>22,086,830</u>
<b>Excess of revenues over (under) expenditures</b>	<u>2,856,457</u>	<u>(2,399,763)</u>	<u>(916,311)</u>	<u>(459,617)</u>
<b>Other financing sources (uses):</b>				
Issuance of debt	450,000	1,700,000	-	2,150,000
Premium on issuance of debt	-	16,745	-	16,745
Transfers – in	-	1,000,000	1,378,807	2,378,807
Transfers – out	(2,232,289)	(146,518)	-	(2,378,807)
<b>Total other financing sources (uses)</b>	<u>(1,782,289)</u>	<u>2,570,227</u>	<u>1,378,807</u>	<u>2,166,745</u>
<b>Net change in fund balances</b>	1,074,168	170,464	462,496	1,707,128
<b>Fund balances (deficit) – beginning of year</b>	<u>7,069,405</u>	<u>(701,388)</u>	<u>959,032</u>	<u>7,327,049</u>
<b>Fund balances (deficit) – end of year</b>	\$ <u>8,143,573</u>	\$ <u>(530,924)</u>	\$ <u>1,421,528</u>	\$ <u>9,034,177</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, 2015

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Net change in fund balances – total governmental funds \$ 1,707,128

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

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

Capital outlay	\$ 661,344	
Depreciation	<u>(811,330)</u>	
Total		(149,986)

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. (4,053)

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	(18,703)	
Municipal income taxes	(175,596)	
Intergovernmental	57,802	
Special assessments	22,960	
Charges for services	<u>2,401</u>	
Total		(111,136)

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

Certificates of participation issued	(1,700,000)	
Premium on debt issuance	(16,745)	
Community reinvestment agreement payable	(155,407)	
Land installment loan issuance	<u>(450,000)</u>	
Total		(2,322,152)

Repayment of bond, note, loan and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,894,952

(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, 2015

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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	2,104	
Amortization of premiums	<u>44,284</u>	
Total		46,388

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

Claims payable	2,129	
Tap in fee agreement payable	13,333	
Community reinvestment agreement payable	310,025	
Compensated absences	<u>(74,935)</u>	
Total		250,552

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

1,474,960

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

(1,564,547)

Change in net position of governmental activities

\$ 2,222,106

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 387,246	\$ 387,246	\$ 355,350	\$ (31,896)
Municipal income taxes	15,337,397	17,009,988	16,676,640	(333,348)
Other local taxes	268,920	298,991	294,619	(4,372)
Intergovernmental	492,334	547,389	539,384	(8,005)
Charges for services	513,299	570,698	562,353	(8,345)
Licenses and permits	550,803	612,396	603,441	(8,955)
Fines and forfeitures	113,187	125,844	124,004	(1,840)
Interest income	11,275	12,536	12,353	(183)
All other revenues	125,239	139,243	137,207	(2,036)
Total revenues	<u>17,799,700</u>	<u>19,704,331</u>	<u>19,305,351</u>	<u>(398,980)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Security of persons and property:</b>				
Police and other	4,896,673	5,138,173	4,919,461	218,712
Fire	3,546,700	3,691,700	3,616,313	75,387
Public health services	53,000	53,100	53,085	15
Leisure time activities	532,982	542,982	453,906	89,076
Community development	636,282	636,782	599,341	37,441
Basic utility services	1,491,684	1,491,684	1,490,762	922
Transportation	1,207,630	1,529,630	1,459,473	70,157
General government	4,494,149	4,882,808	3,953,537	929,271
<b>Debt Service:</b>				
Principal retirement	-	81,541	81,541	-
Total expenditures	<u>16,859,100</u>	<u>18,048,400</u>	<u>16,627,419</u>	<u>1,420,981</u>
Excess of revenues over (under) expenditures	940,600	1,655,931	2,677,932	1,022,001
<b>Other financing (uses):</b>				
Transfers – out	<u>(1,573,000)</u>	<u>(2,255,289)</u>	<u>(2,232,289)</u>	<u>23,000</u>
Net change in fund balance	(632,400)	(599,358)	445,643	1,045,001
Fund balance – beginning of year	4,530,395	4,530,395	4,530,395	-
Prior year encumbrances appropriated	<u>238,213</u>	<u>238,213</u>	<u>238,213</u>	<u>-</u>
Fund balance – end of year	\$ <u>4,136,208</u>	\$ <u>4,169,250</u>	\$ <u>5,214,251</u>	\$ <u>1,045,001</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, 2015

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	<u>Agency Funds</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ <u>396,701</u>
Liabilities:	
Deposits held and due to others	\$ <u>396,701</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, 2015

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

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

### ***Reporting Entity***

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

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

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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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

For the Year Ended December 31, 2015

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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 and medical self-insurance.

### ***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

For the Year Ended December 31, 2015

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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

For the Year Ended December 31, 2015

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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 financial statements that report financial position may include a section for deferred outflows of resources. Deferred outflows of resources represent 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. The City has deferred outflows of resources for pension reported in the Statements of Net Position and the amount in the proprietary funds is also reported in the fund financial statements. The deferred outflows of resources related to pension are explained in Note 17.

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, unavailable revenue and amounts for the pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, special assessments, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflows of resources related to pension are explained in Note 17.

### ***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

For the Year Ended December 31, 2015

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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, 2015.

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 2015 amounted to \$13,730.

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, 2015, 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

For the Year Ended December 31, 2015

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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	3 to 15 years
Infrastructure	75 years

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

### 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

For the Year Ended December 31, 2015

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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

For the Year Ended December 31, 2015

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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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. 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 received in the year the bonds are issued.

### ***P. Pensions***

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

### ***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

For the Year Ended December 31, 2015

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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.

## **Note 3: Changes in Accounting Principles and Restatement of Net Position**

### ***A. Change in Accounting Principle***

For the year ended December 31, 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure.

### ***B. Restatement of Net Position***

During 2015, the implementation of GASB Statement's No. 68 and No. 71 resulted in the restatement of the beginning net position of the governmental activities.

In addition, the City recorded a special assessment receivable associated with the issuance of special assessment debt in 2014, as it was excluded from the financial reporting at December 31, 2014.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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## Note 3: Changes in Accounting Principles and Restatement of Net Position (continued)

### B. Restatement of Net Position

The implementation of GASB Statement's No. 68 and No. 71 and the recording of the special assessment receivable had the following effect on the net position:

	Governmental Activities
Net position at December 31, 2014, as previously stated	\$ 7,692,285
Implementation of GASB Statement's No. 68 and No. 71:	
Deferred outflow – payments subsequent to measurement date	1,401,531
Net pension liability	(14,799,680)
Special assessment receivable	<u>2,094,975</u>
Restated net position at December 31, 2014	\$ <u><u>(3,610,889)</u></u>

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

## Note 4: Accountability

The following funds had deficit fund balances as of December 31, 2015:

Major Funds:	
General Obligation Bond Retirement Fund	\$ 530,924
Nonmajor Funds:	
Special Revenue Funds:	
Street Lighting	3,105
Community Development and Building Grant	23,375
Grass Refuse	129
Ohio Bureau of Workers Compensation	
Safety Intervention	13,331
2007 Nature Works Grant	19,589
Capital Projects Funds:	
Land Acquisition	79,684

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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### **Note 4:            Accountability (continued)**

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.

### **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).

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

### Note 5: Budgetary Basis of Accounting (continued)

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:

<u>Net Change in Fund Balance</u>	
GAAP basis	\$ 1,074,168
Increase (decrease) due to:	
Revenue accruals	(507,473)
Expenditure accruals	120,626
Outstanding encumbrances	<u>(241,678)</u>
Budgetary basis	<u>\$ 445,643</u>

### 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:

	<u>General Fund</u>	<u>General Obligation Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Prepaid items	\$ 62,781	\$ -	\$ -	\$ 62,781
Inventories	187,110	-	-	187,110
Interfund balances	<u>122,149</u>	<u>-</u>	<u>-</u>	<u>122,149</u>
Total nonspendable	<u>372,040</u>	<u>-</u>	<u>-</u>	<u>372,040</u>
Restricted for:				
Fire pension	-	-	4,610	4,610
Police pension	-	-	4,167	4,167
Police and fire services	-	-	28,546	28,546
Dare grant	-	-	63,985	63,985
Other law enforcement	-	-	88,726	88,726
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	-	-	708,775	708,775
Building levy	-	-	3,492	3,492
Other purposes	<u>-</u>	<u>-</u>	<u>355,670</u>	<u>355,670</u>
Total restricted	<u>-</u>	<u>-</u>	<u>1,365,745</u>	<u>1,365,745</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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**Note 6: Fund Balances (continued)**

	<u>General Fund</u>	<u>General Obligation Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Committed to:				
CRA monitoring fees	-	-	149,161	149,161
Economic development	-	-	28,150	28,150
Occupancy program	-	-	17,685	17,685
Total committed	<u>-</u>	<u>-</u>	<u>194,996</u>	<u>194,996</u>
Assigned to:				
Purchases on order	185,313	-	-	185,313
Year 2016 appropriations	<u>1,550,655</u>	<u>-</u>	<u>-</u>	<u>1,550,655</u>
Total assigned	<u>1,735,968</u>	<u>-</u>	<u>-</u>	<u>1,735,968</u>
Unassigned (deficit)	<u>6,035,565</u>	<u>(530,924)</u>	<u>(139,213)</u>	<u>5,365,428</u>
Total fund balances	\$ <u>8,143,573</u>	\$ <u>(530,924)</u>	\$ <u>1,421,528</u>	\$ <u>9,034,177</u>

**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.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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## **Note 7: Deposits and Investments (continued)**

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).

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 \$683,778 and the bank balance was \$1,407,806. Of the City's bank balance \$809,130 was covered by Federal Depository Insurance Company (FDIC) and \$598,676 was uninsured. At year-end, the City had \$600 in cash on hand.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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**Note 7: Deposits and Investments (continued)**

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, 2015, the City had the following investment:

	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>
		<u>Less than one</u>
STAROhio	\$ <u>7,731,286</u>	\$ <u>7,731,286</u>

**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** – STAROhio carries a rating of AAAM by Standard and Poor’s. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The 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, 2015:

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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## 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 2015 for real and public utility property taxes represents collections for 2014 taxes. Property tax payments received during 2015 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.

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, 2015, was \$9.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2015 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 214,733,440
Public Property	<u>8,154,550</u>
Total	\$ <u>222,887,990</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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**Note 8: Receivables (continued)**

**A. Property Taxes (continued)**

Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2015 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 2015 operations and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred inflows of resources.

**B. Municipal Income Taxes**

The City levies a municipal income tax of 2.60 percent on income earned within the City. Residents of the City who work and pay taxes in another community receive a fifty percent credit of their Warrensville Heights City income tax. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the 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	\$ 261,713
Gasoline tax and auto registration fees	244,045
Homestead and rollback	57,267
Public utility reimbursement	1,551
Permissive tax	2,382
Miscellaneous grants	<u>4,285</u>
Total	<u>\$ 571,243</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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**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, 2015:

<u>Transfers to</u>	<u>Transfers from</u>		<u>Total</u>
	<u>General Fund</u>	<u>General Obligation Bond Retirement Fund</u>	
General Obligation Bond Retirement Fund	\$ 1,000,000	\$ -	\$ 1,000,000
Nonmajor Governmental Funds	<u>1,232,289</u>	<u>146,518</u>	<u>1,378,807</u>
	<u>\$ 2,232,289</u>	<u>\$ 146,518</u>	<u>\$ 2,378,807</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; distribute unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. The City had no transfers that either do not occur on a regular basis or were inconsistent with the purpose of the fund making the transfer.

**Note 10: Interfund Balances**

Interfund balances at December 31, 2015, 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
COPS Grant	21,566
2007 NatureWorks Grant	19,589
Town Center Project Fund	<u>5,973</u>
Total	<u>\$ 122,149</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

For the Year Ended December 31, 2015

### Note 11: Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

	<u>Balances</u> <u>12/31/2014</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balances</u> <u>12/31/2015</u>
Governmental activities:				
Nondepreciable assets:				
Land	\$ 3,232,200	\$ 409,182	\$ -	\$ 3,641,382
Construction in progress	<u>330,010</u>	<u>-</u>	<u>(330,010)</u>	<u>-</u>
Total nondepreciable assets	<u>3,562,210</u>	<u>409,182</u>	<u>(330,010)</u>	<u>3,641,382</u>
Depreciable assets:				
Land improvements	698,004	-	-	698,004
Buildings	14,545,352	422,818	-	14,968,170
Machinery and equipment	2,161,541	70,395	(4,943)	2,226,993
Furniture and fixtures	92,708	-	-	92,708
Vehicles	5,588,818	88,959	-	5,677,777
Infrastructure:				
Roads	8,120,754	-	-	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>38,379,509</u>	<u>582,172</u>	<u>(4,943)</u>	<u>38,956,738</u>
Less accumulated depreciation				
Buildings	(2,255,344)	(305,993)	-	(2,561,337)
Land improvements	(477,533)	(19,271)	-	(496,804)
Machinery and equipment	(1,965,553)	(79,326)	890	(2,043,989)
Furniture and fixtures	(48,338)	(2,748)	-	(51,086)
Vehicles	(4,720,962)	(201,988)	-	(4,922,950)
Infrastructure:				
Roads	(3,743,365)	(107,396)	-	(3,850,761)
Sanitary sewers	(1,570,627)	(34,363)	-	(1,604,990)
Waterlines	(1,269,701)	(27,984)	-	(1,297,685)
Storm sewers	<u>(1,342,568)</u>	<u>(32,261)</u>	<u>-</u>	<u>(1,374,829)</u>
Total accumulated depreciation	<u>(17,393,991)</u>	<u>(811,330)</u>	<u>890</u>	<u>(18,204,431)</u>
Total depreciable assets, net	<u>20,985,518</u>	<u>(229,158)</u>	<u>(4,053)</u>	<u>20,752,307</u>
Governmental activities capital assets, net	\$ <u>24,547,728</u>	\$ <u>180,024</u>	\$ <u>(334,063)</u>	\$ <u>24,393,689</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

Depreciation expense was charged to governmental activities as follows:

Security of persons and property	\$	167,116
Leisure time activities		230,441
Transportation		72,650
General government		339,653
Community development		<u>1,470</u>
Total depreciation expense	\$	<u><u>811,330</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
2014 Certificates of participation	2.375%	1,800,000	2015
2015 Certificates of participation	2.500%	1,700,000	2016
Unamortized premiums	n/a	154,021	2013-2037
Loan payable:			
Land installment loan	4.500%	450,000	2019

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

	Restated Balance 12/31/2014	Additions	Reductions	Balance 12/31/2015	Amount Due in One Year
Governmental activities:					
General obligation bonds:					
Various purpose bonds series 2013-1	\$ 7,810,000	\$ -	\$ (625,000)	\$ 7,185,000	\$ 620,000
Various purpose bonds series 2013-2	1,535,000	-	(110,000)	1,425,000	110,000
Cinema Park improvement Bonds series 2014	2,095,000	-	(5,000)	2,090,000	5,000
Unamortized premium	<u>405,623</u>	<u>-</u>	<u>(24,561)</u>	<u>381,062</u>	<u>-</u>
Total general obligation bonds	<u>11,845,623</u>	<u>-</u>	<u>(764,561)</u>	<u>11,081,062</u>	<u>735,000</u>
Certificates of participation:					
2013 Certificates of participation	9,800,000	-	-	9,800,000	-
2014 Certificates of participation	1,800,000	-	(1,800,000)	-	-
2015 Certificates of participation	-	1,700,000	-	1,700,000	1,700,000
Unamortized premium	<u>108,443</u>	<u>16,745</u>	<u>(19,723)</u>	<u>105,465</u>	<u>-</u>
Total certificates of participation	<u>11,708,443</u>	<u>1,716,745</u>	<u>(1,819,723)</u>	<u>11,605,465</u>	<u>1,700,000</u>
Loan payable:					
Land installment loan payable	<u>-</u>	<u>450,000</u>	<u>(81,541)</u>	<u>368,459</u>	<u>86,027</u>
Other long-term obligations:					
Compensated absences	2,156,986	1,195,632	(1,120,697)	2,231,921	1,230,777
Claims payable	51,268	-	(2,129)	49,139	23,357
Tap in fee agreement payable	40,000	-	(13,333)	26,667	13,333
Community reinvestment agreement payable	310,025	155,407	(310,025)	155,407	155,407
Capital leases	879,018	-	(273,411)	605,607	230,513
Net pension liability	<u>14,799,680</u>	<u>811,786</u>	<u>-</u>	<u>15,611,466</u>	<u>-</u>
Total other long-term obligations	<u>18,236,977</u>	<u>2,162,825</u>	<u>(1,719,595)</u>	<u>18,680,207</u>	<u>1,653,387</u>
Total governmental activities	\$ <u>41,791,043</u>	\$ <u>4,329,570</u>	\$ <u>(4,385,420)</u>	\$ <u>41,735,193</u>	\$ <u>4,174,414</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 \$1,700,000 in certificates of participation (COPs) in 2015 to retire \$1,800,000 in COPs issued on December 16, 2014 at 2.375 percent. These COPs were issued to provide funds for constructing, furnishing and equipping the City's Community Center.

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

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 community reinvestment agreement with the Warrensville City School District (School District) which is a revenue sharing program between the two entities. 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, 2015, the City's overall legal debt margin was \$12,322,177 and the unvoted legal debt margin was \$1,177,777.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2015 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>
2016	\$ 735,000	\$ 312,488	\$ 1,700,000	\$ 419,163
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	730,000	252,126	380,000	358,063
2021-2025	3,500,000	959,457	2,115,000	1,572,519
2026-2030	3,115,000	401,731	2,480,000	1,205,575
2031-2035	580,000	27,031	2,980,000	701,881
2036-2040	-	-	<u>1,380,000</u>	<u>93,825</u>
Total	\$ <u>10,700,000</u>	\$ <u>2,800,322</u>	\$ <u>11,500,000</u>	\$ <u>5,477,015</u>

Year ending December 31,	<u>Governmental Activities</u>	
	<u>Loan Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 86,027	\$ 15,142
2017	89,964	11,205
2018	94,081	7,088
2019	<u>98,387</u>	<u>2,783</u>
Total	\$ <u>368,459</u>	\$ <u>36,218</u>

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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### Note 13: Note Debt

In 2015, the City issued \$1,220,000 in various improvement bond anticipation notes on August 12, 2015 at 2.125 percent and maturing August 11, 2016.

The City also issued a \$245,000 real property acquisition note on September 10, 2015 at 1.09 percent and maturing on September 9, 2016 and a \$50,000 real property acquisition note on October 29, 2015 at 1.10 percent and maturing on October 28, 2016.

<u>Types/Issues</u>	<u>Balance</u> <u>12/31/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2015</u>
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)	-
2015 Bond anticipation note, Series 2015-1	-	1,220,000	-	1,220,000
2015 Real property acquisition note, Series 2015-2	-	245,000	-	245,000
2015 Real property acquisition note, Series 2015-3	-	50,000	-	50,000
Total governmental funds	<u>\$ 1,775,000</u>	<u>\$ 1,515,000</u>	<u>\$ (1,775,000)</u>	<u>\$ 1,515,000</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, 2015, 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.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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## Note 14: Leases (continued)

### Capital Leases (continued)

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Machinery and equipment	\$ 334,268
Vehicles	<u>905,178</u>
Total historical cost	1,239,446
Less: Accumulated depreciation	<u>(449,690)</u>
Total book value as of December 31, 2015	\$ <u><u>789,756</u></u>

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>	
2016	\$ 249,223
2017	219,547
2018	71,625
2019	43,857
2020	43,857
2021-2025	<u>21,928</u>
Total Minimum lease payments	650,037
Less: Amount representing interest	<u>(44,430)</u>
Present value of minimum lease	\$ <u><u>605,607</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.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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## Note 15: Contingencies (continued)

### 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, 2015.

## 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 2015, 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	5,000
	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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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## Note 16: Risk Management (continued)

### A. Property and Liability (continued)

Earthquake	500,000
Electronic Data Processing Systems	309,920
Property (Building and Contents) Coverage	26,544,841
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, 2015, 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, 2015, was \$49,139. All of the claims are paid from the General Fund.

The claims liability reported at December 31, 2015 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 2011 through 2015 are as follows:

	<u>Beginning of Year</u>	<u>Claims</u>	<u>Payments</u>	<u>End of year</u>
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
2015	51,268	-	2,129	49,139

## Note 17: Defined Benefit Pension Plans

### A. Net Pension Liability

The net pension liability reported on the Statement of Net Position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

### **A. Net Pension Liability (continued)**

Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the

State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

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

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

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

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

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

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

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

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

The City's 2015 contribution rate was 14 percent of earnable salary. In fiscal year 2015, the City's contractually required contribution was \$424,013 for 2015. Of this amount, \$42,529 is reported as accrued wages and benefits at December 31, 2015.

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

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

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

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

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

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

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

	<u>Police</u>	<u>Firefighter</u>
<b>2015 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
<b>2015 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.05 %</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. In fiscal year 2015, the City's contractually required contribution to OP&F was \$1,050,947 for 2015. Of this amount, \$76,538 is reported as accrued wages and benefits at December 31, 2015.

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

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

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

	OPERS <u>Traditional</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net pension liability (asset)	\$ 3,292,564	\$ 12,318,902	\$ 15,611,466
Proportion of the net pension liability (asset)	0.02729900%	0.23779750%	
Pension expense	\$ 361,565	\$ 1,202,982	\$ 1,564,547

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

	OPERS <u>Traditional</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflow of resources</b>			
City contributions subsequent to the measurement date	\$ 424,013	\$ 1,050,947	\$ 1,474,960
Net difference between projected and actual earnings on pension plan investments	<u>175,681</u>	<u>530,933</u>	<u>706,614</u>
Total deferred outflow of resources	\$ <u>599,694</u>	\$ <u>1,581,880</u>	\$ <u>2,181,574</u>
<b>Deferred inflow of resources</b>			
Differences between expected and actual experience	\$ <u>57,844</u>	\$ -	\$ <u>57,844</u>
Total deferred inflow of resources	\$ <u>57,844</u>	<u>-</u>	\$ <u>57,844</u>

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

### D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

The \$1,474,960 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending December 31:	OPERS		
	<u>Traditional</u>	<u>OP&amp;F</u>	<u>Total</u>
2016	17,231	132,734	149,965
2017	17,231	132,734	149,965
2018	39,455	132,734	172,189
2019	<u>43,920</u>	<u>132,731</u>	<u>176,651</u>
	\$ <u>117,837</u>	\$ <u>530,933</u>	\$ <u>648,770</u>

### E. Actuarial Assumptions - OPERS

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

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

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.75 percent	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent	4.25 to 8.05 percent
COLA or Ad Hoc COLA	3 percent	3 percent
Investment Rate of Return	8 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

### E. Actuarial Assumptions – OPERS (continued)

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

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

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

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

### E. Actuarial Assumptions – OPERS (continued)

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

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

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

	1% Decrease (7%)	Discount Rate (8%)	1% Increase (9%)
City's proportionate share of the net pension liability – Traditional	\$ 6,057,375	\$ 3,292,564	\$ 963,928

### F. Actuarial Assumptions – OP&F

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

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

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

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

#### F. Actuarial Assumptions – OP&F (continued)

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

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

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

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

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

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

### F. Actuarial Assumptions – OP&F (continued)

Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

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

	1% Decrease <u>(7.25%)</u>	Discount Rate <u>(8.25%)</u>	1% Increase <u>(9.25%)</u>
City's proportionate share of the net pension liability	\$ 17,038,905	\$ 12,318,902	\$ 8,322,494

## Note 18: Post-Employment Benefits

### A. Ohio Public Employees Retirement System

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

OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

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

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, 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 health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, State and Local employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

The City's contributions for health care for the years ended December 31, 2015, 2014, and 2013 were \$76,054, \$67,697, and \$32,690, respectively. The full amount has been contributed for 2014 and 2013. For 2015, 92.0 percent has been contributed, with the remainder being reported as a liability in the accrued wages and benefits.

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

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

### **B. Ohio Police and Fire Pension Fund (continued)**

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 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 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 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% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% 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.

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% of covered payroll from January 1, 2015 thru December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The 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 contributions to OP&F which was allocated to fund postemployment health care benefits for police and firefighters was \$14,043 and \$12,382 for the year ended December 31, 2015, \$12,757 and \$11,089 for the year ended December 31, 2014, and \$90,699 and \$80,298 for the year ended December 31, 2013. The full amount has been contributed for 2014 and 2013. For 2015, 93.3 percent for police and 93.2 percent for firefighters has been contributed, with the remainder being reported as a liability within the accrued wages and benefits.

# City of Warrensville Heights

## Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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### **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.

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.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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

During 2015, the City contributed \$1,500 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 2015. Financial information can be obtained by contacting NOPEC, 31320 Solon Rd, Suite 20, Solon, Ohio 44139.

**Chagrin/Southeast Council of Government** – The Chagrin/Southeast Council of Government operates the Chagrin/Southeast HazMat Response Team. The team was formed in 1990 to assist local fire departments in responding to incidents involving industrial chemicals. The Council of Government has established two subsidiary organizations, the West Shore Hazardous Materials Committee which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team. During 2015, 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 2015, 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.

# City of Warrensville Heights

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

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## **Note 21: Other Significant Commitments**

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

	<u>Encumbrances</u>
General Fund	\$ 241,678
Nonmajor Governmental Funds	<u>48,181</u>
Total Governmental Funds	<u>\$ 289,859</u>

## City of Warrensville Heights

Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Pension Employee Retirement System – Traditional Plan

Last Two Fiscal Years (1)

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	<u>2014</u>	<u>2013</u>
City's proportion of the net pension liability	0.027299%	0.027299%
City's proportionate share of the net pension liability	\$ 3,292,564	\$ 3,218,196
City's covered-employee payroll	\$ 3,375,286	\$ 3,507,774
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	97.55%	91.74%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	86.36%

(1) Information prior to 2013 is not available.

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

## City of Warrensville Heights

Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Police and Fire Pension - Police

Last Two Fiscal Years (1)

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	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.1145327%	0.1145327%
City's Proportionate Share of the Net Pension Liability	\$ 5,933,271	\$ 5,578,102
City's Covered-Employee Payroll	\$ 2,523,995	\$ 3,063,847
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	235.07%	182.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

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

## City of Warrensville Heights

Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Police and Fire Pension - Fire

Last Two Fiscal Years (1)

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	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.1232648%	0.1232648%
City's Proportionate Share of the Net Pension Liability	\$ 6,385,631	\$ 6,003,382
City's Covered-Employee Payroll	\$ 2,199,738	\$ 2,607,969
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	290.29%	230.19%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

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

# City of Warrensville Heights

## Required Supplementary Information Schedule of the City Contributions Ohio Public Employee Retirement System – Traditional Plan

### Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 424,013	\$ 405,034	\$ 456,011	\$ 435,847	\$ 319,933
Contributions in relation to the contractually-required contribution	<u>(424,013)</u>	<u>(405,034)</u>	<u>(456,011)</u>	<u>(435,847)</u>	<u>(319,933)</u>
Contribution deficiency (excess)	\$ <u>-</u>				
City covered-employee payroll	\$ 3,533,438	\$ 3,375,286	\$ 3,507,774	\$ 4,358,466	\$ 3,199,331
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%	10.00%	10.00%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually-required contribution	\$ 282,804	\$ 300,504	\$ 260,850	\$ 321,186	\$ 349,322
Contributions in relation to the contractually-required contribution	<u>(282,804)</u>	<u>(300,504)</u>	<u>(260,850)</u>	<u>(321,186)</u>	<u>(349,322)</u>
Contribution deficiency (excess)	\$ <u>-</u>				
City covered-employee payroll	\$ 3,142,269	\$ 3,535,343	\$ 3,726,434	\$ 3,846,540	\$ 3,796,979
Contributions as a percentage of covered-employee payroll	9.00%	8.50%	7.00%	8.35%	9.20%

# City of Warrensville Heights

## Required Supplementary Information Schedule of the City Contributions Ohio Police and Fire Pension Fund - Police

### Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 511,259	\$ 479,559	\$ 486,641	\$ 332,201	\$ 315,146
Contributions in relation to the contractually-required contribution	<u>(511,259)</u>	<u>(479,559)</u>	<u>(486,641)</u>	<u>(332,201)</u>	<u>(315,146)</u>
Contribution deficiency (excess)	\$ <u>-</u>				
City covered-employee payroll	\$ 2,690,836	\$ 2,523,995	\$ 3,063,847	\$ 2,605,498	\$ 2,471,733
Contributions as a percentage of covered-employee payroll	19.00%	19.00%	15.88%	12.75%	12.75%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually-required contribution	\$ 318,591	\$ 324,726	\$ 352,420	\$ 281,844	\$ 271,040
Contributions in relation to the contractually-required contribution	<u>(318,591)</u>	<u>(324,726)</u>	<u>(352,420)</u>	<u>(281,844)</u>	<u>(271,040)</u>
Contribution deficiency (excess)	\$ <u>-</u>				
City covered-employee payroll	\$ 2,498,753	\$ 2,546,871	\$ 2,764,078	\$ 2,210,541	\$ 2,306,723
Contributions as a percentage of covered-employee payroll	12.75%	12.75%	12.75%	12.75%	11.75%

# City of Warrensville Heights

## Required Supplementary Information Schedule of the City Contributions Ohio Police and Fire Pension Fund - Fire

### Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 539,688	\$ 516,938	\$ 531,591	\$ 399,714	\$ 403,288
Contributions in relation to the contractually-required contribution	<u>(539,688)</u>	<u>(516,938)</u>	<u>(531,591)</u>	<u>(399,714)</u>	<u>(403,288)</u>
Contribution deficiency (excess)	\$ <u>-</u>				
City covered-employee payroll	\$ 2,296,546	\$ 2,199,738	\$ 2,607,969	\$ 2,317,183	\$ 2,337,901
Contributions as a percentage of covered-employee payroll	19.00%	19.00%	15.88%	12.75%	12.75%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually-required contribution	\$ 358,172	\$ 406,236	\$ 382,312	\$ 377,505	\$ 335,121
Contributions in relation to the contractually-required contribution	<u>(358,172)</u>	<u>(406,236)</u>	<u>(382,312)</u>	<u>(377,505)</u>	<u>(335,121)</u>
Contribution deficiency (excess)	\$ <u>-</u>				
City covered-employee payroll	\$ 2,076,359	\$ 2,354,991	\$ 2,216,301	\$ 2,188,435	\$ 2,062,283
Contributions as a percentage of covered-employee payroll	12.75%	12.75%	12.75%	12.75%	11.75%

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

# City of Warrensville Heights

## Combining Statements – Nonmajor Governmental Funds

For the Year Ended December 31, 2015

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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, 2015

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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 2015.

### ***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.

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

The Cleveland Browns Foundation Fund accounts for monies to be used for youth crime prevention programs.

### ***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, 2015

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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.

### ***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.

### ***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.

### ***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. No budgetary information for 2015. No balance sheet is shown due to no activity in 2015.

### ***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.

### ***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.

### ***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 2015.

### ***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.

## **City of Warrensville Heights**

Combining Statements – Nonmajor Governmental Funds (continued)

For the Year Ended December 31, 2015

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### ***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. There was no budgetary information for 2015.

### ***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.

### ***Cuyahoga County Municipal Grant Fund***

The Cuyahoga County Municipal Grant Fund accounts for funds received from the Cuyahoga County Municipal Grant Program to be used for the resurfacing at Miles Landing. No balance sheet is shown due to no activity in 2015.

### ***Continuing Professional Training Program Fund***

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

### ***Ohio Bureau Workers Compensation Intervention Grant***

The Ohio Bureau Workers Compensation Intervention Grant Fund accounts for funds received from the State of Ohio Bureau of Workers Compensation to be used for capital outlay equipment.

### ***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. No balance sheet is shown due to no activity in 2015.

## **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. There was no budgetary information in 2015.

## **City of Warrensville Heights**

Combining Statements – Nonmajor Governmental Funds (continued)

For the Year Ended December 31, 2015

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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. There was no budgetary information for 2015. No balance sheet is shown due to no activity in 2015.

### ***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. There was no budgetary information for 2015.

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

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

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

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

### ***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.

### ***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. There was no budgetary information for 2015.

### ***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, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 970,478	\$ 658,575	\$ 1,629,053
Intergovernmental receivable	270,070	-	270,070
Property and other taxes receivable	<u>626,341</u>	<u>-</u>	<u>626,341</u>
Total assets	<u>\$ 1,866,889</u>	<u>\$ 658,575</u>	<u>\$ 2,525,464</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 98,762	\$ 9,422	\$ 108,184
Interfund payable	69,222	5,973	75,195
Notes payable	<u>-</u>	<u>98,482</u>	<u>98,482</u>
Total liabilities	<u>167,984</u>	<u>113,877</u>	<u>281,861</u>
<b>Deferred inflows of resources:</b>			
Property taxes	478,863	-	478,863
Unearned revenues	<u>343,212</u>	<u>-</u>	<u>343,212</u>
Total deferred inflows of resources	<u>822,075</u>	<u>-</u>	<u>822,075</u>
<b>Fund balances:</b>			
Restricted	741,363	624,382	1,365,745
Committed	194,996	-	194,996
Unassigned	<u>(59,529)</u>	<u>(79,684)</u>	<u>(139,213)</u>
Total fund balances	<u>876,830</u>	<u>544,698</u>	<u>1,421,528</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,866,889</u>	<u>\$ 658,575</u>	<u>\$ 2,525,464</u>

## City of Warrensville Heights

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

For the year ended December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 497,739	\$ -	\$ 497,739
Other local taxes	7,178	-	7,178
Intergovernmental	733,931	-	733,931
Interest income	324	-	324
Fines and forfeitures	14,790	-	14,790
Charges for services	42,391	-	42,391
All other revenues	236	766	1,002
Total revenues	<u>1,296,589</u>	<u>766</u>	<u>1,297,355</u>
Expenditures:			
Current:			
Security of persons and property:			
Police and others	444,812	-	444,812
Fire	197,694	-	197,694
Community development	407,074	-	407,074
Leisure time activity	660	-	660
Transportation	582,856	431,501	1,014,357
General government	42,139	-	42,139
Capital outlay	-	105,879	105,879
Debt service:			
Interest and fiscal charges	-	1,051	1,051
Total expenditures	<u>1,675,235</u>	<u>538,431</u>	<u>2,213,666</u>
Excess of revenues under expenditures	(378,646)	(537,665)	(916,311)
Other financing sources:			
Transfer – in	<u>457,289</u>	<u>921,518</u>	<u>1,378,807</u>
Net change in fund balances	78,643	383,853	462,496
Fund balances – beginning of year	<u>798,187</u>	<u>160,845</u>	<u>959,032</u>
Fund balances – end of year	<u>\$ 876,830</u>	<u>\$ 544,698</u>	<u>\$ 1,421,528</u>

# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Special Revenue Funds

December 31, 2015

	<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	\$ 87,026	\$ 6,395	\$ 13,785	\$ 14,761
Intergovernmental receivable	232,830	13,597	3,306	2,987
Property and other taxes receivable	-	-	106,419	106,419
Total assets	<u>\$ 319,856</u>	<u>\$ 19,992</u>	<u>\$ 123,510</u>	<u>\$ 124,167</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 20	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-
Total liabilities	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes	-	-	81,600	81,600
Unearned revenues	<u>163,669</u>	<u>8,422</u>	<u>28,125</u>	<u>27,806</u>
Total deferred inflows of resources	<u>163,669</u>	<u>8,422</u>	<u>109,725</u>	<u>109,406</u>
<b>Fund balances:</b>				
Restricted	156,167	11,570	13,785	14,761
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>156,167</u>	<u>11,570</u>	<u>13,785</u>	<u>14,761</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 319,856</u>	<u>\$ 19,992</u>	<u>\$ 123,510</u>	<u>\$ 124,167</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>
\$ 37,638	\$ 4,954	\$ 31,470	\$ 11,423	\$ 4,610	\$ 4,167	\$ 63,985
8,903	2,787	-	-	2,989	2,671	-
<u>207,538</u>	<u>75,115</u>	<u>-</u>	<u>-</u>	<u>65,425</u>	<u>65,425</u>	<u>-</u>
\$ <u>254,079</u>	\$ <u>82,856</u>	\$ <u>31,470</u>	\$ <u>11,423</u>	\$ <u>73,024</u>	\$ <u>72,263</u>	\$ <u>63,985</u>
\$ 40,743	\$ 1,462	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	148	-	-	-
<u>40,743</u>	<u>1,462</u>	<u>-</u>	<u>148</u>	<u>-</u>	<u>-</u>	<u>-</u>
158,331	57,398	-	-	49,967	49,967	-
<u>58,110</u>	<u>20,504</u>	<u>-</u>	<u>-</u>	<u>18,447</u>	<u>18,129</u>	<u>-</u>
<u>216,441</u>	<u>77,902</u>	<u>-</u>	<u>-</u>	<u>68,414</u>	<u>68,096</u>	<u>-</u>
-	3,492	31,470	11,275	4,610	4,167	63,985
-	-	-	-	-	-	-
<u>(3,105)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(3,105)</u>	<u>3,492</u>	<u>31,470</u>	<u>11,275</u>	<u>4,610</u>	<u>4,167</u>	<u>63,985</u>
\$ <u>254,079</u>	\$ <u>82,856</u>	\$ <u>31,470</u>	\$ <u>11,423</u>	\$ <u>73,024</u>	\$ <u>72,263</u>	\$ <u>63,985</u>

(continued)

# City of Warrensville Heights

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

December 31, 2015

	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	\$ 4,544	\$ 10,121	\$ 808	\$ 1,482
Intergovernmental receivable	-	-	-	-
Property and other taxes receivable	-	-	-	-
Total assets	<u>\$ 4,544</u>	<u>\$ 10,121</u>	<u>\$ 808</u>	<u>\$ 1,482</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	-	10,121	808	1,482
Committed	-	-	-	-
Unassigned	<u>(23,375)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>(23,375)</u>	<u>10,121</u>	<u>808</u>	<u>1,482</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,544</u>	<u>\$ 10,121</u>	<u>\$ 808</u>	<u>\$ 1,482</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	\$ 26,574	\$ 30,521	\$ 568	\$ 149,161	\$ 4,819
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 21</u>	<u>\$ 7,104</u>	<u>\$ 26,574</u>	<u>\$ 30,521</u>	<u>\$ 568</u>	<u>\$ 149,161</u>	<u>\$ 4,819</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	21,566	-	-	-	-
-	-	21,566	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
21	7,104	5,008	30,521	568	-	4,819
-	-	-	-	-	149,161	-
-	-	-	-	-	-	-
<u>21</u>	<u>7,104</u>	<u>5,008</u>	<u>30,521</u>	<u>568</u>	<u>149,161</u>	<u>4,819</u>
<u>\$ 21</u>	<u>\$ 7,104</u>	<u>\$ 26,574</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, 2015

	Economic Development Stimulus <u>Incentive Grant</u>	<u>Grass Refuse</u>	Homeland Security <u>Grant</u>	Civic Center Park Restoration <u>Grant</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 28,150	\$ 3,077	\$ 1,999	\$ 38,808
Intergovernmental receivable	-	-	-	-
Property and other taxes receivable	-	-	-	-
Total assets	<u>\$ 28,150</u>	<u>\$ 3,077</u>	<u>\$ 1,999</u>	<u>\$ 38,808</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ -	\$ 3,206	\$ -	\$ -
Interfund payable	-	-	-	-
Total liabilities	<u>-</u>	<u>3,206</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes	-	-	-	-
Unearned revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted	-	-	1,999	38,808
Committed	28,150	-	-	-
Unassigned	-	(129)	-	-
Total fund balances (deficits)	<u>28,150</u>	<u>(129)</u>	<u>1,999</u>	<u>38,808</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 28,150</u>	<u>\$ 3,077</u>	<u>\$ 1,999</u>	<u>\$ 38,808</u>

<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	\$ 261,031	\$ 25,353
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,668</u>	<u>\$ 188</u>	<u>\$ -</u>	<u>\$ 29,342</u>	<u>\$ 261,031</u>	<u>\$ 25,353</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	19,589	-	-	-
-	-	19,589	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,668	188	-	29,342	261,031	25,353
-	-	-	-	-	-
-	-	(19,589)	-	-	-
<u>3,668</u>	<u>188</u>	<u>(19,589)</u>	<u>29,342</u>	<u>261,031</u>	<u>25,353</u>
<u>\$ 3,668</u>	<u>\$ 188</u>	<u>\$ -</u>	<u>\$ 29,342</u>	<u>\$ 261,031</u>	<u>\$ 25,353</u>

(continued)

# City of Warrensville Heights

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

December 31, 2015

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	Warrensville Heights Occupancy Program	EMS Computer Grant	Continuing Professional Training
Assets:			
Equity in pooled cash and cash equivalents	\$ 17,685	\$ 3,000	\$ 2,240
Intergovernmental receivable	-	-	-
Property and other taxes receivable	-	-	-
Total assets	<u>\$ 17,685</u>	<u>\$ 3,000</u>	<u>\$ 2,240</u>
Liabilities, deferred inflows of resources and fund balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Interfund payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:			
Property taxes	-	-	-
Unearned revenues	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Restricted	-	3,000	2,240
Committed	17,685	-	-
Unassigned	-	-	-
Total fund balances (deficits)	<u>17,685</u>	<u>3,000</u>	<u>2,240</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 17,685</u>	<u>\$ 3,000</u>	<u>\$ 2,240</u>

---

Ohio BWC Safety Intervention Grant	Nonmajor Special Revenue Funds
\$ 40,000	\$ 970,478
-	270,070
<u>-</u>	<u>626,341</u>
\$ <u><u>40,000</u></u>	\$ <u><u>1,866,889</u></u>
\$ 53,331	\$ 98,762
<u>-</u>	<u>69,222</u>
<u>53,331</u>	<u>167,984</u>
-	478,863
<u>-</u>	<u>343,212</u>
<u>-</u>	<u>822,075</u>
-	741,363
-	194,996
<u>(13,331)</u>	<u>(59,529)</u>
<u>(13,331)</u>	<u>876,830</u>
\$ <u><u>40,000</u></u>	\$ <u><u>1,866,889</u></u>

## City of Warrensville Heights

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

For the year ended December 31, 2015

	Street Construction, Maintenance, and Repair	State Highway	Police Salary and Equipment	Fire Salary and Equipment
Revenues:				
Property taxes	\$ -	\$ -	\$ 80,014	\$ 80,014
Other local taxes	-	-	-	-
Intergovernmental	453,076	36,304	6,612	5,975
Interest income	272	52	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
All other revenue	-	-	-	-
Total revenues	<u>453,348</u>	<u>36,356</u>	<u>86,626</u>	<u>85,989</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others	-	-	83,700	-
Fire	-	-	-	76,000
Community development	-	-	-	-
Leisure time activities	-	-	-	-
Transportation	449,107	42,347	-	-
General government	-	-	-	-
Total expenditures	<u>449,107</u>	<u>42,347</u>	<u>83,700</u>	<u>76,000</u>
Excess of revenues under expenditures	4,241	(5,991)	2,926	9,989
Other financing Sources:				
Transfers-in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,241	(5,991)	2,926	9,989
Fund balances (deficits) – beginning of year	<u>151,926</u>	<u>17,561</u>	<u>10,859</u>	<u>4,772</u>
Fund balances (deficits) – end of year	<u>\$ 156,167</u>	<u>\$ 11,570</u>	<u>\$ 13,785</u>	<u>\$ 14,761</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>
\$ 161,756	\$ 72,911	\$ -	\$ -	\$ 51,522	\$ 51,522	\$ -
4,486	-	-	-	1,346	1,346	-
17,805	3,184	-	2,270	5,977	5,340	8,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>184,047</u>	<u>76,095</u>	<u>-</u>	<u>2,270</u>	<u>58,845</u>	<u>58,208</u>	<u>8,000</u>
238,877	-	48,022	-	-	65,000	-
-	-	-	-	65,000	-	-
-	1,462	-	-	-	-	-
-	-	-	-	-	-	-
-	91,402	-	-	-	-	-
-	4,624	-	-	-	-	-
<u>238,877</u>	<u>97,488</u>	<u>48,022</u>	<u>-</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
(54,830)	(21,393)	(48,022)	2,270	(6,155)	(6,792)	8,000
-	-	-	-	-	-	-
(54,830)	(21,393)	(48,022)	2,270	(6,155)	(6,792)	8,000
<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>(3,105)</u>	\$ <u>3,492</u>	\$ <u>31,470</u>	\$ <u>11,275</u>	\$ <u>4,610</u>	\$ <u>4,167</u>	\$ <u>63,985</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, 2015

	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	-	3,640	-	-
Interest income	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
All other revenue	-	236	-	-
Total revenues	<u>-</u>	<u>3,876</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others	-	7,838	-	-
Fire	-	-	-	3,363
Community development	27,939	-	-	-
Leisure time activities	-	-	-	-
Transportation	-	-	-	-
General government	-	-	-	-
Total expenditures	<u>27,939</u>	<u>7,838</u>	<u>-</u>	<u>3,363</u>
Excess of revenues under expenditures	<u>(27,939)</u>	<u>(3,962)</u>	<u>-</u>	<u>(3,363)</u>
Other financing Sources:				
Transfers-in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(27,939)	(3,962)	-	(3,363)
Fund balances (deficits) – beginning of year	<u>4,564</u>	<u>14,083</u>	<u>808</u>	<u>4,845</u>
Fund balances (deficits) – end of year	\$ <u><u>(23,375)</u></u>	\$ <u><u>10,121</u></u>	\$ <u><u>808</u></u>	\$ <u><u>1,482</u></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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	14,790	-
-	-	-	-	-	22,725	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,515</u>	<u>-</u>
-	-	1,375	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	37,515	-
<u>-</u>	<u>-</u>	<u>1,375</u>	<u>-</u>	<u>-</u>	<u>37,515</u>	<u>-</u>
-	-	(1,375)	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	(1,375)	-	-	-	-
<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>5,008</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, 2015

	Economic Development Stimulus Incentive Grant	Grass Refuse	Homeland Security Grant	Civic Center Park Restoration Grant	Neighborhood Street Light
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	559
Interest income	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Charges for services	-	16,666	-	-	-
All other revenue	-	-	-	-	-
Total revenues	<u>-</u>	<u>16,666</u>	<u>-</u>	<u>-</u>	<u>559</u>
Expenditures:					
Current:					
Security of persons and property:					
Police and others	-	-	-	-	-
Fire	-	-	-	-	-
Community development	-	39,095	-	-	-
Leisure time activities	-	-	-	-	-
Transportation	-	-	-	-	-
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>39,095</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues under expenditures	-	(22,429)	-	-	559
Other financing sources:					
Transfers – in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(22,429)	-	-	559
Fund balances (deficits) – beginning of year	<u>28,150</u>	<u>22,300</u>	<u>1,999</u>	<u>38,808</u>	<u>(559)</u>
Fund balances (deficits) – end of year	\$ <u>28,150</u>	\$ <u>(129)</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	261,000	-
-	-	-	-	261,000	-
<u>3,668</u>	<u>188</u>	<u>(19,589)</u>	<u>29,342</u>	<u>31</u>	<u>25,353</u>
\$ <u><u>3,668</u></u>	\$ <u><u>188</u></u>	\$ <u><u>(19,589)</u></u>	\$ <u><u>29,342</u></u>	\$ <u><u>261,031</u></u>	\$ <u><u>25,353</u></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, 2015

	Warrensville Heights Occupancy Program	EMS Computer Grant	Cuyahoga County Municipal Grant Program	Continuing Professional Training
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Intergovernmental	-	-	142,949	2,240
Interest income	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	3,000	-	-	-
All other revenue	-	-	-	-
Total revenues	<u>3,000</u>	<u>-</u>	<u>142,949</u>	<u>2,240</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others	-	-	-	-
Fire	-	-	-	-
Community development	-	-	337,395	-
Leisure time activities	-	-	-	-
Transportation	-	-	-	-
General government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>337,395</u>	<u>-</u>
Excess of revenues under expenditures	3,000	-	(194,446)	2,240
Other financing sources:				
Transfers – in	<u>-</u>	<u>-</u>	<u>194,446</u>	<u>-</u>
Net change in fund balances	3,000	-	-	2,240
Fund balances (deficits) – beginning of year	<u>14,685</u>	<u>3,000</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) – end of year	<u>\$ 17,685</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 2,240</u>

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Ohio BWC Safety Intervention Grant	Community Recycling Grant	Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 497,739
-	-	7,178
40,000	-	733,931
-	-	324
-	-	14,790
-	-	42,391
-	-	236
<u>40,000</u>	<u>-</u>	<u>1,296,589</u>
-	-	444,812
53,331	-	197,694
-	1,183	407,074
-	660	660
-	-	582,856
-	-	42,139
<u>53,331</u>	<u>1,843</u>	<u>1,675,235</u>
(13,331)	(1,843)	(378,646)
<u>-</u>	<u>1,843</u>	<u>457,289</u>
(13,331)	-	78,643
<u>-</u>	<u>-</u>	<u>798,187</u>
\$ <u>(13,331)</u>	\$ <u>-</u>	\$ <u>876,830</u>

# City of Warrensville Heights

## Combining Balance Sheet – Nonmajor Capital Projects Funds

December 31, 2015

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	<u>Street Improvement</u>	<u>Information Technology System</u>	<u>Land Acquisition</u>	<u>Emery Woods Project</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>549,951</u>	\$ <u>305</u>	\$ <u>18,798</u>	\$ <u>59,312</u>
Total assets	\$ <u>549,951</u>	\$ <u>305</u>	\$ <u>18,798</u>	\$ <u>59,312</u>
Liabilities and fund balances:				
Liabilities:				
Accounts payable	\$ 8,913	\$ -	\$ -	\$ 509
Interfund payable	-	-	-	-
Notes payable	<u>-</u>	<u>-</u>	<u>98,482</u>	<u>-</u>
Total liabilities	<u>8,913</u>	<u>-</u>	<u>98,482</u>	<u>509</u>
Fund balances:				
Restricted	541,038	305	-	58,803
Unassigned	<u>-</u>	<u>-</u>	<u>(79,684)</u>	<u>-</u>
Total fund balances (deficits)	<u>541,038</u>	<u>305</u>	<u>(79,684)</u>	<u>58,803</u>
Total liabilities and fund balances	\$ <u>549,951</u>	\$ <u>305</u>	\$ <u>18,798</u>	\$ <u>59,312</u>

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<u>Generators</u>	<u>City Hall Boiler Replacement</u>	<u>Cinema Park</u>	<u>Town Center Project Fund</u>	<u>Nonmajor Capital Projects Funds</u>
\$ <u>10,666</u>	\$ <u>950</u>	\$ <u>1,821</u>	\$ <u>16,772</u>	\$ <u>658,575</u>
\$ <u><u>10,666</u></u>	\$ <u><u>950</u></u>	\$ <u><u>1,821</u></u>	\$ <u><u>16,772</u></u>	\$ <u><u>658,575</u></u>
\$ -	\$ -	\$ -	\$ -	\$ 9,422
-	-	-	5,973	5,973
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,482</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>5,973</u>	<u>113,877</u>
10,666	950	1,821	10,799	624,382
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(79,684)</u>
<u>10,666</u>	<u>950</u>	<u>1,821</u>	<u>10,799</u>	<u>544,698</u>
\$ <u><u>10,666</u></u>	\$ <u><u>950</u></u>	\$ <u><u>1,821</u></u>	\$ <u><u>16,772</u></u>	\$ <u><u>658,575</u></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, 2015

---

	<u>Street Improvement</u>	<u>Building Repair and Improvement</u>	<u>Information Technology System</u>	<u>Land Acquisition</u>	<u>Emery Woods Project</u>
Revenues:					
All other revenues	\$ -	\$ 340	\$ -	\$ -	\$ -
Expenditures:					
Current:					
Transportation	416,762	-	-	-	6,781
Capital outlay	-	-	-	97,298	-
Debt Service:					
Interest and fiscal charges	-	-	-	1,051	-
Total expenditures	<u>416,762</u>	<u>-</u>	<u>-</u>	<u>98,349</u>	<u>6,781</u>
Excess of revenues under expenditures	<u>(416,762)</u>	<u>340</u>	<u>-</u>	<u>(98,349)</u>	<u>(6,781)</u>
Other financing sources (uses):					
Transfers – in	<u>775,000</u>	<u>-</u>	<u>-</u>	<u>146,518</u>	<u>-</u>
Net change in fund balances	358,238	340	-	48,169	(6,781)
Fund balances (deficits) beginning of year	<u>182,800</u>	<u>(340)</u>	<u>305</u>	<u>(127,853)</u>	<u>65,584</u>
Fund balances (deficits) end of year	\$ <u><u>541,038</u></u>	\$ <u><u>-</u></u>	\$ <u><u>305</u></u>	\$ <u><u>(79,684)</u></u>	\$ <u><u>58,803</u></u>

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<u>Generators</u>	<u>City Hall Boiler Replacement</u>	<u>Cinema Park</u>	<u>Town Center Project Fund</u>	<u>Nonmajor Capital Projects Funds</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>426</u>	\$ <u>-</u>	\$ <u>766</u>
-	-	7,958	-	431,501
-	-	-	8,581	105,879
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,051</u>
<u>-</u>	<u>-</u>	<u>7,958</u>	<u>8,581</u>	<u>538,431</u>
<u>-</u>	<u>-</u>	<u>(7,532)</u>	<u>(8,581)</u>	<u>(537,665)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>921,518</u>
-	-	(7,532)	(8,581)	383,853
<u>10,666</u>	<u>950</u>	<u>9,353</u>	<u>19,380</u>	<u>160,845</u>
\$ <u>10,666</u>	\$ <u>950</u>	\$ <u>1,821</u>	\$ <u>10,799</u>	\$ <u>544,698</u>

# City of Warrensville Heights

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

December 31, 2015

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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.

### ***Tax Incentive Fund***

The Tax Incentive Fund accounts for tax incentive activity related to the economic development of the City.

# City of Warrensville Heights

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

December 31, 2015

	Beginning Balance <u>12/31/2014</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>12/31/2015</u>
<b>Developers' Deposits Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>44,753</u>	\$ <u>221,204</u>	\$ <u>131,470</u>	\$ <u>134,487</u>
Liabilities:				
Deposits held and due to others	\$ <u>44,753</u>	\$ <u>221,204</u>	\$ <u>131,470</u>	\$ <u>134,487</u>
<b>Senior Civic Center Rental Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>330</u>	\$ <u>2,300</u>	\$ <u>1,450</u>	\$ <u>1,180</u>
Liabilities:				
Deposits held and due to others	\$ <u>330</u>	\$ <u>2,300</u>	\$ <u>1,450</u>	\$ <u>1,180</u>
<b>Payroll Clearing Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>175,138</u>	\$ <u>13,398</u>	\$ <u>-</u>	\$ <u>188,536</u>
Liabilities:				
Deposits held and due to others	\$ <u>175,138</u>	\$ <u>13,398</u>	\$ <u>-</u>	\$ <u>188,536</u>
<b>Self-Insurance Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>10,031</u>	\$ <u>62,467</u>	\$ <u>-</u>	\$ <u>72,498</u>
Liabilities:				
Deposits held and due to others	\$ <u>10,031</u>	\$ <u>62,467</u>	\$ <u>-</u>	\$ <u>72,498</u>
<b>Tax Incentive Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>-</u>	\$ <u>361,634</u>	\$ <u>361,634</u>	\$ <u>-</u>
Liabilities:				
Deposits held and due to others	\$ <u>-</u>	\$ <u>361,634</u>	\$ <u>361,634</u>	\$ <u>-</u>
<b>Total All Agency Funds</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>230,252</u>	\$ <u>661,003</u>	\$ <u>494,554</u>	\$ <u>396,701</u>
Liabilities:				
Deposits held and due to others	\$ <u>230,252</u>	\$ <u>661,003</u>	\$ <u>494,554</u>	\$ <u>396,701</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 387,246	\$ 387,246	\$ 355,350	\$ (31,896)
Municipal income taxes	15,337,397	17,009,988	16,676,640	(333,348)
Other local taxes	268,920	298,991	294,619	(4,372)
Intergovernmental	492,334	547,389	539,384	(8,005)
Charges for Services	513,299	570,698	562,353	(8,345)
Licenses and permits	550,803	612,396	603,441	(8,955)
Fines and forfeitures	113,187	125,844	124,004	(1,840)
Interest	11,275	12,536	12,353	(183)
All other revenues	125,239	139,243	137,207	(2,036)
Total revenues	<u>17,799,700</u>	<u>19,704,331</u>	<u>19,305,351</u>	<u>(398,980)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Security of persons and property:</b>				
<b>Police department:</b>				
Personal services	4,202,756	4,444,256	4,435,804	8,452
Materials and supplies	358,981	358,981	276,887	82,094
Contractual services	304,936	304,936	199,564	105,372
Capital outlay	30,000	30,000	7,206	22,794
Total police department	<u>4,896,673</u>	<u>5,138,173</u>	<u>4,919,461</u>	<u>218,712</u>
<b>Fire department:</b>				
Personal services	3,213,417	3,398,417	3,375,472	22,945
Materials and supplies	244,889	244,889	211,139	33,750
Contractual services	83,394	43,394	26,982	16,412
Capital outlay	5,000	5,000	2,720	2,280
Total fire department	<u>3,546,700</u>	<u>3,691,700</u>	<u>3,616,313</u>	<u>75,387</u>
Total security of persons and property	<u>8,443,373</u>	<u>8,829,873</u>	<u>8,535,774</u>	<u>294,099</u>
<b>Public health services:</b>				
<b>Professional services:</b>				
Contractual services	<u>53,000</u>	<u>53,100</u>	<u>53,085</u>	<u>15</u>
<b>Leisure time activities:</b>				
<b>Community activities:</b>				
Personal services	64,614	64,614	60,570	4,044
Materials and supplies	175,644	185,644	149,548	36,096
Contractual services	9,193	9,193	951	8,242
Total community activities	<u>249,451</u>	<u>259,451</u>	<u>211,069</u>	<u>48,382</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Civic center:				
Personal services	229,131	229,131	195,109	34,022
Materials and supplies	54,400	54,400	47,728	6,672
Total civic center	283,531	283,531	242,837	40,694
Total leisure time activities	532,982	542,982	453,906	89,076
Community development:				
Economic development:				
Personal services	92,561	92,561	91,015	1,546
Materials and supplies	7,442	7,942	4,679	3,263
Contractual services	280	280	277	3
Total economic development	100,283	100,783	95,971	4,812
Building department:				
Personal services	477,099	477,099	473,902	3,197
Materials and supplies	40,900	40,900	18,000	22,900
Contractual services	15,000	15,000	11,468	3,532
Capital Outlay	3,000	3,000	-	3,000
Total building department	535,999	535,999	503,370	32,629
Total community development	636,282	636,782	599,341	37,441
Basic utility services:				
Solid waste:				
Personal services	1,352,846	1,352,846	1,352,846	-
Contractual services	138,838	138,838	137,916	922
Total basic utility services	1,491,684	1,491,684	1,490,762	922
Transportation:				
Service department:				
Personal services	369,468	645,468	629,462	16,006
Materials and supplies	775,125	800,125	769,165	30,960
Contractual services	63,037	63,037	52,293	10,744
Capital Outlay	-	21,000	8,553	12,447
Total Transportation	1,207,630	1,529,630	1,459,473	70,157

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, 2015

	Budget		Actual	Continued Variance with Final Budget Positive (Negative)
	Original	Final		
General government:				
City council:				
Personal services	179,942	185,342	185,159	183
Materials and supplies	148,627	148,627	95,922	52,705
Contractual services	<u>4,000</u>	<u>4,000</u>	<u>3,645</u>	<u>355</u>
Total city council	<u>332,569</u>	<u>337,969</u>	<u>284,726</u>	<u>53,243</u>
Mayor:				
Personal services	318,481	321,981	320,905	1,076
Materials and supplies	36,030	36,030	30,193	5,837
Contractual services	<u>541</u>	<u>541</u>	<u>532</u>	<u>9</u>
Total mayor	<u>355,052</u>	<u>358,552</u>	<u>351,630</u>	<u>6,922</u>
Finance department:				
Personal services	368,745	373,245	369,944	3,301
Materials and supplies	<u>11,365</u>	<u>11,365</u>	<u>6,804</u>	<u>4,561</u>
Total finance department	<u>380,110</u>	<u>384,610</u>	<u>376,748</u>	<u>7,862</u>
Municipal income tax:				
Personal services	34,939	38,939	38,415	524
Materials and supplies	1,200	1,200	733	467
Contractual services	<u>1,070,000</u>	<u>1,097,500</u>	<u>431,983</u>	<u>665,517</u>
Total municipal income tax	<u>1,106,139</u>	<u>1,137,639</u>	<u>471,131</u>	<u>666,508</u>
Legal:				
Personal services	81,919	88,419	83,339	5,080
Materials and supplies	12,860	12,860	3,215	9,645
Contractual services	<u>174,000</u>	<u>221,500</u>	<u>207,225</u>	<u>14,275</u>
Total legal	<u>268,779</u>	<u>322,779</u>	<u>293,779</u>	<u>29,000</u>
Human resources:				
Personal services	104,812	104,812	104,458	354
Materials and supplies	19,600	19,600	1,402	18,198
Contractual services	<u>6,935</u>	<u>6,935</u>	<u>6,049</u>	<u>886</u>
Total human resources	<u>131,347</u>	<u>131,347</u>	<u>111,909</u>	<u>19,438</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, 2015

	Budget		Actual	Continued Variance with Final Budget Positive (Negative)
	Original	Final		
Board commissions:				
Personal services	12,184	17,184	13,445	3,739
Materials and supplies	<u>3,100</u>	<u>3,100</u>	<u>273</u>	<u>2,827</u>
Total boards and commissions	<u>15,284</u>	<u>20,284</u>	<u>13,718</u>	<u>6,566</u>
Engineering:				
Contractual services	<u>60,000</u>	<u>60,000</u>	<u>30,129</u>	<u>29,871</u>
Election:				
Contractual services	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Information technology:				
Contractual services	<u>248,413</u>	<u>273,413</u>	<u>250,226</u>	<u>23,187</u>
Lands and buildings:				
Materials and supplies	333,032	452,032	437,466	14,566
Contractual services	165,919	295,919	279,918	16,001
Capital outlay	<u>-</u>	<u>10,000</u>	<u>278</u>	<u>9,722</u>
Total lands and buildings	<u>498,951</u>	<u>757,951</u>	<u>717,662</u>	<u>40,289</u>
Other government:				
Personal services	57,964	69,264	68,547	717
Materials and supplies	65,400	90,400	86,814	3,586
Contractual services	<u>934,141</u>	<u>898,600</u>	<u>896,518</u>	<u>2,082</u>
Total other government	<u>1,057,505</u>	<u>1,058,264</u>	<u>1,051,879</u>	<u>6,385</u>
Total general government	<u>4,494,149</u>	<u>4,882,808</u>	<u>3,953,537</u>	<u>929,271</u>
Debt Service				
Principal retirement	<u>-</u>	<u>81,541</u>	<u>81,541</u>	<u>-</u>
Total expenditures	<u>16,859,100</u>	<u>18,048,400</u>	<u>16,627,419</u>	<u>1,420,981</u>
Excess of revenues over (under) expenditures	940,600	1,655,931	2,677,932	1,002,001

## 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, 2015

	Budget		Actual	Continued Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	<u>(1,573,000)</u>	<u>(2,255,289)</u>	<u>(2,232,289)</u>	<u>23,000</u>
Net change in fund balance	(632,400)	(599,358)	445,643	1,045,001
Fund balance – beginning of year	4,530,395	4,530,395	4,530,395	-
Prior year encumbrances appropriated	<u>238,213</u>	<u>238,213</u>	<u>238,213</u>	<u>-</u>
Fund balance – end of year	\$ <u>4,136,210</u>	\$ <u>4,169,250</u>	\$ <u>5,214,251</u>	\$ <u>1,045,001</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 380,826	\$ 380,826	\$ 343,456	\$ (37,370)
Other local taxes	75,966	56,437	55,841	(596)
Intergovernmental	48,444	35,990	35,610	(380)
Special assessments	708,614	526,446	520,889	(5,557)
All other revenues	<u>11,238</u>	<u>11,238</u>	<u>12,414</u>	<u>1,176</u>
Total revenues	<u>1,225,088</u>	<u>1,010,937</u>	<u>968,210</u>	<u>(42,727)</u>
Expenditures:				
Debt Service:				
Principal	4,095,000	4,335,900	4,315,000	20,900
Interest and fiscal charges	<u>817,124</u>	<u>837,124</u>	<u>824,695</u>	<u>12,429</u>
Total expenditures	<u>4,912,124</u>	<u>5,173,024</u>	<u>5,139,695</u>	<u>33,329</u>
Excess of revenues over (under) expenditures	(3,687,036)	(4,162,087)	(4,171,485)	(9,398)
Other financing sources (uses):				
Issuance of Debt	3,342,666	4,675,990	3,116,518	(1,559,472)
Transfers – in	<u>901,073</u>	<u>901,073</u>	<u>1,000,000</u>	<u>98,927</u>
Total other financing sources	4,243,739	5,577,063	4,116,518	(1,460,545)
Net change in fund balance	556,706	1,414,976	(54,967)	(1,469,943)
Fund balance – beginning of the year	<u>988,389</u>	<u>988,389</u>	<u>988,389</u>	<u>-</u>
Fund balance – end of year	\$ <u>1,545,092</u>	\$ <u>2,403,365</u>	\$ <u>933,422</u>	\$ <u>(1,469,943)</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 459,729	\$ 459,729	\$ 461,219	\$ 1,490
Interest income	<u>271</u>	<u>271</u>	<u>272</u>	<u>1</u>
Total revenues	<u>460,000</u>	<u>460,000</u>	<u>461,491</u>	<u>1,491</u>
Expenditures:				
Current:				
Transportation:				
Personal services	282,797	237,797	175,000	62,797
Materials and supplies	142,063	187,063	182,245	4,818
Utility services	62,032	62,032	61,960	72
Contractual services	<u>40,937</u>	<u>40,937</u>	<u>37,568</u>	<u>3,369</u>
Total expenditures	<u>527,829</u>	<u>527,829</u>	<u>456,773</u>	<u>71,056</u>
Net change in fund balance	(67,829)	(67,829)	4,718	72,547
Fund balance – beginning of year	51,640	51,640	51,640	-
Prior year encumbrances appropriated	<u>29,829</u>	<u>29,829</u>	<u>29,829</u>	-
Fund balance (deficit) – end of year	\$ <u>13,640</u>	\$ <u>13,640</u>	\$ <u>86,187</u>	\$ <u>72,547</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 25,964	\$ 25,965	\$ 37,396	\$ 11,431
Interest income	36	35	52	17
Total revenues	<u>26,000</u>	<u>26,000</u>	<u>37,448</u>	<u>11,448</u>
Expenditures:				
Current:				
Transportation:				
Personal services	45,000	45,000	40,800	4,200
Vehicle repairs	1,543	1,543	1,547	(4)
Materials and supplies	454	454	-	454
Total expenditures	<u>46,997</u>	<u>46,997</u>	<u>42,347</u>	<u>4,650</u>
Net change in fund balance	(20,997)	(20,997)	(4,899)	16,098
Fund balance – beginning of year	9,297	9,297	9,297	-
Prior year encumbrances appropriated	<u>1,997</u>	<u>1,997</u>	<u>1,997</u>	-
Fund balance – end of year	\$ <u><u>(9,703)</u></u>	\$ <u><u>(9,703)</u></u>	\$ <u><u>6,395</u></u>	\$ <u><u>16,098</u></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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 80,959	\$ 80,959	\$ 80,014	\$ (945)
Intergovernmental	<u>6,612</u>	<u>6,612</u>	<u>6,612</u>	<u>-</u>
Total revenues	<u>87,571</u>	<u>87,571</u>	<u>86,626</u>	<u>(945)</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others:				
Personal services	<u>83,700</u>	<u>83,700</u>	<u>83,700</u>	<u>-</u>
Net change in fund balance	3,871	3,871	2,926	(945)
Fund balance – beginning of year	<u>10,859</u>	<u>10,859</u>	<u>10,859</u>	<u>-</u>
Fund balance – end of year	\$ <u>14,730</u>	\$ <u>14,730</u>	\$ <u>13,785</u>	\$ <u>(945)</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 80,959	\$ 80,959	\$ 80,014	\$ (945)
Intergovernmental	<u>6,612</u>	<u>6,612</u>	<u>5,975</u>	<u>(637)</u>
Total revenues	<u>87,571</u>	<u>87,571</u>	<u>85,989</u>	<u>(1,582)</u>
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
Personal services	<u>83,700</u>	<u>83,700</u>	<u>76,000</u>	<u>7,700</u>
Net change in fund balance	3,871	3,871	9,989	6,118
Fund balance – beginning of year	<u>4,772</u>	<u>4,772</u>	<u>4,772</u>	<u>-</u>
Fund balance – end of year	\$ <u>8,643</u>	\$ <u>8,643</u>	\$ <u>14,761</u>	\$ <u>6,118</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 157,438	\$ 157,438	\$ 161,756	\$ 4,318
Other local taxes	4,366	4,366	4,486	120
Intergovernmental	<u>17,330</u>	<u>17,330</u>	<u>17,805</u>	<u>475</u>
Total revenues	<u>179,134</u>	<u>179,134</u>	<u>184,047</u>	<u>4,913</u>
Expenditures:				
Current:				
Community development:				
Contractual services	<u>250,000</u>	<u>260,000</u>	<u>239,776</u>	<u>20,224</u>
Net change in fund balance	(70,866)	(80,866)	(55,729)	25,137
Fund balance – beginning of the year	<u>86,985</u>	<u>86,985</u>	<u>86,985</u>	<u>-</u>
Fund balance – end of year	\$ <u>16,119</u>	\$ <u>6,119</u>	\$ <u>31,256</u>	\$ <u>25,137</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, 2015

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property taxes	\$ 58,131	\$ 58,131	\$ 72,911	\$ 14,780
Intergovernmental	<u>4,443</u>	<u>4,443</u>	<u>5,573</u>	<u>1,130</u>
Total revenues	<u>62,574</u>	<u>62,574</u>	<u>78,484</u>	<u>15,910</u>
Expenditures:				
Current:				
General government:				
Materials and supplies	129,326	129,326	114,152	15,174
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>4,624</u>	<u>376</u>
Total expenditures	<u>134,326</u>	<u>134,326</u>	<u>118,776</u>	<u>15,550</u>
Net change in fund balance	(71,752)	(71,752)	(40,292)	31,460
Fund balance – beginning of year	(2,343)	(2,343)	(2,343)	-
Prior year encumbrances appropriated	<u>29,326</u>	<u>29,326</u>	<u>29,326</u>	-
Fund balance (deficit) – end of year	\$ <u>(44,769)</u>	\$ <u>(44,769)</u>	\$ <u>(13,309)</u>	\$ <u>31,460</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Capital outlay	10,000	10,000	4,022	5,978
Contractual	<u>45,000</u>	<u>45,000</u>	<u>44,000</u>	<u>1,000</u>
Total expenditures	<u>55,000</u>	<u>55,000</u>	<u>48,022</u>	<u>6,978</u>
Net change in fund balance	(50,000)	(50,000)	(48,022)	1,978
Fund balance – beginning of year	<u>79,492</u>	<u>79,492</u>	<u>79,492</u>	<u>-</u>
Fund balance – end of year	\$ <u>29,492</u>	\$ <u>29,492</u>	\$ <u>31,470</u>	\$ <u>1,978</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, 2015

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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>5,000</u>	\$ <u>5,000</u>	\$ <u>2,270</u>	\$ <u>(2,730)</u>
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Personal service	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Net change in fund balance	-	-	2,270	2,270
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>9,153</u></u>	\$ <u><u>9,153</u></u>	\$ <u><u>11,423</u></u>	\$ <u><u>2,270</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 51,381	\$ 51,381	\$ 51,522	\$ 141
Other local taxes	1,055	1,055	1,346	291
Intergovernmental	<u>4,687</u>	<u>4,687</u>	<u>5,977</u>	<u>1,290</u>
Total revenues	<u>57,123</u>	<u>57,123</u>	<u>58,845</u>	<u>1,722</u>
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
Personal services	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Net change in fund balance	(7,877)	(7,877)	(6,155)	1,722
Fund balance – beginning of year	<u>10,765</u>	<u>10,765</u>	<u>10,765</u>	<u>-</u>
Fund balance – end of year	\$ <u>2,888</u>	\$ <u>2,888</u>	\$ <u>4,610</u>	\$ <u>1,722</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 50,562	\$ 50,562	\$ 51,522	\$ 960
Other local taxes	1,321	1,321	1,346	25
Intergovernmental	<u>5,240</u>	<u>5,240</u>	<u>5,340</u>	<u>100</u>
Total revenues	<u>57,123</u>	<u>57,123</u>	<u>58,208</u>	<u>1,085</u>
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Personal services	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Net change in fund balance	(7,877)	(7,877)	(6,792)	1,085
Fund balance – beginning of year	<u>10,959</u>	<u>10,959</u>	<u>10,959</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>3,082</u></u>	\$ <u><u>3,082</u></u>	\$ <u><u>4,167</u></u>	\$ <u><u>1,085</u></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, 2015

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	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ <u>25,000</u>	\$ <u>25,000</u>	\$ <u>8,000</u>	\$ <u>(17,000)</u>
Expenditures:				
Current:				
Security of persons and property:				
Police:				
Personal services	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Net change in fund balance	-	-	8,000	8,000
Fund balance – beginning of year	<u>55,985</u>	<u>55,985</u>	<u>55,985</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>55,985</u></u>	\$ <u><u>55,985</u></u>	\$ <u><u>63,985</u></u>	\$ <u><u>8,000</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Community development:				
Contractual services	<u>31,000</u>	<u>32,000</u>	<u>30,739</u>	<u>1,261</u>
Net change in fund balance	(31,000)	(32,000)	(30,739)	1,261
Fund balance – beginning of year	<u>32,483</u>	<u>32,483</u>	<u>32,483</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>1,483</u></u>	\$ <u><u>483</u></u>	\$ <u><u>1,744</u></u>	\$ <u><u>1,261</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,662	\$ 2,662	\$ 4,540	\$ 1,878
All other revenues	138	2,800	236	(2,564)
Total revenues	<u>2,800</u>	<u>5,462</u>	<u>4,776</u>	<u>(686)</u>
Expenditures:				
Current:				
Security of persons and property:				
Police and others:				
Personal services	7,800	7,800	7,144	656
Materials and supplies	<u>2,800</u>	<u>2,800</u>	<u>694</u>	<u>2,106</u>
Total expenditures	<u>10,600</u>	<u>10,600</u>	<u>7,838</u>	<u>2,762</u>
Net change in fund balance	(7,800)	(5,138)	(3,062)	2,076
Fund balance – beginning of year	<u>13,183</u>	<u>13,183</u>	<u>13,183</u>	-
Fund balance – end of year	\$ <u><u>5,383</u></u>	\$ <u><u>8,045</u></u>	\$ <u><u>10,121</u></u>	\$ <u><u>2,076</u></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, 2015

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	<u>Budget</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
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, 2015

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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>2,000</u>	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
Capital outlay	\$ <u>6,225</u>	\$ <u>6,225</u>	\$ <u>3,363</u>	\$ <u>2,862</u>
Net change in fund balance	(4,225)	(4,225)	(3,363)	862
Fund balance – beginning of year	<u>4,845</u>	<u>4,845</u>	<u>4,845</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>620</u></u>	\$ <u><u>620</u></u>	\$ <u><u>1,482</u></u>	\$ <u><u>862</u></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, 2015

---

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Expenditures:				
Current:				
Security of persons and property:				
Police and others:				
Materials and supplies	\$ <u>21</u>	\$ <u>21</u>	\$ <u>-</u>	\$ <u>21</u>
Net change in fund balance	(21)	(21)	-	21
Fund balance – beginning of year	\$ <u>21</u>	\$ <u>21</u>	\$ <u>21</u>	\$ <u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>21</u></u>	\$ <u><u>21</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons and property:				
Police and others:				
Materials and supplies	\$ <u>6,382</u>	\$ <u>6,382</u>	\$ <u>1,375</u>	\$ <u>5,007</u>
Other financing sources (uses):				
Transfers out	<u>(21,566)</u>	<u>(21,566)</u>	<u>-</u>	<u>21,566</u>
Net change in fund balance	(27,948)	(27,948)	(1,375)	26,573
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>1</u></u>	\$ <u><u>1</u></u>	\$ <u><u>26,574</u></u>	\$ <u><u>26,573</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

---

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
All other revenue	\$ <u>10</u>	\$ <u>10</u>	\$ <u>-</u>	\$ <u>(10)</u>
Other financing (uses):				
Transfers out	<u>(30,531)</u>	<u>(30,531)</u>	<u>-</u>	<u>30,531</u>
Net change in fund balance	(30,521)	(30,521)	-	30,521
Fund balance – beginning of year	<u>30,521</u>	<u>30,521</u>	<u>30,521</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>30,521</u></u>	\$ <u><u>30,521</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

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	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers out	\$ <u>(567)</u>	\$ <u>(567)</u>	\$ <u>-</u>	\$ <u>567</u>
Net change in fund balance	(567)	(567)	-	567
Fund balance – beginning of year	<u>568</u>	<u>568</u>	<u>568</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>1</u></u>	\$ <u><u>1</u></u>	\$ <u><u>568</u></u>	\$ <u><u>567</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for service	\$ 3,029	\$ 3,029	\$ 22,725	\$ 19,696
Fines and forfeitures	<u>1,971</u>	<u>1,971</u>	<u>14,790</u>	<u>12,819</u>
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>37,515</u>	<u>32,515</u>
Expenditures:				
Current:				
General government:				
Contractual services	<u>45,000</u>	<u>45,000</u>	<u>37,515</u>	<u>7,485</u>
Net change in fund balance	(40,000)	(40,000)	-	40,000
Fund balance – beginning of year	<u>149,161</u>	<u>149,161</u>	<u>149,161</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>109,161</u></u>	\$ <u><u>109,161</u></u>	\$ <u><u>149,161</u></u>	\$ <u><u>40,000</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

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	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons & property:				
Materials and supplies	\$ <u>4,818</u>	\$ <u>4,818</u>	\$ <u>-</u>	\$ <u>4,818</u>
Net change in fund balance	(4,818)	(4,818)	-	4,818
Fund balance – beginning of year	<u>4,819</u>	<u>4,819</u>	<u>4,819</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>1</u></u>	\$ <u><u>1</u></u>	\$ <u><u>4,819</u></u>	\$ <u><u>4,818</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Community development:				
Materials and supplies	\$ 28,150	\$ 28,150	\$ -	\$ 28,150
Net change in fund balance	(28,150)	(28,150)	-	28,150
Fund balance – beginning of year	28,150	28,150	28,150	-
Fund balance – end of year	\$ -	\$ -	\$ 28,150	\$ 28,150

## 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ <u>45,000</u>	\$ <u>45,000</u>	\$ <u>16,666</u>	\$ <u>(28,334)</u>
Expenditures:				
Current:				
Community development:				
Contractual services	<u>47,800</u>	<u>65,600</u>	<u>51,546</u>	<u>14,054</u>
Net change in fund balance	(2,800)	(20,600)	(34,880)	(14,280)
Fund balance – beginning of year	9,500	9,500	9,500	-
Prior year encumbrances appropriated	<u>12,800</u>	<u>12,800</u>	<u>12,800</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>19,500</u></u>	\$ <u><u>1,700</u></u>	\$ <u><u>(12,580)</u></u>	\$ <u><u>(14,280)</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

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	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons & property:				
Police and others:				
Personal services	\$ <u>1,999</u>	\$ <u>1,999</u>	\$ <u>-</u>	\$ <u>1,999</u>
Net change in fund balance	(1,999)	(1,999)	-	1,999
Fund balance – beginning of year	<u>1,999</u>	<u>1,999</u>	<u>1,999</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>1,999</u></u>	\$ <u><u>1,999</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers out	\$ <u>(38,808)</u>	\$ <u>(38,808)</u>	\$ <u>-</u>	\$ <u>38,808</u>
Net change in fund balance	(38,808)	(38,808)	-	38,808
Fund balance – beginning of year	<u>38,808</u>	<u>38,808</u>	<u>38,808</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>38,808</u></u>	\$ <u><u>38,808</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – G.R.E.A.T Grant Fund

For the Year Ended December 31, 2015

---

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Security of persons & property:				
Police and others:				
Materials and supplies	\$ <u>3,668</u>	\$ <u>3,668</u>	\$ <u>-</u>	\$ <u>3,668</u>
Net change in fund balance	(3,668)	(3,668)	-	3,668
Fund balance – beginning of year	<u>3,668</u>	<u>3,668</u>	<u>3,668</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>3,668</u></u>	\$ <u><u>3,668</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

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	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Security of persons & property:				
Fire:				
Materials and supplies	\$ <u>188</u>	\$ <u>188</u>	\$ <u>-</u>	\$ <u>188</u>
Net change in fund balance	(188)	(188)	-	188
Fund balance – beginning of year	<u>188</u>	<u>188</u>	<u>188</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>188</u></u>	\$ <u><u>188</u></u>

## City of Warrensville Heights

### Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – 2008 G.R.E.A.T Grant Fund

For the Year Ended December 31, 2015

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	\$ <u>(29,342)</u>	\$ <u>(29,342)</u>	\$ <u>-</u>	\$ <u>29,342</u>
Net change in fund balance	(29,342)	(29,342)	-	29,342
Fund balance – beginning of year	<u>29,342</u>	<u>29,342</u>	<u>29,342</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>29,342</u></u>	\$ <u><u>29,342</u></u>

## 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Community development:				
Materials and supplies	\$ 30	\$ 30	\$ -	\$ 30
Contractual services	-	261,000	-	261,000
Total expenditures	30	261,030	-	261,030
Other financing sources (uses):				
Transfers- in	-	261,000	261,000	-
Net change in fund balance	(30)	(30)	261,000	261,030
Fund balance – beginning of year	31	31	31	-
Fund balance – end of year	\$ 1	\$ 1	\$ 261,031	\$ 261,030

## 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, 2015

---

	<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>          -</u>	\$ <u>      3,000</u>	\$ <u>      3,000</u>
Expenditures:				
Current:				
Community development:				
Contractual services:	<u>      10,000</u>	<u>      10,000</u>	<u>                  -</u>	<u>      10,000</u>
Net change in fund balance	(10,000)	(10,000)	3,000	13,000
Fund balance – beginning of year	<u>      14,685</u>	<u>      14,685</u>	<u>      14,685</u>	<u>                  -</u>
Fund balance – end of year	\$ <u>      4,685</u>	\$ <u>      4,685</u>	\$ <u>      17,685</u>	\$ <u>      13,000</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, 2015

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of persons & property:				
Fire:				
Materials and Supplies	\$ <u>1,600</u>	\$ <u>1,600</u>	\$ <u>-</u>	\$ <u>1,600</u>
Net change in fund balance	(1,600)	(1,600)	-	1,600
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><u>1,400</u></u>	\$ <u><u>1,400</u></u>	\$ <u><u>3,000</u></u>	\$ <u><u>1,600</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 149,904	\$ 142,949	\$ (6,955)
Expenditures:				
Current:				
Community development:				
Contractual services	-	344,350	337,395	6,955
Excess of revenues over (under) expenditures	-	(194,446)	(194,446)	-
Other financing sources (uses):				
Transfers- in	-	194,446	194,446	-
Net change in fund balance	-	-	-	-
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	\$ -	\$ -	\$ -	\$ -

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 2,240	\$ 2,240	\$ -
Excess of revenues over (under) expenditures	-	2,240	2,240	-
Net change in fund balance	-	2,240	2,240	-
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	\$ -	\$ 2,240	\$ 2,240	\$ -

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 53,333	\$ 40,000	\$ (13,333)
Expenditures:				
Current:				
Security of persons and property:				
Fire:				
Capital outlay	-	53,333	53,333	-
Excess of revenues over (under) expenditures	-	-	(13,333)	(13,333)
Net change in fund balance	-	-	(13,333)	(13,333)
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	\$ -	\$ -	\$ (13,333)	\$ (13,333)

## 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, 2015

---

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Expenditures:				
Current:				
Community development:				
Contractual services	\$ -	\$ 3,800	\$ 1,843	\$ 1,957
Excess of revenues over (under) expenditures	-	(3,800)	(1,843)	1,957
Other financing sources (uses):				
Transfers- in	-	3,800	1,843	(1,957)
Net change in fund balance	-	-	-	-
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	\$ -	\$ -	\$ -	\$ -

## 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Transportation:				
Contractual services	\$ <u>1,090,665</u>	\$ <u>1,090,665</u>	\$ <u>737,859</u>	\$ <u>352,806</u>
Excess of revenues over (under) expenditures	<u>(1,090,665)</u>	<u>(1,090,665)</u>	<u>(737,859)</u>	<u>352,806</u>
Other financing sources (uses):				
Transfers – in	<u>580,000</u>	<u>580,000</u>	<u>775,000</u>	<u>195,000</u>
Net change in fund balance	(510,665)	(510,665)	37,141	547,806
Fund balance – beginning of year	(27,855)	(27,855)	(27,855)	-
Prior year encumbrances appropriated	<u>540,665</u>	<u>540,665</u>	<u>540,665</u>	-
Fund balance (deficit) – end of year	\$ <u><u>2,145</u></u>	\$ <u><u>2,145</u></u>	\$ <u><u>549,951</u></u>	\$ <u><u>547,806</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Capital outlay:				
Contractual services	\$ <u>33,827</u>	\$ <u>129,522</u>	\$ <u>113,582</u>	\$ <u>15,940</u>
Excess of revenues over (under) expenditures	(33,827)	(129,522)	(113,582)	15,940
Other financing sources:				
Note proceeds	<u>3,000</u>	<u>100,000</u>	<u>98,482</u>	<u>(1,518)</u>
Net change in fund balance	(30,827)	(29,522)	(15,100)	14,422
Prior year encumbrances appropriated	10,705	10,705	10,705	-
Fund balance – beginning of year	<u>20,299</u>	<u>20,299</u>	<u>20,299</u>	<u>-</u>
Fund balance – end of year	\$ <u><u>177</u></u>	\$ <u><u>1,482</u></u>	\$ <u><u>15,904</u></u>	\$ <u><u>14,422</u></u>

## 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All other revenues	\$ 4,300	\$ 4,300	\$ -	\$ (4,300)
Expenditures:				
Current:				
Capital outlay:				
Contractual services	<u>67,395</u>	<u>67,395</u>	<u>6,272</u>	<u>61,123</u>
Net change in fund balance	(63,095)	(63,095)	(6,272)	56,823
Fund balance – beginning of year	63,189	63,189	63,189	-
Prior year encumbrances appropriated	<u>2,395</u>	<u>2,395</u>	<u>2,395</u>	-
Fund balance – end of year	\$ <u><u>2,489</u></u>	\$ <u><u>2,489</u></u>	\$ <u><u>59,312</u></u>	\$ <u><u>56,823</u></u>

## City of Warrensville Heights

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

For the Year Ended December 31, 2015

---

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – out	\$ (10,666)	\$ (10,666)	\$ -	\$ 10,666
Net change in fund balance	(10,666)	(10,666)	-	10,666
Fund balance – beginning of year	10,666	10,666	10,666	-
Fund balance – end of year	\$ -	\$ -	\$ 10,666	\$ 10,666

## 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, 2015

---

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
All other revenues	\$ <u>4,000</u>	\$ <u>4,000</u>	\$ <u>426</u>	\$ <u>(3,574)</u>
Expenditures:				
Current:				
Transportation:				
Contractual services	<u>9,800</u>	<u>9,800</u>	<u>7,958</u>	<u>5,227</u>
Net change in fund balance	(5,800)	(5,800)	(7,532)	1,653
Fund balance – beginning of year	9,353	9,353	9,353	-
Fund balance – end of year	\$ <u><u>3,553</u></u>	\$ <u><u>3,553</u></u>	\$ <u><u>1,821</u></u>	\$ <u><u>1,653</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, 2015

---

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Expenditures:				
Capital outlay:				
Contractual services	\$ <u>          -</u>	\$ <u>      20,000</u>	\$ <u>      8,581</u>	\$ <u>      11,419</u>
Net change in fund balance	-	(20,000)	(8,581)	11,419
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>      25,353</u>	\$ <u>      5,353</u>	\$ <u>      16,772</u>	\$ <u>      11,419</u>

## **Statistical Section**

# City of Warrensville Heights

Statistical Section

December 31, 2015

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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.	154-159
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	160-165
<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.	166-170
<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.	171-172
<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.	173-177

**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>2015</u>	<u>2014 (2)</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>
Governmental activities:										
Net investment in capital assets(1)	\$ (413,445)	\$ (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)
Restricted for:										
Capital projects	643,180	306,185	229,630	200,257	133,539	135,117	857,341	490,388	-	-
Streets	394,833	409,723	632,092	616,951	477,528	451,898	555,791	500,392	535,939	552,258
Police	41,910	39,637	122,122	100,840	130,420	123,898	96,712	91,134	114,889	224,613
Fire	42,567	33,550	166,035	129,579	147,844	89,282	76,928	108,076	90,273	80,301
Building levy	23,996	45,891	126,547	203,745	183,607	130,156	58,305	147,560	-	-
Debt service	3,747,337	1,675,502	1,296,384	1,136,956	1,553,049	799,916	359,660	507,624	442,118	-
Other purposes	578,164	597,939	612,974	469,722	430,731	377,815	400,742	315,479	296,327	189,078
Unrestricted (deficit)	<u>(6,447,325)</u>	<u>(5,058,960)</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>
Total governmental activities net position	\$ <u>(1,388,783)</u>	\$ <u>(3,610,889)</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>

### Notes:

(1) – Item reported as Invested in capital assets, net of related debt through December 31, 2013.

(2) – Restated, see details of restatement at Note 3.

# City of Warrensville Heights

## Change in net position – Accrual Basis of Accounting

### Last Ten Years

Table 2

	2015	2014 (1)	2013	2012	2011	2010	2009	2008	2007	2006
Program revenues:										
Governmental activities:										
Charges for services:										
Security of persons and property:										
Police and others	\$ 72,121	\$ 102,818	\$ 84,406	\$ 117,895	\$ 599,807	\$ 204,229	\$ 212,881	\$ 255,246	\$ 361,456	\$ 313,492
Fire	419,462	485,032	494,087	291,371	453,935	392,027	363,966	315,518	267,729	211,625
Public health services	-	-	-	-	-	-	-	-	3,857	3,057
Leisure time activities	63,865	58,434	55,235	16,793	18,912	21,341	28,409	31,273	20,764	15,816
Community development	19,714	21,991	25,210	20,937	18,387	138,768	19,149	28,383	64,823	51,681
Basic utility services	68	60	520	220	50	-	-	-	4,327	69,129
Transportation	-	-	-	-	1,518	780	4,031	941	252,906	103,251
General government	750,044	818,026	420,821	749,238	373,205	228,995	285,557	348,619	193,833	182,754
Subtotal – charges for services	1,325,274	1,486,361	1,080,279	1,196,454	1,465,814	986,140	913,993	979,980	1,169,695	950,805
Operating grants and contributions:										
Security of persons and property:										
Police and others	17,050	12,080	19,962	24,253	204,041	323,149	17,337	160,050	24,799	62,244
Fire	40,000	-	530,135	806,566	403,087	-	-	3,000	8,399	2,500
Public health services	-	-	-	-	-	-	-	-	-	2,112
Leisure time activities	-	-	-	-	-	-	-	-	-	-
Community development	146,180	3,680	5,643	2,790	37,833	33,917	-	-	290,475	388,722
Transportation	489,380	482,853	482,840	476,258	469,914	495,784	481,369	516,508	736,232	598,391
General government	-	-	-	25,353	-	-	49,740	28,250	23,278	5,600
Subtotal - operating grants and contributions	692,610	498,613	1,038,580	1,335,220	1,114,875	852,850	548,446	707,808	1,083,183	1,059,569
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	559	165,260	-	-	33,766	69,100	269,416	578,433	-	-
Basic utility services	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	384,163
General government	581,364	2,670,483	137,309	270,779	262,014	287,175	278,796	76,060	324,478	-
Subtotal - capital grants and contributions	581,923	2,835,743	137,309	270,779	295,780	356,275	770,621	654,493	339,511	384,163
Total governmental activities program revenues	2,599,807	4,820,720	2,256,168	2,802,453	2,876,469	2,195,265	2,233,060	2,342,281	2,592,389	2,394,537

Notes:

(1) — Restated, see details of restatement at Note 3.

(continued)

# City of Warrensville Heights

## Change in net position – Accrual Basis of Accounting

Last Ten Years

Table 2

	<u>2015</u>	<u>2014 (1)</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>
Expenses:										
Governmental activities:										
Security of persons and property:										
Police and others	5,421,417	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
Fire	3,925,081	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
Public health services	53,085	65,183	52,001	52,001	55,903	27,952	55,903	54,833	54,834	65,802
Leisure time activities	495,965	697,906	664,913	291,803	266,661	227,379	302,387	326,782	295,210	329,692
Community development	961,571	873,757	528,141	470,806	882,581	1,087,614	953,234	1,256,777	1,122,810	1,091,122
Basic utility services	1,527,105	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
Transportation	2,004,180	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
General government	4,164,107	2,411,281	4,364,751	4,745,370	3,730,870	3,156,023	2,907,654	3,078,419	2,755,794	3,233,323
Interest and fiscal charges	<u>781,460</u>	<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>
Total governmental activities expense	<u>19,333,971</u>	<u>17,502,502</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>
Net (expense)/revenue governmental activities	<u>(16,734,164)</u>	<u>(12,847,042)</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>
General revenues:										
Governmental activities:										
Property and other local taxes levied for:										
General purposes	687,313	560,635	597,335	681,322	611,674	801,710	664,309	1,053,510	1,028,599	1,236,022
Debt service	335,894	317,748	387,121	539,409	661,791	406,829	573,336	662,896	724,197	553,998
Other purposes	490,916	456,484	516,621	658,505	662,777	598,037	610,702	711,090	783,059	712,565
Municipal income taxes levied for:										
General purposes	16,576,878	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
Grants and entitlements not restricted to specific programs	679,693	659,957	306,927	586,783	1,091,130	1,478,918	1,514,445	1,418,423	1,430,120	1,073,104
Interest income	14,054	6,872	7,879	26,502	7,054	1,742	2,137	40,642	166,362	173,564
Gain on sale of capital assets	-	-	-	-	-	-	-	-	354	-
All other revenues	<u>171,522</u>	<u>231,000</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>
Total general revenues	<u>18,956,270</u>	<u>18,402,694</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>
Change in net position:										
Governmental activities	\$ <u>2,222,106</u>	\$ <u>5,555,652</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>

Notes:

(1) — Restated, see details of restatement at Note 3.

# City of Warrensville Heights

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

Last Ten Years

Table 3

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General fund										
Nonspendable	\$ 372,040	\$ 240,079	\$ 224,285	\$ 346,317	\$ 373,140	\$ 395,282	\$ -	\$ -	\$ -	\$ -
Assigned	1,735,968	165,860	144,018	40,900	600,805	49,993	-	-	-	-
Unassigned	6,035,565	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
Total general fund	<u>8,143,573</u>	<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>
All other governmental funds										
Restricted	1,365,745	925,964	1,253,835	2,204,901	4,394,852	3,159,390	-	-	-	-
Committed	194,996	214,296	159,588	168,120	232,940	194,003	-	-	-	-
Unassigned (deficit)	(670,137)	(882,616)	(3,089,735)	(88,578)	(5,650,602)	(5,687,816)	-	-	-	-
Reserved	-	-	-	-	-	-	3,747	29,442	8,980	28,436
Unreserved, undesignated, reported in:										
Special revenue funds	-	-	-	-	-	-	755,159	441,210	566,702	698,309
Debt service funds	-	-	-	-	-	-	257,832	(22,889)	66,393	69,298
Capital project funds	-	-	-	-	-	-	(5,455,083)	(4,442,972)	(2,727,398)	(2,217,021)
Total all other governmental funds	<u>890,604</u>	<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>
Total governmental funds	\$ <u>9,034,177</u>	\$ <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>

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Revenues</b>										
Property and other										
local taxes	\$ 1,595,845	\$ 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
Municipal income taxes	16,689,455	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
Intergovernmental	1,311,829	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
Interest income	14,054	6,872	7,879	26,502	7,054	1,742	2,137	40,642	166,362	173,564
Licenses and permits	603,691	812,181	351,843	256,690	385,966	267,270	265,502	362,746	356,550	430,681
Fines and forfeitures	138,794	170,812	221,822	586,020	597,017	192,370	209,213	246,287	296,926	283,167
Rentals	-	-	-	-	-	-	-	-	-	-
Charges for services	603,209	498,852	458,069	490,120	433,371	352,805	425,150	514,392	295,782	334,341
Special assessments	520,889	341,708	107,969	184,610	222,362	242,138	690,621	446,947	382,781	475,297
All other revenues	149,447	233,527	352,009	55,646	210,301	280,201	126,450	213,860	45,948	59,474
Total revenues	<u>21,627,213</u>	<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>
<b>Expenditures</b>										
<b>Current:</b>										
<b>Security of persons and property:</b>										
Police and others	5,353,511	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
Fire	3,774,899	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
Public health services	53,085	53,085	52,001	52,001	55,903	27,952	55,903	54,392	54,392	50,615
Leisure time activities	445,491	470,772	437,558	276,706	227,370	178,910	288,646	301,870	278,762	261,904
Community development	1,002,863	736,622	506,859	488,755	882,581	1,091,745	949,103	1,267,359	1,153,715	918,719
Basic utility services	1,485,708	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
Transportation	2,221,014	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
General government	4,194,991	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
Capital outlay	105,879	358,256	318,538	3,611,711	7,233,855	1,218,367	392,590	760,435	1,552,707	2,404,728
<b>Debt service:</b>										
Principal retirement	2,621,541	2,625,000	28,977,060	20,605,060	4,030,000	450,000	938,478	730,000	899,393	970,136
Interest and fiscal charges	827,848	934,422	1,161,616	894,883	491,367	461,207	525,906	610,612	755,494	598,501
Bond issuance costs	-	-	584,403	44,227	86,600	-	-	-	-	-
Total expenditures	<u>22,086,830</u>	<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>
Excess of revenues over (under) expenditures	<u>(459,617)</u>	<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>

(continued)

# City of Warrensville Heights

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

Last Ten Years

Table 4

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
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
Certificates of participation issued	1,700,000	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	-	-	-	-	-	-	-
Land installment notes issued	450,000	-	-	-	-	-	-	-	-	-
Refunding notes issued	-	-	-	-	8,680,060	12,495,060	8,892,000	8,818,000	9,602,000	6,580,000
General obligation bonds issued		2,095,000	10,070,000	-	-	-	-	-	-	-
Premium on debt issuance	16,745	157,625	486,662	83,308	94,976	-	-	-	-	-
Current refunding	-	-	-	-	(8,935,060)	(8,892,000)	(8,818,000)	(9,602,000)	(8,485,000)	(9,120,000)
Transfers – in	2,378,807	1,989,457	1,385,857	6,756,346	1,617,682	533,756	173,704	130,640	506,397	1,479,263
Transfers – out	<u>(2,378,807)</u>	<u>(1,989,457)</u>	<u>(1,385,857)</u>	<u>(6,756,346)</u>	<u>(1,617,682)</u>	<u>(533,756)</u>	<u>(173,704)</u>	<u>(130,640)</u>	<u>(506,397)</u>	<u>(1,479,263)</u>
Total other financing sources (uses)	<u>2,166,745</u>	<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>
Net change in fund balances	\$ <u>1,707,128</u>	\$ <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>
Debt service as a percentage of Noncapital expenditures	16.10%	17.58%	62.85%	55.83%	22.38%	5.65%	8.31%	7.00%	9.47%	9.39%

# 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
2015	\$ 79,884,880	\$ 134,848,560	\$ 613,524,114	\$ 8,154,550	\$ 9,266,534
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

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>		
\$ -	\$ -	\$ 222,887,990	\$ 622,790,648	35.78%	\$ 9.70
-	-	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

## 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					
2015	\$ 3.60	\$ 4.10	\$ 2.00	\$ 9.70	\$ 91.70	\$ 91.20	\$ 14.05	\$ 9.38	\$ 216.03
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

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>
2015	\$ 2,061,817	\$ 1,393,725	67.60%	\$ 132,815	\$ 1,526,540	74.04%	\$ 358,650	27.93%
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

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

2015 and 2006

Table 8

<u>Name of Taxpayer</u>	2015	
	<u>Real Property Assessed Valuation</u>	<u>Real Property Assessed Valuation</u>
JP JLP Harvard Park, LLC	\$ 12,313,070	5.73%
Cleveland East Hotel	9,265,550	4.32%
GB Azi, LLC	2,783,690	1.30%
JES Development	2,716,280	1.26%
Progressive Interchange	2,919,105	1.36%
Highland Business Park	2,426,935	1.13%
Warrensville Heights Properties	2,262,225	1.05%
LLG Carmax Auto Superstores	2,207,205	1.03%
Sherwin-Williams	3,039,995	1.42%
Hemmingway at Richmond, LLC	1,890,105	0.88%
Total	\$ <u>41,824,160</u>	<u>19.48%</u>
Total Assessed Valuation	\$ <u>214,733,440</u>	

<u>Name of Taxpayer</u>	2006	
	<u>Real Property Assessed Valuation (1)</u>	<u>Percentage of Real Assessed Valuation</u>
Cleveland East Hotel	\$ 11,063,920	4.24%
Merida health System	7,039,620	2.70%
Highlands Multi Family, LTD	6,052,670	2.32%
Alltel Ohio Limited Partnership	5,822,910	2.23%
Clarkwood Apartments, LTD	4,952,390	1.90%
Cleveland Electric Illuminating Co.	4,210,100	1.61%
Sherwin-Williams Automotive	3,480,540	1.33%
Cuyahoga Community College	3,052,600	1.17%
Granada Apartments	2,896,960	1.11%
Heinens, Inc.	2,547,870	0.98%
Total	\$ <u>51,119,580</u>	<u>19.59%</u>
Total Assessed Valuation	\$ <u>260,938,780</u>	

Source: Cuyahoga County, Ohio; County Fiscal Office

# 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>
2015	2.60%	\$ 15,968,752	\$ 12,401,242	77.66%	\$ 2,187,643	13.70%	\$ 1,379,866	8.64%
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

(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				
2015	\$ 11,081,062	\$ -	\$ 11,605,465	\$ -	\$ 605,607	\$ 23,292,134	8.45%	\$ 1,720	
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	

Note: Population and Personal Income data are presented on page 178.

## 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>
2015	13,542	b	\$ 662,790,648	\$ 24,727,839	\$ 933,420	\$ 23,794,419	3.59%	\$ 1,757.08
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

#### 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>2015</u>	<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>
Total assessed property value \$	<u>222,887,990</u>	<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>
Debt limit – 10 1/2 % of assessed valuation	\$ 23,403,239	\$ 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
Debt outstanding:										
General obligation bonds	11,081,062	11,845,623	10,358,021	-	658,572	1,054,608	1,437,037	2,110,162	2,758,983	3,378,500
Special assessment bonds	-	-	-	-	55,000	117,533	173,673	229,117	298,865	362,917
Certificates of participation	11,605,465	11,708,443	11,833,077	11,730,885	11,215,829	-	-	-	-	-
Real property acquisition notes	-	215,000	100,000	-	-	-	-	-	-	-
Bond anticipation notes	<u>1,515,000</u>	<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>
Total gross indebtedness	24,201,527	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
Less:										
Notes issued in anticipation of the levy or collection of municipal income taxes	(1,515,000)	(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)
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)
Certificates of participation	(11,605,465)	(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)
Total net debt applicable to debt limit	<u>11,081,062</u>	<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>
Legal debt margin within 10 1/2% limitations	\$ <u>12,322,177</u>	\$ <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>
Legal debt margin as a percentage of the debt limit	52.65%	50.92%	56.32%	99.45%	100.01%	83.06%	95.92%	93.00%	87.12%	86.63%

(Continued)

# City of Warrensville Heights

## Legal Debt Margin

Last Ten Years

Table 12

	<u>2015</u>	<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>
Debt limitation -5.5% of Assessed unvoted value	\$ 12,258,839	\$ 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
Total gross indebtedness	24,201,527	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
Less:										
Notes issued in anticipation of the levy or collection of municipal income taxes	(1,515,000)	(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)
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)
Certificates of participation	(11,605,465)	(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)
Net debt within 5 1/2% limitations	<u>11,081,062</u>	<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>
Unvoted legal debt margin within 5 1/2% limitations	\$ <u>1,177,777</u>	\$ <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>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	9.61%	6.31%	16.61%	98.96%	100.03%	67.66%	92.22%	86.64%	75.41%	74.48%

Source: City Financial Records

## City of Warrensville Heights

### Computation of Direct and Overlapping Governmental Activities Debt

2015

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	\$ 11,081,062	100.00%	\$ 11,081,062
Certificates of participation	11,605,465	100.00%	11,605,465
Capital leases	<u>605,607</u>	100.00%	<u>605,607</u>
Total direct debt	<u>23,292,134</u>		<u>23,292,134</u>
Overlapping debt:			
Warrensville Heights City	12,291,750	100.00%	12,291,750
Warrensville Heights City School District	13,860,559	55.08%	7,634,993
Orange City School District	17,444,560	0.69%	119,915
Cuyahoga County	243,900,000	0.77%	1,882,014
Regional Transit Authority (RTA)	<u>88,715,000</u>	0.77%	<u>684,555</u>
Total overlapping debt	<u>376,211,869</u>		<u>22,613,227</u>
Total direct and overlapping debt	\$ <u>399,504,003</u>		\$ <u>45,418,834</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

2015 (1)		
<u>Employer</u>	<u>Employees</u>	<u>Employment</u>
Cleveland Clinic Foundation	1,443	10.21%
Heinen's Inc.	451	3.20%
One Source Employee Management	439	3.10%
University Hospital Health System	416	2.90%
Sherwin - Williams Co.	399	2.80%
Progressive Interchange Healthcare Inc.	344	2.40%
Warrensville Heights Board of Education	268	1.90%
Physician Medical Transport	235	1.70%
GMRI/Olive Garden	195	1.40%
Henkel Corp.	179	1.2%
Total	<u>4,369</u>	<u>30.81%</u>
Total Employment within the City	<u>14,134</u>	

2006		
<u>Employer</u>	<u>Employees</u>	<u>Employment</u>
Meridia South Pointe Hospital	1,300	9.79%
Warrensville Heights Board of Education	350	2.63
Sherwin-Williams Co.	347	2.61
Heinen's, Inc.	290	2.18
Henkel Corporation	209	1.59
City of Warrensville Heights	170	1.28
Lubriquip	130	0.98
Mortgage Information Services	130	0.98
Marcus Thomas	81	0.61
United Health Homecare Service	80	0.60
Cleveland East Hotel (Marriot) LLC	75	0.56
Total	<u>3,162</u>	<u>23.81%</u>
Total Employment within the City	<u>13,283</u>	

Source: (1) City of Cleveland Central Collection Agency

# City of Warrensville Heights

## Demographic and Economic Statistics

Last Ten Years

Table 15

<u>Year</u>	<u>Population</u>	<u>Total Personal Income(4)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (2)</u>	<u>Cuyahoga County, Ohio Unemployment Rate (3)</u>	<u>Total Assessed Property Value</u>
2015	13,542 b	\$ 275,728,662	\$ 20,361 b	\$ 35,143	39.6 b	17.6% b	1416	4.0%	\$ 222,887,990
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

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Security of persons and property:										
Police and others:										
Total calls for services	19,245	15,842	15,514	14,470	14,012	15,312	15,918	15,918	15,492	13,244
Number of traffic citations issued	1,483	1,809	1,951	1,765	1,698	2,138	1,965	1,965	1,935	2,137
Number of parking citations issued	1,919	811	768	762	820	1,114	1,580	1,580	1,900	1,631
Number of criminal arrests	783	670	642	593	639	589	867	867	1,027	894
Number of accident reports completed	1,154	1,018	725	763	744	731	763	763	784	683
Part 1 offenses (major offenses)	7	568	560	554	575	546	633	633	614	535
DUI arrests	112	24	12	17	12	9	17	17	21	10
Prisoners	-	40	43	76	142	117	1,000	1,000	965	896
Prisoner meal costs \$	-	\$ -	\$ -	\$ -	\$ 149	\$ 437	\$ 15,706	\$ 15,706	\$ 29,816	\$ 18,552
Motor vehicle accidents	1,154	1,018	725	763	744	731	763	763	784	683
Property damage accidents	630	725	680	684	651	640	665	665	682	598
Fatalities from motor vehicle accidents	-	1	-	-	-	1	1	1	1	1
Gasoline costs of fleet \$	-	\$ 51,591	\$ 59,474	\$ 28,211	\$ 60,000	\$ 36,539	\$ 89,170	\$ 89,170	\$ 53,701	\$ 74,767
Community diversion program youths	15	14	16	18	21	23	40	40	25	29
Community diversion program – community service hours	425	385	478	490	470	640	728	728	806	494
Fire:										
EMS calls	2,227	2,037	1,950	1,899	1,902	1,678	1,869	1,869	1,991	1,775
Ambulance billing collections (net) \$	403,302	\$ 385,632	\$ 411,455	\$ 353,520	\$ 353,557	\$ 380,413	\$ 378,967	\$ 378,967	\$ 205,810	\$ 282,057
Fire calls	668	498	509	519	360	94	807	807	316	278
Fires with loss	3	14	12	41	23	16	46	46	37	24
Fires with losses exceeding \$10k	1	6	7	12	13	9	9	9	16	4
Fire losses \$	96,430	\$ 687,000	\$ 672,300	\$ 580,000	\$ 514,850	\$ 613,250	\$ 590,100	\$ 590,100	\$ 883,920	\$ 170,940
Fire safety inspections	211	85	83	49	192	247	257	257	265	257
Number of times mutual aid given to fire and EMS	19	27	14	4	44	44	44	44	75	72
Number of times mutual aid received for fire and EMS	56	38	18	19	90	105	12	12	12	14

(continued)

# City of Warrensville Heights

## Operating Indicators by Function/Program

### Last Ten Years

Table 16

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Basic utility services:</b>										
Refuse disposal per year (in tons)	3,051	4,070	4,051	3,987	4,708	4,209	4,450	4,450	4,862	5,912
Refuse disposal costs per year (calendar year)	\$ 161,650	\$ 153,703	\$ 189,566	\$ 147,021	\$ 164,043	\$ 163,936	\$ 169,966	\$ 169,966	\$ 231,743	\$ 236,377
Annual recycling tonnage (excluding leaf, and compost items)	75.62	88	112	107	n/a	868	777	777	733	696
Percentage of waste recycled	2.16%	2.13%	2.75%	2.61%	n/a	23.00%	15.21%	15.21%	13.57%	10.53%
<b>Transportation:</b>										
Street repair (curbs, aprons, berms, asphalt) (hours)	877	1,950	2,116	520	320	824	803	803	905	812
Guardrail repair (hours)	2	5	10	60	16	132	144	144	120	180
Paint striping (hours)	256	150	200	150	40	205	326	326	366	324
Street sweeper (hours)	317	350	400	625	112	726	805	805	841	880
Cold patch (hours)	344	620	800	725	392	824	872	872	883	808
Snow and ice removal overtime hours	3,265	1,800	1,500	2,145	2,456	-	-	-	-	-
Landscaping stump-chipper service (hours)	1,789	800	754	50	32	826	799	799	847	804
Holiday lights setup (hours)	261	200	196	86	80	88	96	96	88	76
Sign department (hours)	180	220	200	60	40	263	316	316	294	304
Number of trees planted per year	5	10	5	-	-	3	10	10	26	6
Tons of snow melting salt purchased (Nov - Mar)	4,525	7,000	7,000	5,600	4,835	4,991	7,100	7,100	5,391	3,413
Cost of salt purchased	\$ 295,216	\$ 161,313	\$ 230,388	\$ 190,512	\$ 220,444	\$ 230,055	\$ 180,461	\$ 180,461	\$ 177,783	\$ 104,967
<b>General government:</b>										
<b>Council and clerk:</b>										
Number of ordinances passed	165	139	134	188	104	114	155	155	171	178
Number of resolutions Passed	66	23	30	50	60	59	51	51	64	57

(continued)

# City of Warrensville Heights

## Operating Indicators by Function/Program

### Last Ten Years

Table 16

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Finance department:										
Number of checks/vouchers issued	2,887	2,736	2,621	2,407	2,452	2,369	3,087	3,087	3,145	3,075
Amount of checks written \$	7,076,524	\$ 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
General Fund interest earnings for fiscal year (cash basis) \$	12,3553	\$ 6,639	\$ 7,878	\$ 8,476	\$ 7,054	\$ 1,742	\$ 40,625	\$ 40,625	\$ 156,973	\$ 173,560
Number of receipts issued	4,795	3,869	3,427	3,502	3,300	3,466	3,267	3,267	3,806	4,098
Number of budget adjustments issued	6	6	50	30	16	61	10	10	82	162
Agency ratings - Moody's financial services	A-1	A-1	A-1	A-1	A-1	A-1	A-3	A-3	A-3	A-3
Health insurance costs vs. general fund expenditures (cash basis)	10.09%	9.10%	9.40%	8.56%	8.61%	11.70%	9.74%	9.74%	10.80%	9.71%
General Fund receipts (cash basis) \$	19,584,225	\$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
General Fund expenditures (cash basis) \$	18,480,253	\$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
General Fund cash balances \$	5,396,290	\$ 4,291,087	\$ 3,089,881	\$ 2,911,044	\$ 1,739,885	\$ 786,116	\$ -	\$ -	\$ 259,541	\$ 694,777
Building department indicators:										
Construction permits issued	932	667	282	609	647	631	631	631	213	820
Estimated value of construction \$	25,462,710	\$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
Number of plumbing and electrical permits issued	301	126	243	206	193	202	258	258	693	601
Amount of revenue generated from permits \$	593,877	\$ 613,841	\$ 427,684	\$ 222,617	\$ 422,070	\$ 186,986	\$ 237,736	\$ 237,736	\$ 313,340	\$ 238,583
Number of contract registrations issued	259	255	282	249	408	346	354	354	700	454
Number of rental inspections performed	2,018	1,206	718	662	572	833	544	544	414	662
Number of point of sale inspections	203	102	717	662	1,831	1,234	192	192	403	600

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
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	33	29	29	29	29	32	36	32	32	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	11	12	12	12
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	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	40	37	37	40	40	39	39	37
Streets (miles)	52	52	52	52	52	52	52	52	52	52
General government:										
Square footage occupied	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515
Administrative vehicles	-	-	-	-	1	1	1	1	1	1
Inspection vehicles	7	7	7	7	7	7	7	7	7	6

Source: City's capital asset records

# City of Warrensville Heights, Ohio

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

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Security of persons and property:										
Police	31.00	29.00	33.00	33.00	33.00	33.00	36.00	36.00	36.00	36.00
Police – auxiliary/guards	3.50	3.50	3.50	3.50	4.50	3.50	3.50	3.50	3.50	4.00
Police – dispatchers/office/other	8.00	8.00	8.00	9.00	9.00	10.00	11.00	11.00	11.00	11.00
Police – jailers	1.50	0.50	0.50	0.50	0.50	0.50	0.50	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	28.00	27.00	29.00	31.00	32.00	28.00	35.00	35.00	35.00	35.00
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	5.00	5.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Community liaison	0.50	0.50	-	-	-	-	-	0.50	0.50	1.00
Community development:										
Building	8.50	8.50	8.50	8.50	8.50	10.00	10.00	10.00	10.00	9.00
Economic development	1.00	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00	1.00
Transportation:										
Service	28.00	28.00	28.00	28.00	27.00	30.00	38.00	41.00	41.00	39.00
General government:										
Council	8.00	8.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00
Executive administration	5.50	4.00	4.00	5.00	4.00	4.00	5.00	5.00	5.00	5.00
Finance	5.00	5.00	4.00	5.00	4.00	5.00	6.00	6.00	6.00	6.00
Municipal income tax	0.50	0.50	0.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Legal	1.50	1.50	1.00	1.00	1.50	1.50	1.50	1.00	1.00	1.50
Human resources	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	1.00
Planning	2.00	2.00	2.00	2.50	2.50	2.00	2.00	2.00	2.00	2.00
Civil service	1.50	1.50	1.50	1.50	1.50	2.00	1.50	1.50	1.50	1.50
Community activities	1.00	1.00	1.00	1.00	-	-	-	-	-	-
Totals	<u>143.00</u>	<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>

**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  
OCTOBER 11, 2016**