

CITY OF MAPLE HEIGHTS, OHIO

AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2005



**Auditor of State
Betty Montgomery**

Honorable Mayor and Members of City Council
City of Maple Heights
City Hall
5353 Lee Road
Maple Heights, Ohio 44137

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

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

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

November 8, 2006

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CITY OF MAPLE HEIGHTS, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2005

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

*Certified Public Accountants
5240 East 98th 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***

Honorable Mayor, Finance Director,
and Members of City Council
City of Maple Heights, Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, (the City) as of and for the year ended December 31, 2005, which collectively comprise the City of Maple Heights, Ohio's basic financial statements and have issued our report thereon dated June 28, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Maple Heights, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that we have reported to the management of the City in a separate letter dated June 28, 2006.

Compliance and Other Matters

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

We noted certain matters that we reported to the management of City of Maple Heights, Ohio, in a separate letter dated June 28, 2006.

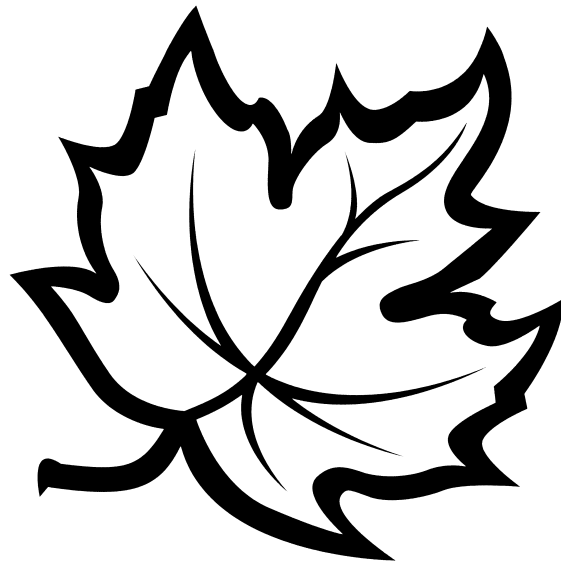
This report is intended solely for the information and use of management and members of City Council, and is not intended to be and should not be used by anyone other than these specified parties.

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

June 28, 2006

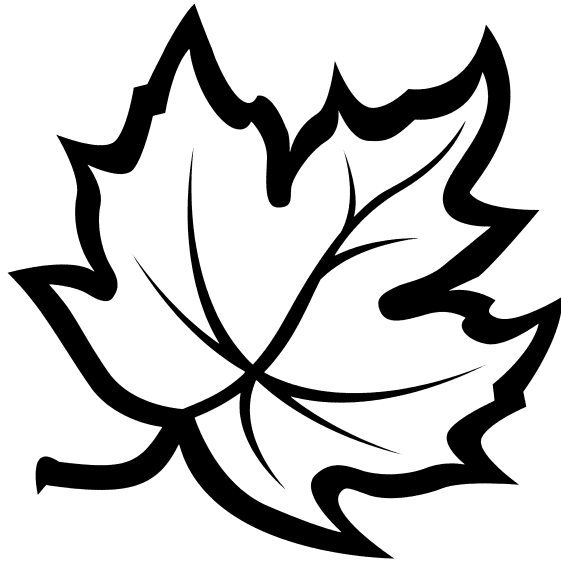
Comprehensive Annual Financial Report

**For The Fiscal Year Ended
December 31, 2005**



**The City of
Maple Heights, Ohio**

INTRODUCTORY SECTION



CITY OF MAPLE HEIGHTS, OHIO



**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2005

PREPARED BY THE DEPARTMENT OF FINANCE

PATRICIA BOROKHOVICH, DIRECTOR

PETER W. METROPULOS, ASSISTANT DIRECTOR

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

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MICHAEL G. CIARAVINO
MAYOR



CITY HALL
5353 LEE ROAD
MAPLE HEIGHTS, OHIO 44137
(216) 662-6000
FAX (216) 662-2880

June 28, 2006

HONORABLE MAYOR MICHAEL G. CIARAVINO,
MEMBERS OF CITY COUNCIL
AND CITIZENS OF THE CITY OF MAPLE HEIGHTS, OHIO

We are pleased to submit the Comprehensive Annual Financial Report of the City of Maple Heights, Ohio for the year ended December 31, 2005. We believe this report, prepared by the Department of Finance, presents comprehensive financial and operating information about the City's activities during 2005 that should be useful to citizens and taxpayers. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and the results of operations of the City; and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial activity have been included. The City's financial statements have been audited by James G. Zupka, CPA, Inc., a firm of licensed certified public accountants.

The financial section begins with the Independent Auditor's Report and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the financial statements.

PROFILE OF THE GOVERNMENT

The City of Maple Heights is located in Cuyahoga County in Northeastern Ohio, immediately southeast of the City of Cleveland. The City was incorporated as a village in 1915 and become a city in 1932. It is in the former Cleveland Standard Metropolitan Statistical Area (SMSA) which in 1990 was the 19th largest SMSA of 323 in the United States.

The City operates under and is governed by its Charter, first adopted by the voters in 1931 and which has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. The Charter provides for a Mayor-Council form of government.

Legislative authority is vested in an eight-member Council. The President of Council is elected at-large, and seven members are elected from districts, all for two-year terms. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. 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 specifically to that office for a four-year term. The Mayor is also the Safety Director and presides over the Mayor's Court.

The Mayor appoints, subject to the approval of Council, the directors of the City's departments, including the Director of Finance. The Mayor also appoints members to a number of boards and commissions and appoints and removes, in accordance with applicable civil service requirements, most appointed officers and employees. The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of all members of the Council. The present term of the Council members expires on December 6, 2007. The present term of the Mayor expires on December 4, 2007. All elected officials, except the Mayor, serve part-time.

The City of Maple Heights primary government consists of all funds and departments, which are not legally separate from the City. They include a police force, a fire fighting and emergency medical transport force, a service department, a building department, a recreation department, a public transit department, a human services department, and a staff to provide essential support to these providers.

ECONOMIC CONDITIONS AND OUTLOOK

The City has a long history of managing its finances in a prudent manner. It has done so despite the significant challenges involved in managing a mature, primarily residential community with a changing local economy and transitional workforce.

The City's elected and appointed officials considered many factors when setting the fiscal year 2005 budget. With the continued uncertainty surrounding the local economy, the City considered the impact on two primary revenue sources: income tax revenue and state shared revenue. The income tax continues to be the largest revenue source for the City. The City projects that both the income tax revenue and the state shared revenues for 2006 will be essentially flat when compared with 2005. In 2005, the City's full-time workforce was reduced by six employees. For 2006, it is anticipated that without significant revenue infusions, additional employee reductions may occur.

The City has initiated a variety of programs to assist property owners in improving their properties. All of these programs and improvements have been implemented to the extent possible by leveraging local City funds with available State and Federal funds. For example, the City has created a tool lending program, a senior assistance program which includes free driveway snow plowing, and a federally funded home exterior maintenance program, which offers grants to homeowners to correct housing violations through linkages with the Cuyahoga County Department of Development (CDBG). Numerous Community Development projects were in progress in 2005.

The City began operating the Maple Heights Transit System in 1935. In 1975 the City contracted with the Greater Cleveland Regional Transit Authority (GCRTA) (which provides public transportation services throughout the County), establishing a uniform fare structure and mutual transfer privileges as part of an effort to coordinate transit service within the County. The Authority reimburses the City for costs of transportation services provided and furnishes some equipment as required. In 1999, the City renegotiated a new five-year operating agreement with GCRTA that expires on December 31, 2004. During 2004, the City and GCRTA reached an agreement for an extension of the current agreement to March 31, 2005, at which time GCRTA acquired the Maple Heights Transit System in a settlement agreement with the City.

RELEVANT FINANCIAL POLICIES

In 2005, the City continued to participate in the Northern Ohio Risk Management Association (NORMA) municipal insurance pool. Originally formed in 1987, this pool is currently comprised of eleven member cities that pool resources for the purpose of gaining maximum general liability, property and casualty coverages at the least possible cost. Losses are paid in a three step process. Each member city has an individual self insurance limit (currently \$2,500). The overall pool has a retention limit (currently \$147,500) and various insurance coverages protect members of the pool to a maximum of up to \$11 million. In addition, the pool has implemented risk control techniques to minimize potential losses to member cities.

The State of Ohio provides worker's compensation coverage. The City pays the State Workers' Compensation System a premium based on a rate per \$100 Salaries. This rate is calculated based on accident history and administrative costs. The City continues to carry health, dental and eye insurance through Qualchoice, Guardian, and Spectera respectively.

AWARDS

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 Maple Heights, Ohio for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2004. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting and is awarded to governmental entities who publish an easily readable and efficiently organized CAFR. The report must conform to program standards established by the GFOA. These standards included generally accepted accounting principles and all applicable legal standards. The Certificate is valid for a one year period. The City of Maple Heights has received a Certificate of Achievement for the last 20 consecutive years (fiscal years ended 1985-2004). We believe the current report continues to conform to the Certificate of Achievement requirements, and we are submitting it to the GFOA to determine its eligibility for a succeeding certificate.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated service of the entire staff of the Finance Department. We would like to express our appreciation to all staff members who have assisted and contributed to its preparation. We would also like to thank Mayor Michael G. Ciaravino, his cabinet and the members of City Council, for without their continued support, the Department of Finance could not have maintained the financial management practices required to ensure the financial integrity of the City. In addition, we thank the independent public accounting firm of James G. Zupka, C.P.A., Inc. for their efforts and professional conduct throughout the audit engagement.

Sincerely,



Patricia Borokhovich
Director of Finance



Peter W. Metropulos
Assistant Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Maple Heights,
Ohio

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

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



Carla E. Perry

President

Jeffrey R. Enos

Executive Director

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

ELECTED OFFICIALS

Mayor	Michael G. Ciaravino
Council President	Jackie Albers
Council Member - District One	Paul O. Priebe III
Council Member - District Two	Fortunato Spadaro
Council Member - District Three	George J. Hasenohrl III
Council Member - District Four	Freddie Jackson
Council Member - District Five	Gaius Vaduva
Council Member - District Six	Patricia Houston
Council Member - District Seven	Neomia Mitchell

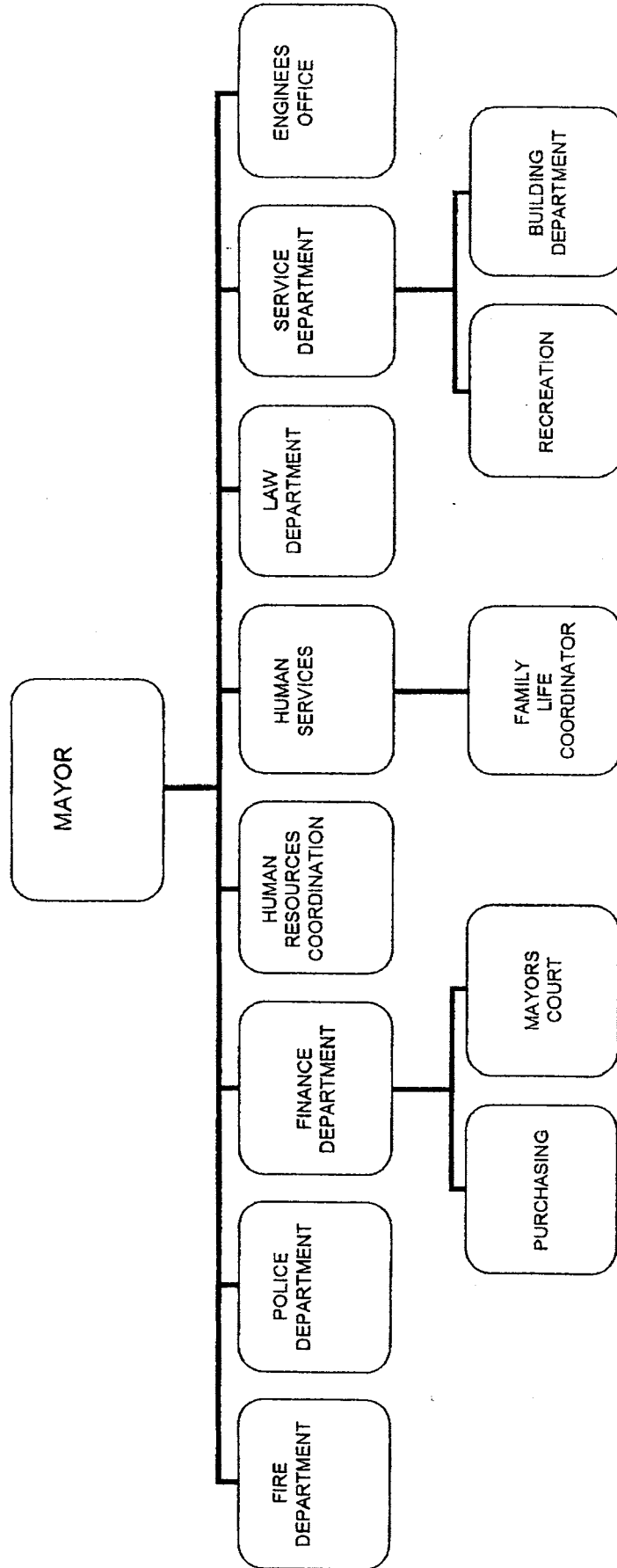
Appointed Officials

Building Commissioner	Robert Apanasewicz
Chief of Fire	James Castelucci
Chief of Police	Richard Maracz
Director of Service	Lynn Rogers
Director of Finance	Patricia Borokhovich*
Clerk of Council	Katherine M. Unger
Director of Law	Timothy Toma
Manager of Development	Gerald Trafis
Interim City Engineer	Kenneth Tyrpak
Assistant Director of Finance	Peter W. Metropulos**
Director of Human Services	Linda Vopat

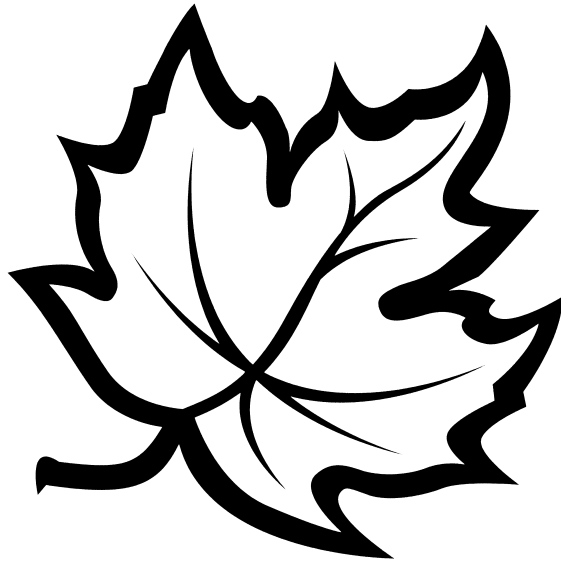
* In April 2006, Keith D. Schuster, Director of Finance during the reporting period, retired from the position of the City's Director of Finance and the City welcomed Patricia Borokhovich as its new Director of Finance. Mr. Schuster was not available at the time this document was published.

** In January, 2006 Gary Vargo retired and was replaced by Peter W. Metropulos as Assistant Director of Finance.

CITY OF MAPLE HEIGHTS GOVERNMENT DIVISIONS



FINANCIAL SECTION



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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
and Members of City Council
City of Maple Heights, Ohio

The Honorable Betty Montgomery
Auditor of State
State of Ohio

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

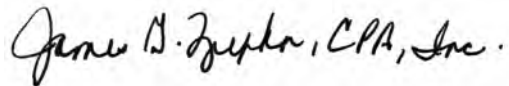
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of December 31, 2005, and the respective changes in financial position and cash flows, thereof, and the respective budgetary comparison for the general fund and the Municipal Income Tax major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2006 on our consideration of the City of Maple Heights, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3 through 12 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Maple Heights, Ohio 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. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical sections to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.



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

June 28, 2006

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

As management of the City of Maple Heights, Ohio, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2005. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the City's financial statements, which follow this section.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2005 by \$38,097,410. Of this amount, \$406,343 is considered unrestricted. The unrestricted net assets of the City's business type activities are \$564,859 and may be used to meet the on-going obligations of the City's solid waste collection, public transit and advertising business-type activities.
- The City's total net assets increased \$2,814,380 in 2005. Net assets of the governmental activities increased \$2,684,579 which represents a 7.71 percent increase from 2004. However, unrestricted net assets of the governmental activities decreased by \$2,613,604 from 2004. Net assets of the business-type activities increased \$129,801 which represents a 26.88 increase from 2004.
- The total cost of the City's governmental activities in 2005 was \$18,434,516. The total cost of the City's business-type activities was \$1,675,060 in 2005.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$4,032,250. Approximately \$3,640,426 of the \$4,032,250 fund balance is considered unreserved at December 31, 2005.
- The general fund reported a fund balance of \$685,307 at the end of the current fiscal year. The unreserved fund balance for the general fund was \$363,342.

Overview of the Financial Statements

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

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include general government, public service, public safety, development, human services and parks and recreation. The business-type activities of the City include three enterprise activities: a solid waste disposal system, a public transit system and an advertising banner activity.

The government-wide financial statements can be found on pages 13 and 14 of this report.

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

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

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

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

The City maintains 30 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the bond retirement fund, the municipal income tax fund and the Northfield Road improvement fund, all of which considered to be major funds. Data from the other 26 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements begin on page 15 of this report.

Proprietary Funds. The City maintains one type of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its solid waste collection, public transit, and advertising banner. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the waste disposal, public transit, and advertising banner. The solid waste collection, public transit, and advertising banner enterprise funds are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 21 through 24 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 60 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget. The City adopts an annual appropriation budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. Required supplementary information can be found beginning on page 83 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 61 through 82 of this report.

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

Table 1 - Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
<u>Assets</u>						
Current and Other Assets	\$15,374,574	\$17,065,003	\$ 1,129,032	\$ 1,094,689	\$16,503,606	\$18,159,692
Capital Assets	<u>44,507,796</u>	<u>42,466,688</u>	<u>47,811</u>	<u>62,066</u>	<u>44,555,607</u>	<u>42,528,754</u>
Total Assets	<u>59,882,370</u>	<u>59,531,691</u>	<u>1,176,843</u>	<u>1,156,755</u>	<u>61,059,213</u>	<u>60,688,446</u>
<u>Liabilities</u>						
Long-Term Liabilities	14,797,363	15,734,190	4,004	278,544	14,801,367	16,012,734
Other Liabilities	<u>7,600,267</u>	<u>8,997,340</u>	<u>560,169</u>	<u>395,342</u>	<u>8,160,436</u>	<u>9,392,682</u>
Total Liabilities	<u>22,397,630</u>	<u>24,731,530</u>	<u>564,173</u>	<u>673,886</u>	<u>22,961,803</u>	<u>25,405,416</u>
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	32,397,260	30,051,673	47,811	62,066	32,445,071	30,113,739
Restricted	5,245,996	2,293,400	0	0	5,245,996	2,293,400
Unrestricted (Deficit)	<u>(158,516)</u>	<u>2,455,088</u>	<u>564,859</u>	<u>420,803</u>	<u>406,343</u>	<u>2,875,891</u>
Total Net Assets	<u>\$37,484,740</u>	<u>\$34,800,161</u>	<u>\$ 612,670</u>	<u>\$ 482,869</u>	<u>\$38,097,410</u>	<u>\$35,283,030</u>

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's assets exceeded liabilities by \$ 38,297,282 at the close of the most recent fiscal year.

The largest portion of the City's net assets reflects its investments in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that are still standing. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets reflects resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net assets may be used to meet the government's on-going obligations to citizens and creditors. It is important to note that, although the total unrestricted net assets is \$406,343, the net assets of the City's business-type activities \$564,859 may not be used to fund governmental activities.

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets for the government as a whole. Overall, net assets of the City increased \$2,814,380 in 2005. Net assets for governmental activities increased \$2,684,579, while net assets for business-type activities increased \$129,801. There was an increase of \$2,952,596 in restricted net assets reported in connection with the City's governmental activities. There was also an increase of \$2,345,587 in the amount invested in capital assets, net of related debt, for governmental activities. However, there was a decrease of \$2,613,604 in unrestricted net assets for governmental activities. The City is currently in the process of reviewing its operating budget to reduce expenses for 2006.

Table 2 shows the changes in net assets for the fiscal years ended December 31, 2005 and 2004.

Table 2 - Changes in Net Assets

	Governmental Activities 2005	Governmental Activities 2004	Business-Type Activities 2005	Business-Type Activities 2004	Total 2005	Total 2004
Revenues						
Program Revenues						
Charges for Services	\$ 2,902,159	\$3,175,437	\$1,908,241	\$ 4,070,876	\$ 4,810,400	\$ 7,246,313
Operating Grants and Contributions	909,240	1,044,056	0	0	909,240	1,044,056
Capital Grants and Contributions	1,690,516	2,253,227	0	0	1,690,516	2,253,227
General Revenues						
Property Taxes	5,653,161	5,831,733	0	0	5,653,161	5,831,733
Income Taxes	6,137,997	6,978,664	0	0	6,137,997	6,978,664
Grants and Entitlements	3,531,102	3,401,322	0	0	3,531,102	3,401,322
Other	178,143	71,340	13,397	7,135	191,540	78,475
Total Program Revenues	<u>21,002,318</u>	<u>22,755,779</u>	<u>1,921,638</u>	<u>4,078,011</u>	<u>22,923,956</u>	<u>26,833,790</u>
Expenses						
General Government	3,268,069	3,646,940	0	0	3,268,069	3,646,940
Security of Persons and Property	11,088,933	10,725,464	0	0	11,088,933	10,725,464
Public Health	87,623	81,084	0	0	87,623	81,084
Transportation	901,221	3,800,237	0	0	901,221	3,800,237
Community Development	438,239	618,620	0	0	438,239	618,620
Public Works	1,411,277	1,555,745	0	0	1,411,277	1,555,745
Leisure Time Activities	816,787	1,374,206	0	0	816,787	1,374,206
Interest and Fiscal Charges	422,367	438,531	0	0	422,367	438,531
Solid Waste Collection	0	0	1,090,518	1,070,794	1,090,518	1,070,794
Maple Heights Transit	0	0	584,542	2,980,237	584,542	2,980,237
Total Program Expenses	<u>18,434,516</u>	<u>22,240,827</u>	<u>1,675,060</u>	<u>4,051,031</u>	<u>20,109,576</u>	<u>26,291,858</u>
Increase (Decrease) in Net Assets Before Transfers	2,567,802	514,952	246,578	26,980	2,814,380	541,932
Transfers	116,777	25,000	(116,777)	(25,000)	0	0
Increase (Decrease) in Net Assets	<u>\$2,684,579</u>	<u>\$ 539,952</u>	<u>\$ 129,801</u>	<u>\$ 1,980</u>	<u>\$2,814,380</u>	<u>\$ 541,932</u>

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

Governmental Activities

Governmental activities increased the City's net assets by \$2,684,579. The increase in net assets was attributable to a significant reduction in related expenses in 2005 as further discussed below. Several types of revenue fund our governmental activities, with the City income tax being the largest contributor. The income tax rate was 2 percent for 2005. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a municipality that has an income tax, the City provides 80 percent credit up to 2 percent for those who pay income tax to another city.

The income tax revenue for 2005 was \$6,137,997. Of the \$21,002,318 in total revenues, income tax accounts for 29.23 per cent of that total. Property taxes of \$5,653,161 account for 26.92 percent of total revenues, and operating grants, capital grants and contributions, general revenues from grants and entitlements account for 29.19 percent of total revenues, and charges for services, and other revenue make up the remaining 14.66 percent.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its sources of revenues very closely for fluctuation, especially income tax.

Expenses decreased by approximately \$3.8 million from 2004 which was mainly attributed to the decrease in the transportation function. The City expended less in major and minor resurfacing of roads in 2005. The largest program function for the City relates to security of persons and property. In 2005, 60.15 percent of program expenses for governmental activities were for the security of persons and property, which includes police, fire, jail, auxiliary police, school guards and safety dispatch. The next largest function were expenses for general government for 17.73 percent. Public works which accounted for 7.66 percent of the expenses in 2005 and 6.81 percent of the expenses were spent on culture and recreation.

Business-type Activities

While total net assets of the City increased \$3,014,252, business-type activity net assets increased by \$129,801. Charges for services decreased \$2,162,635 over 2004. This decrease in revenues and a corresponding decrease of \$2,375,971 in expenses is attributable to the transfer of operations from Maple Heights Transit to the Greater Cleveland Regional Transit Authority. The increase in business-type activities net assets before the transfers was \$246,578. This increase is attributed to stable revenue inflows in solid waste revenue and containment of costs related to enterprise activities.

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

Financial Analysis of the Government's Funds

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

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

As of December 31, 2005, the City's governmental funds reported combined ending fund balances of \$4,032,250, a decrease of \$148,569 in comparison with the prior year. Approximately \$3,640,426 of this amount constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period and for non-current loans receivable.

The general fund is the chief operating fund of the City. At December 31, 2005, unreserved fund balance of the general fund was \$363,342, while total fund balance was \$685,307. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures (including transfers out). Unreserved fund balance represents 2.8 percent of total general fund expenditures (including transfers out), while total fund balance represents 5.2 percent of that same amount.

The fund balance of the City's general fund decreased by \$124,695 during 2005. This decrease reflects general economic conditions.

- Total revenues excluding transfers decreased by \$411,798.
- Shared revenue, which represents taxes levied by the state or counties and partially distributed to the City or other political subdivisions, decreased \$66,471 due to less monies from prisoner housing.
- Revenues from property taxes increased approximately \$36,244. This increase was the result of the assessment reevaluation that became effective with 2004 collections.
- Expenditures decreased by \$787,849. The City continued its pattern of cost containment while maintaining basic services. The primary decrease in expenditures were from the non-replacement of 12 full time positions.

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

The bond retirement fund has a total fund balance of \$398,262. The net increase in fund balance during 2005 in this fund was approximately \$16,590. The bond retirement fund is funded primarily with property tax revenue at the level necessary to meet debt service requirements.

The municipal income tax fund has a total fund balance of \$1,465,973. The decrease in fund balance during 2005 in this fund was approximately \$76,686. The decrease is attributed to loss of business within City boundaries. During 2005, municipal income tax revenues decreased by \$828,976 as a result of the state of the local economy.

The Northfield Road improvement fund has a total fund balance of \$0. Project costs are reimbursed by intergovernmental revenues; therefore, current year revenues equal current year expenditures.

Proprietary Funds. The City's proprietary funds provide the same information found in the government-wide financial statements, but in more detail.

Unrestricted net assets at the end of the year amounted to \$45,939, \$551,207, and \$15,524 for the solid waste collection, Maple Heights Transit, and advertising banner enterprises, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of fiscal year 2005, the City amended its general fund budget, but not significantly. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for Ordinance enactment on the change. The City does allow small interdepartmental budget changes that modify line items within departments within the same fund, "Other". The general fund supports many of our major activities including the Police Department, the Fire Department, the Municipal Court, and most legislative and executive activities. The general fund is monitoring closely, looking for possible revenue shortfalls or overspending by individual departments.

For the general fund, original budgeted revenues were \$7,360,877. The final budgeted amount was \$7,323,029. The City's ending unencumbered cash balance in the general fund was \$353,425 above the final budgeted amount.

The difference between the general fund's original budget and the final amended budget were minor. The final amended budgeted revenues were \$7,323,029. The actual revenues were \$7,466,119, a difference of \$143,090 attributed to minor increases in property tax collection and grants. The final amended budgeted appropriations were \$12,718,200. The actual expenditures were \$12,301,611, a difference of \$416,589. This is contributed to reduction in full-time employees.

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for governmental and business-type activities as of December 31, 2005, amounts to \$44,555,607 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, equipment, roads, traffic signals, sidewalks, and storm sewers. The total increase in the City's investment in a capital asset for 2005 was \$2,026,853 over 2004.

Table 3 - Capital Assets, Net of Depreciation

	Governmental Activities 2005	Governmental Activities 2004	Business-Type Activities 2005	Business-Type Activities 2004	Total 2005	Total 2004
Land	\$ 180,871	\$ 180,871	\$ 0	\$ 0	\$ 180,871	\$ 180,871
Buildings	2,800,669	2,528,178	0	0	2,800,669	2,528,178
Equipment	516,295	338,732	18,383	22,270	534,678	361,002
Vehicles	2,309,664	2,593,205	29,428	39,796	2,339,092	2,633,001
Infrastructure:						
Roads	17,176,918	14,872,757	0	0	17,176,918	14,872,757
Traffic Signals	2,202,985	2,347,770	0	0	2,202,985	2,347,770
Sidewalks	998,885	1,031,530	0	0	998,885	1,031,530
Storm Sewers	18,321,509	18,573,645	0	0	18,321,509	18,573,645
Total	<u>\$44,507,796</u>	<u>\$42,466,688</u>	<u>\$ 47,811</u>	<u>\$ 62,066</u>	<u>\$44,555,607</u>	<u>\$42,528,754</u>

Additional information on the City's capital assets can be found in Note 10 of the financial statements.

Long-Term Debt. As of December 31, 2005, the City had \$12,110,536 in bonds, notes, and loans outstanding with \$1,029,093 due within one year.

Table 4 - General Obligation and Revenue Bonds Outstanding

	<u>Governmental Activities</u>	
	<u>2005</u>	<u>2004</u>
General Obligation Bonds and Capital Leases	\$ 8,798,413	\$ 9,704,589
OWDA Loans	2,125,551	2,283,492
OPWC Loans	<u>1,186,572</u>	<u>1,058,147</u>
Total	<u>\$12,110,536</u>	<u>\$13,046,228</u>

The City's general obligation bonds rating by Moody's Investor Services, Inc. is "A2".

**CITY OF MAPLE HEIGHTS, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
UNAUDITED**

The General Obligation Bonds are composed of 1998 Capital Purpose and Refunding 2000 Capital Purpose Bonds and 2004 Various Purpose Bonds. The OWDA and OPWC loans were reported in the special revenue fund and some costs will be paid from revenues collected from storm sewer charges. The OPWC loan for the Northfield Road improvement is pending upon completion of the project in 2006. As of December 31, 2005, only \$199,872 of the original projected loan of \$360,000 has been received by the City.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5% of total assessed valuation. The City's net legal debt margin within the 10.5% limit was \$36,147,214 on December 31, 2005.

Additional information regarding the City's long-term debt can be found in notes 15, 16 & 17 of the financial statements.

Economic Factors and Next Year's General Fund Budget

The City's elected and appointed officials considered many factors when setting the fiscal year 2005 budget. With the continued uncertainty surrounding the local economy, the City considered the impact on two primary revenue sources: income tax revenue and state shared revenue. The income tax continues to be the largest revenue source for the City. The City projects that both the income tax revenue and the state shared revenues for 2006 will essentially be flat when compared with 2005. In 2005, the City's full time workforce was reduced by six employees. For 2006, it is anticipated that without significant revenue infusions, additional employee reductions will occur.

Contacting the City's Finance Department

This financial report is designed to provide citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions, about this report or need financial information contact the Director of Finance at the City of Maple Heights, 5353 Lee Road, Maple Heights, Ohio 44137, telephone 216-662-6000, or email to maplefinance@core.com.

CITY OF MAPLE HEIGHTS, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2005

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<u>Assets</u>			
Equity in Pooled Cash and Investments	\$ 2,351,670	\$ 600,799	\$ 2,952,469
Inventory	56,157	0	56,157
Accounts Receivable	157,146	528,233	685,379
Intergovernmental Receivable	3,358,173	0	3,358,173
Prepaid Items	78,892	0	78,892
Taxes Receivable	9,132,209	0	9,132,209
Special Assessments Receivable	150,728	0	150,728
Deferred Charges	89,599	0	89,599
Nondepreciable Capital Assets	180,871	0	180,871
Depreciable Capital Assets, Net	<u>44,326,925</u>	<u>47,811</u>	<u>44,374,736</u>
Total Assets	<u>59,882,370</u>	<u>1,176,843</u>	<u>61,059,213</u>
<u>Liabilities</u>			
Accounts Payable	469,004	83,455	552,459
Accrued Wages and Benefits	825,859	2,171	828,030
Intergovernmental Payable	449,138	23,189	472,327
Accrued Interest Payable	75,800	0	75,800
Unearned Revenue	5,702,408	451,354	6,153,762
Deferred Charges	78,058	0	78,058
Long-Term Liabilities:			
Due Within One Year	1,538,985	4,004	1,542,989
Due in More than One Year	<u>13,258,378</u>	<u>0</u>	<u>13,258,378</u>
Total Liabilities	<u>22,397,630</u>	<u>564,173</u>	<u>22,961,803</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	32,397,260	47,811	32,445,071
Restricted for:			
Capital Projects	322,717	0	322,717
Debt Service	739,811	0	739,811
Special Revenue	4,183,468	0	4,183,468
Unrestricted (Deficit)	<u>(158,516)</u>	<u>564,859</u>	<u>406,343</u>
Total Net Assets	<u>\$37,484,740</u>	<u>\$ 612,670</u>	<u>\$38,097,410</u>

See accompanying notes to the basic financial statements.

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

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services and Sales	Operating Grants, Interest, & Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Security of Persons and Property	\$ 11,088,933	\$ 995,208	\$ 0	\$ 245,829	\$ (9,847,896)	\$ 0	\$ (9,847,896)
Public Health	87,623	0	0	0	(87,623)	0	(87,623)
Leisure Time Activities	816,787	105,362	0	0	(711,425)	0	(711,425)
Community Development	438,239	646,305	0	41,247	249,313	0	249,313
Public Works	1,411,277	705,935	0	0	(705,342)	0	(705,342)
Transportation	901,221	0	909,240	1,403,440	1,411,459	0	1,411,459
General Government	3,268,069	449,349	0	0	(2,818,720)	0	(2,818,720)
Interest and Fiscal Charges	422,367	0	0	0	(422,367)	0	(422,367)
Total Governmental Activities	18,434,516	2,902,159	909,240	1,690,516	(12,932,601)	0	(12,932,601)
Business-Type Activities							
Solid Waste Collection	1,090,518	1,049,052	0	0	0	(41,466)	(41,466)
Transit	584,542	859,189	0	0	0	274,647	274,647
Total Business-Type Activities	1,675,060	1,908,241	0	0	0	233,181	233,181
Total	\$ 20,109,576	\$ 4,810,400	\$ 909,240	\$ 1,690,516	(12,932,601)	233,181	(12,699,420)
General Revenues							
Property Taxes Levied for:							
General Purposes					2,886,568	0	2,886,568
Special Revenue					1,880,219	0	1,880,219
Debt Service					886,374	0	886,374
Income Tax Levied for:							
General Purposes					6,137,997	0	6,137,997
Grants and Entitlements not Restricted to Specific Programs					3,531,102	0	3,531,102
Gain or Loss on Sale of Capital Asset					9,746	0	9,746
Investment Earnings					112,778	13,397	126,175
Miscellaneous					55,619	0	55,619
Total General Revenues					15,500,403	13,397	15,513,800
Transfers					116,777	(116,777)	0
Total General Revenues and Transfers					15,617,180	(103,380)	15,513,800
Change in Net Assets					2,684,579	129,801	2,814,380
Net Assets Beginning of Year					34,800,161	482,869	35,283,030
Net Assets End of Year					\$ 37,484,740	\$ 612,670	\$ 38,097,410

See accompanying notes to the basic financial statements.

**CITY OF MAPLE HEIGHTS, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2005**

	<u>General</u>	<u>Municipal Income Tax</u>	<u>Bond Retirement</u>	<u>Northfield Road Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Equity in Pooled Cash and Investments	\$ 68,262	\$ 86,209	\$ 398,262	\$ 0	\$ 1,798,937	\$ 2,351,670
Receivables:						
Taxes	3,255,136	2,487,485	1,035,661	0	2,353,927	9,132,209
Accounts	0	0	0	0	157,146	157,146
Special Assessment	0	0	150,728	0	0	150,728
Interfund	800,000	449,346	0	63,466	0	1,312,812
Intergovernmental	1,119,789	0	63,000	1,210,454	964,930	3,358,173
Inventory	56,157	0	0	0	0	56,157
Prepaid Items	<u>78,892</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>78,892</u>
Total Assets	<u>\$ 5,378,236</u>	<u>\$ 3,023,040</u>	<u>\$ 1,647,651</u>	<u>\$ 1,273,920</u>	<u>\$ 5,274,940</u>	<u>\$16,597,787</u>
Liabilities						
Accounts Payable	\$ 130,074	\$ 15,743	\$ 0	\$ 24,574	\$ 298,613	\$ 469,004
Accrued Wages and Benefits	382,032	0	0	0	443,827	825,859
Due to Other Governments	297,772	0	0	0	151,366	449,138
Interfund Payable	0	63,466	0	1,249,346	0	1,312,812
Deferred Revenue	<u>3,883,051</u>	<u>1,477,858</u>	<u>1,249,389</u>	<u>0</u>	<u>2,898,426</u>	<u>9,508,724</u>
Total Liabilities	<u>4,692,929</u>	<u>1,557,067</u>	<u>1,249,389</u>	<u>1,273,920</u>	<u>3,792,232</u>	<u>12,565,537</u>
Fund Balances						
Reserved for Inventory	56,157	0	0	0	0	56,157
Reserved for Prepaid Items	78,892	0	0	0	0	78,892
Reserved for Encumbrances	186,916	0	0	0	69,729	256,645
Unreserved:						
Undesignated (Deficit), Reported in:						
General Fund	363,342	0	0	0	0	363,342
Special Revenue Funds	0	1,465,973	0	0	1,090,262	2,556,235
Bond Retirement Fund	0	0	398,262	0	0	398,262
Capital Projects Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>322,717</u>	<u>322,717</u>
Total Fund Balances (Deficits)	<u>685,307</u>	<u>1,465,973</u>	<u>398,262</u>	<u>0</u>	<u>1,482,708</u>	<u>4,032,250</u>
Total Liabilities and Fund Balances	<u>\$ 5,378,236</u>	<u>\$ 3,023,040</u>	<u>\$ 1,647,651</u>	<u>\$ 1,273,920</u>	<u>\$ 5,274,940</u>	<u>\$16,597,787</u>

See accompanying notes to the basic financial statements.

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

Total Governmental Funds Balance		\$ 4,032,250
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds:		44,507,796
Other Long-Term assets are not available to pay for current- period expenditures and therefore are defined in the funds:		
Property Tax	942,316	
Income Tax	1,477,858	
Special Assessments	150,728	
Intergovernmental	<u>1,235,414</u>	
Total		3,806,316
Premium on General Obligation Bond and issuance costs reported in net assets of governmental activities and not reported in the funds:		11,541
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(8,622,480)	
OWDA Loan	(2,125,551)	
OPWC Loan	(1,186,572)	
Capital Leases	(175,933)	
Compensated Absences	(2,302,655)	
Accrued Interest Payable	(75,800)	
Police and Fire Pension Liability	<u>(384,172)</u>	
Total		<u>(14,873,163)</u>
Net Assets of Governmental Activities		<u>\$ 37,484,740</u>

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

	General	Municipal Income Tax	Bond Retirement	Northfield Road Improvement	Other Governmental Funds	Total Governmental Funds
Revenues						
Municipal Income Taxes	\$ 0	\$ 6,101,707	\$ 0	\$ 0	\$ 0	\$ 6,101,707
Property Taxes	2,855,164	0	913,653	0	2,054,996	5,823,813
Intergovernmental Revenue	2,945,496	0	129,163	1,271,828	1,543,414	5,889,901
Special Assessments	0	0	4,660	0	0	4,660
Charges for Services	127,735	0	0	0	1,138,627	1,266,362
Fees, Licenses, Permits	1,183,696	0	0	0	464,657	1,648,353
Interest Income	44,665	0	19,902	0	41,336	105,903
Miscellaneous	250,566	0	0	0	110,596	361,162
Total Revenue	<u>7,407,322</u>	<u>6,101,707</u>	<u>1,067,378</u>	<u>1,271,828</u>	<u>5,353,626</u>	<u>21,201,861</u>
Expenditures						
Security of Persons and Property	7,467,019	0	0	0	3,096,285	10,563,304
Public Health	87,623	0	0	0	0	87,623
Leisure Time Activities	773,595	0	0	0	52,893	826,488
Community Development	378,014	0	0	0	81,497	459,511
Public Works	1,069,379	0	0	0	79,967	1,149,346
Transportation	0	0	0	164,252	1,277,107	1,441,359
General Government	2,486,133	163,393	32,012	0	450,149	3,131,687
Capital Outlay	0	0	0	1,307,448	1,125,782	2,433,230
Debt Service:						
Principal Retirement	0	0	857,044	0	284,950	1,141,994
Interest and Fiscal Charges	0	0	331,344	0	94,244	425,588
Total Expenditures	<u>12,261,763</u>	<u>163,393</u>	<u>1,220,400</u>	<u>1,471,700</u>	<u>6,542,874</u>	<u>21,660,130</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,854,441)</u>	<u>5,938,314</u>	<u>(153,022)</u>	<u>(199,872)</u>	<u>(1,189,248)</u>	<u>(458,269)</u>
Other Financing Sources (Uses)						
Sales of Capital Assets	9,746	0	0	0	0	9,746
Proceeds from OPWC Loan	0	0	0	199,872	0	199,872
Transfers In	5,625,000	0	169,612	0	1,944,039	7,738,651
Transfers Out	(905,000)	(6,015,000)	0	0	(701,874)	(7,621,874)
Total Other Financing Sources (Uses)	<u>4,729,746</u>	<u>(6,015,000)</u>	<u>169,612</u>	<u>199,872</u>	<u>1,242,165</u>	<u>326,395</u>
Net Change in Fund Balances	(124,695)	(76,686)	16,590	0	52,917	(131,874)
Fund Balance (Deficits) Beginning of Year	826,697	1,542,659	381,672	0	1,429,791	4,180,819
Increase (Decrease) in Reserve for Inventory	(16,695)	0	0	0	0	(16,695)
Fund Balances (Deficits) End of Year	<u>\$ 685,307</u>	<u>\$ 1,465,973</u>	<u>\$ 398,262</u>	<u>\$ 0</u>	<u>\$ 1,482,708</u>	<u>\$ 4,032,250</u>

See accompanying notes to the basic financial statements.

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

Net change in Fund Balances - Total Governmental Funds (131,874)

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

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

Capital Asset Additions	3,594,302	
Current Year Depreciation	<u>(1,553,194)</u>	
Total		2,041,108

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

Delinquent Property Tax	(170,654)	
Intergovernmental	(64,643)	
Income Tax	36,291	
Special Assessments	<u>47,173</u>	
Total		(151,833)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. (199,872)

Repayment of bond, loan, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,135,564

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds an interest expenditure is reported when due. 7,931

Premiums on bonds issued and issuance costs are recognized in the governmental funds. However, they are amortized over the life of the issuance in the Statement of Activities. (888)

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

Compensated Absences	(5,292)	
Police and Fire Pension	6,430	
Change in Inventory	<u>(16,695)</u>	
Total		<u>(15,557)</u>

Change in Net Assets of Governmental Activities \$ 2,684,579

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 2,780,715	\$ 2,780,715	\$ 2,855,164	\$ 74,449
Intergovernmental	2,810,012	2,772,164	2,992,674	220,510
Charges for Services	129,600	129,600	127,735	(1,865)
Fees, Licenses, and Permits	656,050	656,050	646,306	(9,744)
Fines and Forfeitures	728,500	728,500	537,390	(191,110)
Interest Income	40,000	40,000	56,284	16,284
Miscellaneous	216,000	216,000	250,566	34,566
Total Revenues	<u>7,360,877</u>	<u>7,323,029</u>	<u>7,466,119</u>	<u>143,090</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property	7,611,926	7,651,926	7,493,771	158,155
Leisure Time Activities	706,200	822,059	805,977	16,082
Community Development	427,329	418,219	393,149	25,070
Public Works	1,176,740	1,096,456	1,076,839	19,617
General Government	2,662,917	2,641,917	2,444,252	197,665
Public Health	87,623	87,623	87,623	0
Total Expenditures	<u>12,672,735</u>	<u>12,718,200</u>	<u>12,301,611</u>	<u>416,589</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(5,311,858)</u>	<u>(5,395,171)</u>	<u>(4,835,492)</u>	<u>559,679</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds From Sale of Capital Assets	3,000	3,000	9,746	6,746
Transfers In	5,855,000	5,855,000	5,625,000	(230,000)
Transfers Out	(965,000)	(922,000)	(905,000)	17,000
Total Other Financing Sources (Uses)	<u>4,893,000</u>	<u>4,936,000</u>	<u>4,729,746</u>	<u>(206,254)</u>
Net Change in Fund Balance	(418,858)	(459,171)	(105,746)	353,425
Decertification of Prior Year Encumbrances	0	0	14,985	14,985
Fund Balance at Beginning of Year	<u>755,511</u>	<u>755,511</u>	<u>755,511</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 336,653</u>	<u>\$ 296,340</u>	<u>\$ 664,750</u>	<u>\$ 368,410</u>

See accompanying notes to the basic financial statements.

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Municipal Income Taxes	<u>\$ 6,437,000</u>	<u>\$ 6,437,000</u>	<u>\$ 6,487,638</u>	<u>\$ 50,638</u>
Total Revenues	<u>6,437,000</u>	<u>6,437,000</u>	<u>6,487,638</u>	<u>50,638</u>
<u>Expenditures</u>				
Current:				
General Government:				
Other	<u>580,000</u>	<u>580,000</u>	<u>314,752</u>	<u>265,248</u>
Total Expenditures	<u>580,000</u>	<u>580,000</u>	<u>314,752</u>	<u>265,248</u>
Excess of Revenues Over (Under) Expenditures	<u>5,857,000</u>	<u>5,857,000</u>	<u>6,172,886</u>	<u>315,886</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(6,225,000)</u>	<u>(6,225,000)</u>	<u>(6,015,000)</u>	<u>210,000</u>
Total Other Financing Sources (Uses)	<u>(6,225,000)</u>	<u>(6,225,000)</u>	<u>(6,015,000)</u>	<u>210,000</u>
Net Change in Fund Balance	(368,000)	(368,000)	157,886	525,886
Fund Balance at Beginning of Year	<u>377,669</u>	<u>377,669</u>	<u>377,669</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,669</u>	<u>\$ 9,669</u>	<u>\$ 535,555</u>	<u>\$ 525,886</u>

See accompanying notes to the basic financial statements.

CITY OF MAPLE HEIGHTS, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2005

	Solid Waste Collection	Business-Type Activities		Total
		Maple Heights Transit	Recreation Banner	
<u>Assets</u>				
Current Assets				
Equity in Pooled Cash and Investments	\$ 59,190	\$ 526,085	\$ 15,524	\$ 600,799
Receivables:				
Accounts	<u>192,233</u>	<u>336,000</u>	<u>0</u>	<u>528,233</u>
Total Current Assets	<u>251,423</u>	<u>862,085</u>	<u>15,524</u>	<u>1,129,032</u>
Non-current Assets				
Depreciable Capital Assets, (Net of Accumulated Depreciation)	<u>0</u>	<u>47,811</u>	<u>0</u>	<u>47,811</u>
Total Assets	<u>\$ 251,423</u>	<u>\$ 909,896</u>	<u>\$ 15,524</u>	<u>\$ 1,176,843</u>
<u>Liabilities</u>				
Current Liabilities				
Accounts Payable	\$ 82,667	\$ 788	\$ 0	\$ 83,455
Accrued Wages and Benefits	2,171	0	0	2,171
Due to Other Governments	1,288	21,901	0	23,189
Deferred Revenue	<u>115,354</u>	<u>336,000</u>	<u>0</u>	<u>451,354</u>
Total Current Liabilities	201,480	358,689	0	560,169
Non-current Liabilities				
Accrued Compensated Absences	<u>4,004</u>	<u>0</u>	<u>0</u>	<u>4,004</u>
Total Liabilities	<u>205,484</u>	<u>358,689</u>	<u>0</u>	<u>564,173</u>
<u>Net Assets</u>				
Invested in Capital Assets	0	47,811	0	47,811
Unrestricted	<u>45,939</u>	<u>503,396</u>	<u>15,524</u>	<u>564,859</u>
Total Net Assets	<u>\$ 45,939</u>	<u>\$ 551,207</u>	<u>\$ 15,524</u>	<u>\$ 612,670</u>

See Accompanying Notes to the Basic Financial Statements

CITY OF MAPLE HEIGHTS, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	Solid Waste Collection	Business-Type Activities		Total
		Maple Heights Transit	Recreation Banner	
<u>Operating Revenues</u>				
Charges for Services	\$ 1,049,052	\$ 859,189	\$ 0	\$ 1,908,241
<u>Operating Expenses</u>				
Personnel	56,139	443,499	0	499,638
Contractual Services	1,020,181	62,645	0	1,082,826
Materials and Supplies	12,198	4,079	0	16,277
Repairs and Maintenance	2,000	5,421	0	7,421
Other	0	54,643	0	54,643
Depreciation	0	14,255	0	14,255
Total Operating Expenses	1,090,518	584,542	0	1,675,060
Operating Income (Loss)	(41,466)	274,647	0	233,181
<u>Non-Operating Revenues (Expenses)</u>				
Interest Income	1,003	12,056	338	13,397
Income (Loss) Before Operating Transfers	(40,463)	286,703	338	246,578
Transfers - In	40,000	0	0	40,000
Transfers - Out	0	(156,777)	0	(156,777)
Total Transfers	40,000	(156,777)	0	(116,777)
Net Income (Loss)	(463)	129,926	338	129,801
Net Assets at Beginning of Year	46,402	421,281	15,186	482,869
Net Assets at End of Year	\$ 45,939	\$ 551,207	\$ 15,524	\$ 612,670

See Accompanying Notes to the Basic Financial Statements

**CITY OF MAPLE HEIGHTS, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005**

	Solid Waste Collection	Business-Type Activities		Total
		Maple Heights Transit	Recreation Banner	
<i>Increase (Decrease) in Cash and Cash Equivalents</i>				
<u>Cash Flows From Operating Activities</u>				
Cash Received from Customers	\$ 1,005,122	\$ 1,089,260	\$ 0	\$ 2,094,382
Other Operating Revenue	4,153	385	0	4,538
Cash Payments to Employees for Services (55,214)	(875,463)	0		(930,677)
Cash Payments to Suppliers for Goods or Services	<u>(1,034,161)</u>	<u>(143,276)</u>	<u>0</u>	<u>(1,177,437)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(80,100)</u>	<u>70,906</u>	<u>0</u>	<u>(9,194)</u>
<u>Cash Flows From Non-Capital Financing Activities</u>				
Cash Transfers from Other Funds	40,000	0	0	40,000
Cash Transfers to Other Funds	<u>0</u>	<u>(156,777)</u>	<u>0</u>	<u>(156,777)</u>
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>40,000</u>	<u>(156,777)</u>	<u>0</u>	<u>(116,777)</u>
<u>Cash Flows From Investing Activities</u>				
Interest Earned on Investments	<u>1,329</u>	<u>14,087</u>	<u>380</u>	<u>15,796</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(38,771)	(71,784)	380	(110,175)
Cash and Cash Equivalents at Beginning of Year	<u>97,961</u>	<u>597,869</u>	<u>15,144</u>	<u>710,974</u>
Cash and Cash Equivalents at End of Year	<u>\$ 59,190</u>	<u>\$ 526,085</u>	<u>\$ 15,524</u>	<u>\$ 600,799</u>

See Accompanying Notes to the Basic Financial Statements

CITY OF MAPLE HEIGHTS, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

	Solid Waste Collection	Business-Type Activities		Total
		Maple Heights Transit	Recreation Banner	
<u>Reconciliation of Operating Income</u>				
<u>(Loss) to Net Cash From Operating</u>				
<u>Activities</u>				
Operating Income (Loss)	\$ (41,466)	\$ 274,647	\$ 0	\$ 233,181
Adjustments to Reconcile Operating				
Income (Loss) to Net Cash From				
Operating Activities:				
Depreciation	0	14,255	0	14,255
Changes in Assets and Liabilities:				
(Increase) Decrease in Receivables	(41,372)	(105,545)	0	(146,917)
Increase (Decrease) in Accounts Payable	217	(16,488)	0	(16,271)
Increase (Decrease) in Accrued Wages and Benefits	205	(111,639)	0	(111,434)
Increase (Decrease) in Accrued Compensated Absences	613	(275,153)	0	(274,540)
Increase (Decrease) in Deferred Revenue	1,596	336,000	0	337,596
Increase (Decrease) in Due to Other Governments	107	(45,171)	0	(45,064)
Total Adjustments	<u>(38,634)</u>	<u>(203,741)</u>	<u>0</u>	<u>(242,375)</u>
Net Cash Provided by (Used in)				
Operating Activities	<u>\$ (80,100)</u>	<u>\$ 70,906</u>	<u>\$ 0</u>	<u>\$ (9,194)</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MAPLE HEIGHTS, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2005**

<u>Assets</u>	<u>Agency</u>
Equity in Pooled Cash and Investments	\$ 58,009
Equity in Pooled Cash - Segregated	<u>2,200</u>
Total Assets	<u>\$ 60,209</u>
<u>Liabilities</u>	
Accounts Payable	\$ 7,869
Deposits Held and Due to Others	<u>52,340</u>
Total Liabilities	<u>\$ 60,209</u>

See Accompanying Notes to The Basic Financial Statements

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

NOTE 1: DESCRIPTION OF CITY AND REPORTING ENTITY

The City of Maple Heights (the "City") is a home rule municipal corporation, established under the laws of the State of Ohio and operated under its own charter. The current charter, which provides for a Council/Mayor form of government, was adopted in 1932. Legislative authority is vested in an eight-member Council. The President of Council is elected at-large, and seven members are elected from districts, all for two-year terms. The Mayor is elected to a four-year term.

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 of the City are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City.

The City provides various services including police and fire protection, health, parks and recreation, street maintenance, planning and zoning, sewer services, mayor's court, community development, public transit, senior adult and general administrative services. The operation of these activities is directly controlled by Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government.

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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; (4) or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. *Basis of Presentation*

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

A. ***Basis of Presentation*** (Continued)

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

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

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

Municipal Income Tax Fund The Municipal Income Tax Fund accounts for the receipt and transfer of income taxes levied by City Ordinance.

Bond Retirement Fund The Bond Retirement Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Northfield Road Improvement Fund The Northfield Road Improvement Fund accounts for monies associated with the reconstruction of Northfield Road.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

B. ***Fund Accounting*** (Continued)

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

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no internal service funds.

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

Solid Waste Collection The Solid Waste Collection Fund accounts for the operations of the refuse pick-up and hauling system provided by the City.

Maple Heights Transit Fund The Maple Heights Transit Fund accounts for the operations of the Maple Heights Transit System, (terminated May 2005).

Recreation Banner The Recreation Banner Fund accounts for revenues from sales of advertising banners at the City park.

Fiduciary Funds

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

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

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 all liabilities associated with the operation of the City are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

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

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

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 are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

D. *Basis of Accounting* (Continued)

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2005, but which were levied to finance year 2006 operations, have been recorded as unearned revenue on the statement of net assets. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

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

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

D. *Basis of Accounting* (Continued)

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, including proprietary 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 investments”.

During 2005, investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio).

Investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as non-negotiable certificates of deposit and repurchase agreements are reported at cost.

STAROhio 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, 2005.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2005 amounted to \$44,665, which includes \$22,499, assigned from other City funds. For presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash and cash equivalents. Investments with an initial maturity of more than three months are reported as investments. Cash and equivalents are displayed as “equity in pooled cash and investments” in all funds.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

F. *Inventory*

On governmental-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at a lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used. Inventory consists of expendable supplies held for consumption.

G. *Prepaid Items*

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

H. *Capital Assets*

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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	65 years
Equipment	5 to 20 years
Vehicles	5 to 15 years
Infrastructure	20 to 75 years

For 2005, infrastructure capital assets were calculated without the City's watermains. The infrastructure assets will be completed in 2006 with inclusion of this item to capital assets.

I. *Interfund Balances*

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

J. *Compensated Absences*

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

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.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

K. Accrued Liabilities and Long-term Obligations

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

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

L. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, inventory and prepaid items.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

N. *Operating Revenues and Expenses*

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

O. *Interfund Activity*

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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 and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

P. *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. Neither type occurred in 2005.

Q. *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 MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

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

R. *Budgetary Data*

All funds, except agency funds, are legally required to be budgeted and appropriated however, only governmental funds are required to be reported. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances. Council appropriations are made to personnel costs, (including benefits) other costs, capital outlay, debt service, and transfer accounts for each department. The legal level of budgetary control is at the object level (i.e. personnel costs) whereby the City maintains this control by not permitting expenditures to exceed appropriations for departments of the City without approval of City Council. Adjustments to the budget can only be made within a department and then within each category. Further legislation is needed in order to move budget authority from 'personnel costs' to 'other costs' or vice versa, or between departments.

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 budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time the final appropriations were enacted by 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 resolution for that fund that covered the entire year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

**CITY OF MAPLE HEIGHTS, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (CONTINUED)**

NOTE 3: **COMPLIANCE AND ACCOUNTABILITY**

A. Changes in Accounting Principles

For fiscal year 2005, the City has implemented GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* and Technical Bulletin No. 2004-2.

GASB Technical Bulletin No. 2004-2 addresses the amount that should be recognized as expenditure/expense and as a liability each period by employers participating in a cost-sharing, multiple-employer pension and other post-employment benefit plan (OPEB). The implementation of GASB Technical Bulletin had no effect on the financial statements of the City.

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

GASB Statement No. 42 establishes accounting and financial reporting standards for impairment of capital assets. This statement also clarifies and establishes accounting revenues for insurance recoveries.

The implementation of GASB Statement No. 40 did not have an effect on the financial statements of the City, however, additional note disclosures can be found in Note 5 Deposits and Investments. The implementation of GASB Statement No. 42 did not have an effect on the financial statements of the City.

B. Compliance and Accountability

1. *Expenditures Exceeding Appropriations*

Section 5705.41 (B), Ohio Revised Code, states no subdivision shall make any expenditure of money unless it has been appropriated. Section 5705.41 (D), Ohio Revised Code, states in part that encumbrances should be charged against proper appropriations and actual disbursements plus outstanding encumbrances should not be greater than the total appropriations. The following fund had expenditures in excess of appropriations at October 31, 2005:

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
Northfield Road Improvement Fund	\$1,920,000	\$2,254,872	\$(334,872)

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 3: **COMPLIANCE AND ACCOUNTABILITY** (Continued)

B. Compliance and Accountability (Continued)

2. *Negative Cash Fund Balance*

The following fund had a negative cash balance at year-end, contrary to Ohio Revised Code Section 5705.10.

Fund	Cash Fund Balance
Capital Project Fund:	
Northfield Road Improvements	\$(1,249,346)

3. *Fund Deficits*

The following funds had deficit fund balances/net assets at December 31, 2005:

Fund	
Special Revenue Funds:	
Police Pension	\$ 147,947
Fire Pension	\$ 167,929
Capital Projects Fund:	
Lee Road Improvement	\$ 82,510

The above deficit in the special revenue and capital project funds was created by the recognition of expenditures on the modified accrual basis which are greater than expenditures on a cash basis.

NOTE 4: **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 Basis) and Actual for the general fund and major special revenue fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 4: **BUDGETARY BASIS OF ACCOUNTING** (Continued)

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Investments are reported at cost (budget) rather than fair value (GAAP).

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

Net Change in Fund Balance

	General	Municipal Income Tax
GAAP Basis	\$ (124,695)	\$ (76,686)
Net Adjustment for Revenue Accruals	58,797	385,931
Net Adjustment for Expenditure Accruals	150,238	(151,359)
Encumbrances	(190,086)	0
Budget Basis	\$ (105,746)	\$ 157,886

NOTE 5: **DEPOSITS AND INVESTMENTS**

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

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

Inactive deposits are monies 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.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 5: **DEPOSITS AND INVESTMENTS** (Continued)

Interim monies are those monies which are not needed for immediate use but will be needed before the end of the current period of designation of depositories. Interim monies may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any Federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All Federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily;
4. Investment grade obligations of state and local governments, and public authorities;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAROhio).

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

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 5: **DEPOSITS AD INVESTMENTS** (Continued)

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

A. Cash on Hand

At December 31, 2005, the City had \$2,590 in undeposited cash on hand, which is included on the balance sheet of the City as part of "Equity in Pooled Cash and Investments".

B. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of City funds shall be required to pledge as security for repayment of all public monies.

At year-end, the carrying amount of the City's deposits was \$1,980,652, including \$2,200 held by trustees in segregated accounts and the bank balance was \$2,208,723. Of the bank balance \$341,013 was covered by Federal Depository Insurance and \$1,867,710 was uninsured and collateralized with securities held by the pledging institution's trust department, not in the City's name.

C. Investments

Investments are reported at fair value. As of December 31, 2005, the City had the following investments:

STAROhio	<u>Fair Value</u> <u>\$ 1,029,436</u>
Total Portfolio	<u>\$ 1,029,436</u>

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 5: **DEPOSITS AND INVESTMENTS** (Continued)

C. **Investments** (Continued)

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk requiring that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City's investment policy also limits security purchases to those that mature in five years unless specifically matched to a specific cash flow. To date, no investments have been purchased with a life greater than three years.

Custodial Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed.

Credit Risk is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that portfolio be diversified both by types of investment and issuer. All investments of the City are registered and carry a rating AAA by Standard & Poor's.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. On December 31, 2005, 100 percent of the City's investment allocation is in STAROhio.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 6: 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 2005 for real and public utility property taxes represents collections of the 2004 taxes. Property tax payments received during 2005 for tangible personal property (other than public utility property) are for 2005 taxes.

2005 real property taxes are levied after October 1, 2005 on the assessed value as of January 1, 2005, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2005 real property taxes are collected in and intended to finance 2006.

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. 2005 public utility property taxes which became a lien December 31, 2004, are levied after October 1, 2005, and are collected in 2006 with real property taxes.

2005 tangible personal property taxes are levied after October 1, 2004, on the value as of December 31, 2004. Collections are made in 2005. Tangible personal property assessments are 25 percent of true value for capital assets and 24 percent of true value for inventory.

The full tax rate for all City operations for the year ended December 31, 2005, was \$15.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2005 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 372,241,930
Public Utility Real	15,083,680
Tangible Personal	35,259,452
Total	\$ 422,585,062

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

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

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 6: **PROPERTY TAXES** (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Maple Heights. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2005 and for which there is an enforceable legal claim. In the general fund, the bond retirement, street lighting, police and fire pension funds and police and fire levy special revenue funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2005 operations and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectable delinquent property taxes have been recorded as revenue while the remainder of the receivables is deferred.

NOTE 7: **INCOME TAX**

The residents of the City are required to pay City income taxes on income they earn outside the City. Prior to January 1, 1990, 100 percent credit was allowed for all income taxes paid to other municipalities. Effective January 1, 1990, the credit against a person's City income tax liability for municipal income taxes paid at a rate of 2 percent on the same income to another municipal corporation was reduced from 100 percent to 75 percent. Effective January 1, 1995 the credit was increased from 75 percent to 80 percent.

Employers within the City are required to withhold income tax on employee compensation and remit this tax to an intermediary collection agency (Regional Income Tax Agency) at least quarterly. Corporations and self-employed individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually with the collection agency. The collection agency remits taxes collected to the City each month.

NOTE 8: **RECEIVABLES**

Receivables at December 31, 2005, consisted of taxes, accounts (billings for user charged services), special assessments, interest, and intergovernmental receivables. All receivables are deemed collectible in full.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 8: **RECEIVABLES** (Continued)

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Gasoline Tax	\$ 121,626
Auto Registration	87,596
Permissive Tax	10,968
Local Government	935,078
Estate Tax	41,021
Homestead and Rollback	389,728
Water Use Fees	277,964
Cigarette and Liquor Tax	5,097
Prisoner Recovery	83,518
Garfield Heights Municipal Court	2,317
Valley View Income Tax Sharing	29,461
CDBG Reimbursement	159,591
Northfield Road Reimbursement	1,210,454
Miscellaneous	3,754
 Total	 \$ 3,358,173

NOTE 9: **INTERFUND RECEIVABLES AND PAYABLES**

Interfund balances at December 31, 2005, consist of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 800,000	\$ 0
Municipal Income Tax	449,346	63,466
Northfield Road Improvement	63,466	1,249,346
 Total	 \$ 1,312,812	 \$ 1,312,812

The balance resulted from funds being requested from the Ohio Department of Transportation and a local government entity prior to year end but payment being received after year end.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 10: CAPITAL ASSETS

A summary of changes in capital assets during 2005 follows:

	<u>Balance</u> <u>12/31/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/05</u>
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 180,871	\$ 0	\$ 0	\$ 180,871
<i>Total Capital Assets Not Being Depreciated</i>	<u>180,871</u>	<u>0</u>	<u>0</u>	<u>180,871</u>
<i>Capital Assets Being Depreciated</i>				
Building	5,216,016	489,682	0	5,705,698
Equipment	458,831	235,279	0	694,110
Vehicles	4,623,305	20,868	(181,465)	4,462,708
Infrastructure:				
Roads	19,079,629	2,816,357	0	21,895,986
Traffic Signals	2,895,701	0	0	2,895,701
Sidewalks	1,305,802	0	0	1,305,802
Storm Sewers	<u>21,302,851</u>	<u>32,116</u>	<u>0</u>	<u>21,334,967</u>
<i>Total Capital Assets Being Depreciated</i>	<u>54,882,135</u>	<u>3,594,302</u>	<u>(181,465)</u>	<u>58,294,972</u>
Less Accumulated Depreciation				
Building	(2,687,838)	(217,191)	0	(2,905,029)
Equipment	(120,099)	(57,716)	0	(177,815)
Vehicles	(2,030,100)	(304,409)	181,465	(2,153,044)
Infrastructure:				
Roads	(4,206,872)	(512,196)	0	(4,719,068)
Traffic Signals	(547,931)	(144,785)	0	(692,716)
Sidewalks	(274,272)	(32,645)	0	(306,917)
Storm Sewers	<u>(2,729,206)</u>	<u>(284,252)</u>	<u>0</u>	<u>(3,013,458)</u>
<i>Total Accumulated Depreciation</i>	<u>(12,596,318)</u>	<u>(1,553,194)</u>	<u>181,465</u>	<u>(13,968,047)</u>
Total Capital Assets Being Depreciated, Net	<u>\$42,285,817</u>	<u>\$ 2,041,108</u>	<u>\$ 0</u>	<u>\$44,326,925</u>
Governmental Activities Capital Assets, Net	<u>\$42,466,688</u>	<u>\$ 2,041,108</u>	<u>\$ 0</u>	<u>\$44,507,796</u>

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 10: **CAPITAL ASSETS** (Continued)

	<u>Balance</u> <u>12/31/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/05</u>
Business-Type Activities				
<i>Capital Assets Being Depreciated</i>				
Building	\$ 225,338	\$ 0	\$ 0	\$ 225,338
Equipment	169,558	0	0	169,558
Vehicles	<u>82,264</u>	<u>0</u>	<u>(11,939)</u>	<u>70,325</u>
<i>Total Capital Assets Being Depreciated</i>	<u>477,160</u>	<u>0</u>	<u>(11,939)</u>	<u>465,221</u>
Less Accumulated Depreciation				
Building	(225,338)	0	0	(225,338)
Equipment	(147,288)	(3,887)	0	(151,175)
Vehicles	<u>(42,468)</u>	<u>(10,368)</u>	<u>11,939</u>	<u>(40,897)</u>
<i>Total Accumulated Depreciation</i>	<u>(415,094)</u>	<u>(14,255)</u>	<u>11,939</u>	<u>(417,410)</u>
Total Business-Type Activities				
Capital Assets, Net	<u>\$ 62,066</u>	<u>\$ (14,255)</u>	<u>\$ 0</u>	<u>\$ 47,811</u>

Depreciation expense was charged to governmental functions as follows:

Security of Persons and Property	\$ 441,088
Transportation	735,047
General Government	7,658
Leisure Time Activities	48,729
Basic Utility Services	<u>320,672</u>
Total	<u>\$ 1,553,194</u>

NOTE 11: **RISK MANAGEMENT**

The Northern Ohio Risk Management Association (NORMA) is jointly owned and operated by the cities of Maple Heights, Bedford Heights, Chagrin Falls, Eastlake, Highland Heights, Mayfield Heights, Richmond Heights, Solon, South Euclid and the Village of Hudson for the purpose of enabling its members to obtain the maximum exposure protection at the least possible cost. The pool has a complete package of coverage, including property, general liability, automobile liability, employee dishonesty, boiler and machinery, and other coverages, supplemented by an umbrella

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 11: **RISK MANAGEMENT** (Continued)

policy. The members formed a not-for-profit corporation known as NORMA, Inc. to administer the pool. NORMA is governed by a board of trustees that consists of one representative from each of the participating members. Each entity must commit to the Association for terms of three years.

Each member provides operating resources to NORMA based on actuarially determined rates and shares in NORMA's equity based on the City's percentage of contributions. In the event of losses, the first \$2,500 of any valid claim will be paid by the member. The next payment, up to an additional \$147,500 will be paid from the self-insurance pool. Any additional payment is made from the stop loss coverage carried by the pool. As of December 31, 2005 NORMA had an aggregate stop loss of \$750,000 per policy year. Any losses over these amounts would be the obligation of the excess insurance carriers. If the aggregate claims paid by the pool exceed the available resources, the pool may require the members to make additional supplementary payments up to a maximum of the regular annual payment. (This has not been necessary throughout the fourteen-year history of the pool.)

There were no reductions in insurance coverage from the previous year, nor have settlements exceeded insurance coverage in any of the prior three fiscal years.

<u>Type of Coverage</u>	<u>Coverage Amount</u>
Property	\$15,968,301
Automobile Liability	1,000,000
General Liability, Per Occurrence	1,000,000
General Liability, In Aggregate	5,000,000
Public Employee Dishonest Bond	50,000
Money and Securities	100,000
Fire/EMT Liability	2,000,000
Public Officials Liability	2,000,000
Umbrella Liability	2,000,000
Inland Marine	1,000,000
Law Enforcement Liability:	
Per Occurrence	1,000,000
In Aggregate	2,000,000

The City continues to carry health, dental and eye insurance through QualChoice, Guardian and Spectera respectively. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 12: DEFINED BENEFIT PENSION PLANS

A. *Ohio Public Employees Retirement System*

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6701 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2005, member and employer contribution rates were consistent across all three plans. For the year ended December 31, 2005, the members were required to contribute 8.5 percent of their annual covered salaries to fund pension obligations. The employer pension contribution rate for the City was 13.55 percent of covered payroll.

The City's required contributions to OPERS for the years ended December 31, 2005, 2004, and 2003 were \$708,445, \$948,052, and \$1,010,248 respectively; 90.15 percent has been contributed for 2005 and 100 percent for 2004 and 2003.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 12: **DEFINED BENEFIT PENSION PLANS** (Continued)

B. Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan. The OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The 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 the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 19.5 percent for police officers and 24 percent for firefighters. The City's contributions to the Fund for police and firefighters were \$561,737 and \$620,641 for the year ended December 31, 2005, \$536,487 and \$576,918 for the year ended December 31, 2004, and \$510,697 and \$553,917 for the year ended December 31, 2003. The full amount has been contributed for 2004 and 2003. 73.50 percent for police and 74.23 percent for firefighters has been contributed for 2005.

NOTE 13: **POSTEMPLOYMENT BENEFITS**

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available with both the traditional and combined plan; however, health care benefits are not statutorily guaranteed. Members of the member-directed plan do not qualify for ancillary benefits, including postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 local government employer contribution rate was 13.55 percent of covered payroll; 4.00 percent of covered payroll was the portion that was used to fund health care.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 13: POSTEMPLOYMENT BENEFITS

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

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

The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contributions for 2005 which were used to fund postemployment benefits were \$209,135. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2004, (the latest information available) were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs. Member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 13: **POSTEMPLOYMENT BENEFITS** (Continued)

B. Ohio Police and Fire Pension Fund

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

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2005 and 2004. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2005 that were used to fund postemployment benefits were \$223,255 for police and \$200,415 for fire. The OP&F's total health care expenses for the year ended December 31, 2004, (the latest information available) were \$102,173,796, which was net of member contributions of \$55,665,341. The number of OP&F participants eligible to receive health care benefits as of December 31, 2004, was 13,812 for police and 10,528 for firefighters.

NOTE 14: **COMPENSATED ABSENCES**

City employees earn vacation leave at graduated rates based on length of service. The City accrues the vacation leave benefits as earned. Current policy does not permit vacation leave to be carried forward. City employees are paid for earned unused vacation leave at the time of termination employment.

City employees earn sick leave which, if not taken, accumulates until retirement. Sick leave is accumulated at the rate of 4.6 hours for every 80 hours worked. Upon retirement, an employee is paid up to 40% of accumulated sick leave, subject to certain limitations, calculated at current wage rates.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 15: CAPITAL LEASES

The capital lease obligations are agreements entered into by the City for certain leased equipment. Such agreements are treated as lease purchases (capital leases) and meet the criteria of a capital lease as defined by Financial Accounting Standards No. 13 "Accounting for Leases" and have been recorded on the government-wide statements. Upon satisfaction of the lease obligations, title to the equipment will pass to the City. The City acquired a bucket truck in 2003 and a snow plow truck and street sweeper through capital leases in 2004. Future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2005 are as follows:

Year Ending December 31	Governmental Activities			Total
	Bucket Truck	Snow Plow Truck	Street Sweeper	
2006	\$ 9,381	\$ 20,188	\$ 35,070	\$ 64,639
2007	9,381	20,188	35,070	64,639
2008	3,909	20,186	35,068	59,163
Total Minimum Lease Payments	<u>22,671</u>	<u>60,562</u>	<u>105,208</u>	<u>188,441</u>
Less: Amount Representing Interest	<u>(1,214)</u>	<u>(4,644)</u>	<u>(6,650)</u>	<u>(12,508)</u>
Present Value of Minimum Lease Payments	<u>\$ 21,457</u>	<u>\$ 55,918</u>	<u>\$ 98,558</u>	<u>\$ 175,933</u>

The cost and accumulated depreciation of leased capital assets are as follows:

	Bucket Truck	Snow Plow Truck	Street Sweeper
Assets:			
Vehicles	\$ 42,491	\$ 100,938	\$ 175,348
Accumulated Depreciation:	<u>(7,082)</u>	<u>(10,094)</u>	<u>(17,535)</u>
Net Book Value	<u>\$ 35,409</u>	<u>\$ 90,844</u>	<u>\$ 157,813</u>

NOTE 16: LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount and date of maturity of each of the City's bonds and loans follows:

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
General Obligation Bonds			
1998 Capital Purpose and Refunding	3.75%-4.95%	5,557,480	December 1, 2011
2000 Capital Purpose Bonds	4.70%-5.25%	2,995,000	December 1, 2020
2004 General Obligation Various Purpose	2.00%-5.25%	4,110,000	December 1, 2018
OWDA Loan			
1996 Kenyon/Gardenview Sewer Improvement	4.16%	2,515,205	January 1, 2016
1996 Phase I Sewer Improvement	4.35%	765,161	January 1, 2016
1997 Phase II Sewer Improvement	4.04%	110,426	January 1, 2016
OPWC Loan			
1994 Maplewood/Northwood Sewers	0%	686,898	January 1, 2016
1997 Southgate Park/Lee Road South	0%	185,649	January 1, 2019
2003 Industrial Avenue/E. 141 st Improvement	0%	556,403	July 1, 2003
2005 Northfield Road Improvement	0%	199,872*	Pending
Accrued Police and Fire Pension		459,739	May 1, 2035

* Amount may change upon completion of project in 2006.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 16: LONG-TERM OBLIGATIONS (Continued)

The changes in long-term obligations during the year were as follows:

	Outstanding 12/31/2004	Additions	Reductions	Outstanding 12/31/2005	Amount Due in One Year
<i>Governmental Activities</i>					
General Obligations Bonds					
1998 Capital Purpose and Refunding	\$ 2,792,480	\$ 0	\$ 470,000	\$ 2,322,480	\$ 338,150
2000 Capital Purpose Bonds	2,610,000	0	110,000	2,500,000	115,000
2004 Various Purpose Bonds	4,070,000	0	270,000	3,800,000	275,000
Total General Obligation Bonds	<u>9,472,480</u>	<u>0</u>	<u>850,000</u>	<u>8,622,480</u>	<u>728,150</u>
Accrued Police/Fire Pension Liabilities	390,602	0	6,430	384,172	6,707
Compensated Absences Payable	2,297,363	167,204	161,912	2,302,655	503,185
Capital Lease Payable	232,109	0	56,176	175,933	64,639
OWDA Loans					
1996 Kenyon/Gardenview Sewer Improvement	1,690,769	0	117,352	1,573,417	122,285
1996 Phase I Sewer Improvement	517,546	0	35,542	482,004	37,105
1997 Phase II Sewer Improvement	75,177	0	5,047	70,130	5,467
Total OWDA Loans	<u>2,283,492</u>	<u>0</u>	<u>157,941</u>	<u>2,125,551</u>	<u>164,857</u>
OPWC Loans					
1994 Maplewood/Northwood Sewers	394,967	0	34,345	360,622	34,345
1997 Southgate Park/Lee Road South	134,597	0	9,282	125,315	9,282
2003 Industrial Avenue/E. 141 st Improvement	528,583	0	27,820	500,763	27,820
2005 Northfield Road Improvement	0	199,872	0	199,872	0
Total OPWC Loans	<u>1,058,147</u>	<u>199,872</u>	<u>71,447</u>	<u>1,186,572</u>	<u>71,447</u>
Total Loans Payable	<u>3,341,639</u>	<u>199,872</u>	<u>229,388</u>	<u>3,312,123</u>	<u>236,304</u>
<i>Total Governmental Activities</i>	<u>\$ 15,734,193</u>	<u>\$ 367,076</u>	<u>\$ 1,303,906</u>	<u>\$ 14,797,363</u>	<u>\$ 1,538,985</u>
Business-Type Activities					
Compensated Absences Payable	\$ 278,544	\$ 614	\$ 275,154	\$ 4,004	\$ 4,004
Total Business-Type Activities	<u>\$ 278,544</u>	<u>\$ 614</u>	<u>\$ 275,154</u>	<u>\$ 4,004</u>	<u>\$ 4,004</u>

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 16: LONG-TERM OBLIGATIONS (Continued)

General obligation bonds will be paid from the bond retirement fund. The special assessment bonds will be paid from the proceeds of special assessments levied against benefitted property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City. The police and fire pension liability will be paid from levied taxes in the police and fire pension special revenue funds. Capital leases will be paid from the bond retirement fund and the street maintenance & repair special revenue fund. Compensated absences will be paid from the general fund, police and fire services special revenue funds, ambulance billing, solid waste collection, and street construction and repair special revenue funds, and the transit enterprise fund. The reduction of the compensated absences for business-type activities is attributed to the transfer of operations of Maple Heights Transit System to the Greater Cleveland Regional Transit Authority (Effective March 3, 2005). The OWDA and OPWC loans reported in the special revenue fund will be paid from revenues derived by the City from sewer charges. The OPWC loan for the Northfield Road Improvement is pending upon completion of the project in 2006. As of December 31, 2005 only \$199,872 of the original projected loan of \$360,000 has been received.

The City's overall legal debt margin was \$36,147,214 at December 31, 2005. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2005, are as follows:

Year	General Obligation Bonds		Ohio Public Works Commission*		Ohio Water Development Authority	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 728,150	\$ 458,976	\$ 71,447	\$ 0	\$ 164,857	\$ 87,534
2007	716,460	464,016	71,447	0	171,852	80,539
2008	723,353	469,892	71,447	0	179,143	73,247
2009	723,040	470,480	71,447	0	186,744	65,646
2010	723,353	474,755	71,447	0	194,668	57,723
2011-2015	2,903,124	1,154,387	357,238	0	1,104,689	157,472
2016-2020	2,105,000	276,988	188,762	0	123,598	2,598
2021-2025	0	0	83,465	0	0	0
2026-2030	0	0	0	0	0	0
2031-2035	0	0	0	0	0	0
Totals	\$ 8,622,480	\$ 3,769,494	\$ 986,700	\$ 0	\$ 2,125,551	\$ 524,759

Year	Accrued Police and Fire Pension Liability		Totals Governmental Activities	
	Principal	Interest	Principal	Interest
2006	\$ 6,707	\$ 16,280	\$ 971,161	\$ 562,790
2007	6,996	15,991	966,755	560,546
2008	7,296	15,690	981,239	558,829
2009	7,610	15,377	988,841	551,503
2010	7,610	15,377	997,078	547,855
2011-2015	43,252	71,682	4,408,303	1,383,541
2016-2020	53,389	61,544	2,470,749	341,130
2021-2025	65,903	49,031	149,368	49,031
2026-2030	81,349	33,585	81,349	33,585
2031-2035	104,060	14,758	104,060	14,758
Totals	\$ 384,172	\$ 309,315	\$12,118,903	\$ 4,603,568

* Excludes OPWC loan of \$199,872 for Northfield Road Improvement.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 17: **DEFEASED DEBT**

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's government-wide financial statements. As of December 31, 2005, the amount of defeased debt outstanding but removed from the City's government-wide financial statements amounted to \$780,000.

NOTE 18: **CONTINGENCIES**

A. **Litigation**

The City of Maple Heights is a party to several legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. In those cases where a loss is probable and measurable, a liability has been recognized. It is the opinion of the city that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial position of the City.

B. **Grants**

The disbursement of funds received under federal and state grants generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any potential disallowed claims resulting from such an audit could become a liability of the City. However, City management believes any such disallowed claims would be immaterial on the overall financial position of the City at December 31, 2005.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 19: **JOINTLY GOVERNED ORGANIZATION**

A. Northern Ohio Risk Management Association

The Northern Ohio Risk Management Association (NORMA) municipal insurance pool was originally formed in 1987. The city of Maple Heights became a member on October 1, 1993. The pool is comprised of eleven member cities that pool resources for the purpose of gaining maximum general liability, property and casualty coverages at the least possible cost. NORMA is governed by a board of Trustees consisting of a representative from each municipality. The Trustees exercise control over such matters as budgeting and contracting services. Each city's degree of control is limited to its representation on the Board. In 2005, the City of Maple Heights remitted \$174,165 in insurance premiums to NORMA.

B. 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 electricity. NOPEC is currently comprised of 100 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities. NOPEC is governed by a General Assembly made up of one representative from each community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board 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. Financial information can be obtained by contacting, Board Chairman, 1615 Clark Avenue, Cleveland Oh 44109.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 19: **JOINTLY GOVERNED ORGANIZATIONS** (Continued)

C. Southeast Area Law Enforcement Organization

The Southeast Area Law Enforcement Organization is comprised of seven municipalities in southeastern Cuyahoga County for the purpose of providing assistance in the form of a SWAT team, Bomb Unit, Investigative Unit, Narcotics Unit, Crisis Negotiation Team, and Communications Unit. In 2004, the City of Maple Heights contributed \$52,550 to the organization. The Southeast Area Law Enforcement organization financial statements may be obtained by contacting the Finance Director from the City of Bedford, Ohio.

D. Chagrin/Southeast Council of Governments

The Chagrin/Southeast Council of Governments operates the Chagrin/Southeast Haz-Mat Response Team. The team was formed in 1990 to assist local fire departments in responding to incidents involving industrial chemicals. In 2005, the City of Maple Heights contributed \$2,000 to the organization. The Chagrin/Southeast Council of Governments financial statements may be obtained by contacting the Finance Director from the City of Bedford Heights, Ohio.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 20: INTERFUND TRANSFERS

The municipal income tax fund transfers to the major and non-major governmental funds were made to provide additional resources for current operations. The transfers from the non-major governmental funds to general fund and non-major governmental funds were made to provide additional resources for current operations. The transfers from the non-major governmental funds to the bond retirement fund were to cover various debt obligations of the City. The transfers from the general fund to the non-major governmental funds were to pay for the current portion of the Ohio Police and Fire Pension. The transfer from the Transit enterprise fund to the non-major governmental funds was to pay for local expenses originally covered by the capital projects non-major governmental fund. All transfers were in compliance with the Ohio Revised Code. Transfers of \$7,661,874 were eliminated on the government-wide financial statements since they were within the governmental and business-type activities. Transfers made during the year ended December 31, 2005 were as follows:

	Transfers From				Business-Type	
	Governmental Activities				Activities	
	General	Municipal Income Tax	Non-Major Governmental Activities	Total Governmental Activities	Maple Heights Transit Total	Total
<i>Transfers To</i>						
<i>Governmental</i>						
<i>Activities</i>						
General	\$ 0	\$ 5,425,000	\$ 200,000	\$ 5,625,000	\$ 0	\$ 5,625,000
Bond Retirement	0	0	169,612	169,612	0	169,612
Non-Major Governmental Funds	<u>905,000</u>	<u>550,000</u>	<u>332,262</u>	<u>1,787,262</u>	<u>156,777</u>	<u>1,944,039</u>
<i>Total Governmental Activities</i>	<u>905,000</u>	<u>5,975,000</u>	<u>701,874</u>	<u>7,581,874</u>	<u>156,777</u>	<u>7,738,651</u>
<i>Business-Type Activities</i>						
Solid Waste Collection	<u>0</u>	<u>40,000</u>	<u>0</u>	<u>40,000</u>	<u>0</u>	<u>40,000</u>
Total	<u>\$ 905,000</u>	<u>\$ 6,015,000</u>	<u>\$ 701,874</u>	<u>\$ 7,621,874</u>	<u>\$ 156,777</u>	<u>\$ 7,778,651</u>

NOTE 21: CONTRACTUAL COMMITMENTS

At December 31, 2005, the City's significant contractual commitments consisted of:

Project	Contractor	Amount Remaining On Contract
Northfield Road Improvement	Perk Company	\$ 128,753
Police Department Remodel	Fiorilli Construction	64,063
Paine Avenue Improvement	Carson Paving	<u>126,441</u>
		<u>\$ 319,257</u>

CITY OF MAPLE HEIGHTS, OHIO

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

CITY OF MAPLE HEIGHTS, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Nonmajor Special Revenue Funds

Street Maintenance and Repair Fund Required by the Ohio Revised Code to account for that portion of the motor vehicle registration fees and state gasoline tax designated for construction, maintenance and repairs of streets and highways.

State Highway Fund To account for that portion of the motor vehicle registration fees and state gasoline tax designated for construction, maintenance and repairs of highways.

FEMA Fire Grant Fund To account for the proceeds and disbursements for a federal grant used for firefighting preparation.

Police Pension Fund To accumulate property taxes levied toward partial payment of the current liability for police disability and pension.

Fire Pension Fund To accumulate property taxes levied toward partial payment of the current liability for fire disability and pension.

Cable Television Fund To account for monies received from the Cable T.V. Franchise Contracts.

Water Use Charge Fund To account for monies collected by the Cleveland Water Department under the ordinance levying water use charges to be used for financing the City's portion of major sewer repair projects.

Street Lighting Fund To accumulate property taxes levied toward payment of the current liability for street lighting throughout the City.

Ambulance Billing Service Fund To account for monies received from insurance agencies per usual customary rates established by such agencies for City's squad services.

Municipal Motor Vehicle License Tax Fund To account for monies received from the municipal motor vehicle license tax.

Drug Law Enforcement Fund To account for monies received from confiscation during police action involving drugs. Expenditures are strictly enforced per Ohio Revised Code.

Computer Fee Fund To account for monies received from court fines to fund the computerization of the Major's Court.

Enterprise Park Fund To account for monies received from the Village of Valley View in conjunction with an Enterprise Zone Income Tax sharing agreement.

(Continued)

CITY OF MAPLE HEIGHTS, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Nonmajor Special Revenue Funds

(Continued)

Police Services Levy Fund To accumulate property taxes levied toward payment of the current liability for police services throughout the City.

Fire Services Levy Fund To accumulate property taxes levied toward payment of the current liability for fire services throughout the City.

Inmate Commissary Fund To account for monies from inmates to purchase items through the jail commissary.

DARE Fund To account for monies received for the Drug Awareness Resistance Education Fund.

Office on Aging Fund To account for monies received through home delivered meals and transportation services.

Railroad Retribution Fund To service residents whose homes are located close to the Norfolk-Southern Railroad line for future concerns.

Nonmajor Capital Projects Funds

City Hall Improvement Fund To account for improvements to the City Hall building and parking lot.

Street Improvement Fund To account for the financing and construction of street improvements.

Lee Road Improvement Fund To account for the reconstruction of Lee Road.

Fire Truck Rehabilitation Fund To account for monies allocated to the replacement of fire apparatus.

Community Development Block Grants Fund To account for monies associated with CDBG funded projects.

Sidewalk Improvement Fund To account for monies allocated for citywide sidewalk replacement.

Safety Facilities Improvement Fund To account for monies associated with the upgrade of the safety dispatch center, and other improvements to the Police Station.

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<u>Assets</u>			
Equity in Pooled Cash and Investments	\$ 1,311,434	\$ 487,503	\$ 1,798,937
Receivables:			
Taxes	2,353,927	0	2,353,927
Accounts	157,146	0	157,146
Intergovernmental	<u>805,339</u>	<u>159,591</u>	<u>964,930</u>
Total Assets	<u>\$ 4,627,846</u>	<u>\$ 647,094</u>	<u>\$ 5,274,940</u>
<u>Liabilities</u>			
Accounts Payable	\$ 56,746	\$ 241,867	\$ 298,613
Accrued Wages and Benefits	443,827	0	443,827
Due to Other Governments	68,856	82,510	151,366
Deferred Revenues	<u>2,898,426</u>	<u>0</u>	<u>2,898,426</u>
Total Liabilities	<u>3,467,855</u>	<u>324,377</u>	<u>3,792,232</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	69,729	0	69,729
Unreserved:			
Undesignated	<u>1,090,262</u>	<u>322,717</u>	<u>1,412,979</u>
Total Fund Balances	<u>1,159,991</u>	<u>322,717</u>	<u>1,482,708</u>
Total Liabilities and Fund Balances	<u>\$ 4,627,846</u>	<u>\$ 647,094</u>	<u>\$ 5,274,940</u>

CITY OF MAPLE HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>			
Property Taxes	\$ 2,054,996	\$ 0	\$ 2,054,996
Intergovernmental	1,354,262	189,152	1,543,414
Charges for Services	1,138,627	0	1,138,627
Fees, Licenses, Permits	464,657	0	464,657
Interest Income	29,780	11,556	41,336
Miscellaneous Income	<u>106,436</u>	<u>4,160</u>	<u>110,596</u>
Total Revenues	<u>5,148,758</u>	<u>204,868</u>	<u>5,353,626</u>
<u>Expenditures</u>			
Current Operations and Maintenance:			
Security of Persons and Property	3,041,001	55,284	3,096,285
Leisure Time Activities	52,893	0	52,893
Basic Utility Service	79,967	0	79,967
Transportation	1,263,255	13,852	1,277,107
Community Development	0	81,497	81,497
General Government	450,149	0	450,149
Capital Outlay	342,967	782,815	1,125,782
Debt Service:			
Principal Retirement	284,950	0	284,950
Interest and Fiscal Charges	<u>94,244</u>	<u>0</u>	<u>94,244</u>
Total Expenditures	<u>5,609,426</u>	<u>933,448</u>	<u>6,542,874</u>
Excess of Revenues Over (Under) Expenditures	<u>(460,668)</u>	<u>(728,580)</u>	<u>(1,189,248)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers - In	1,561,150	382,889	1,944,039
Transfers - Out	<u>(701,874)</u>	<u>0</u>	<u>(701,874)</u>
Total Other Financing Sources (Uses)	<u>859,276</u>	<u>382,889</u>	<u>1,242,165</u>
Net Changes in Fund Balances	398,608	(345,691)	52,917
Fund Balances (Deficit) at Beginning of Year	<u>761,383</u>	<u>668,408</u>	<u>1,429,791</u>
Fund Balances at End of Year	<u>\$ 1,159,991</u>	<u>\$ 322,717</u>	<u>\$ 1,482,708</u>

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

	Street Maintenance and Repair	State Highway	FEMA Fire Grant	Police Pension	Fire Pension
<u>Assets</u>					
Equity in Pooled Cash and Investments	\$ 144,098	\$ 27,349	\$ 4,729	\$ 17,292	\$ 12,010
Receivables:					
Taxes	0	0	0	132,507	132,507
Accounts	0	0	0	0	0
Intergovernmental	<u>321,639</u>	<u>26,079</u>	<u>0</u>	<u>6,369</u>	<u>6,369</u>
Total Assets	<u>\$ 465,737</u>	<u>\$ 53,428</u>	<u>\$ 4,729</u>	<u>\$ 156,168</u>	<u>\$ 150,886</u>
<u>Liabilities</u>					
Accounts Payable	\$ 2,940	\$ 225	\$ 1,403	\$ 0	\$ 0
Accrued Wages and Benefits Payable	34,020	1,161	0	165,239	179,939
Due to Other Governments	18,395	3,094	0	0	0
Deferred Revenue	<u>241,225</u>	<u>19,559</u>	<u>0</u>	<u>138,876</u>	<u>138,876</u>
Total Liabilities	<u>296,580</u>	<u>24,039</u>	<u>1,403</u>	<u>304,115</u>	<u>318,815</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	55,315	6,815	0	0	0
Unreserved:					
Undesignated (Deficit)	<u>113,842</u>	<u>22,574</u>	<u>3,326</u>	<u>(147,947)</u>	<u>(167,929)</u>
Total Fund Balances (Deficit)	<u>169,157</u>	<u>29,389</u>	<u>3,326</u>	<u>(147,947)</u>	<u>(167,929)</u>
Total Liabilities and Fund Balances	<u>\$ 465,737</u>	<u>\$ 53,428</u>	<u>\$ 4,729</u>	<u>\$ 156,168</u>	<u>\$ 150,886</u>

See accompanying notes to the basic financial statements.

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

	<u>Cable Television</u>	<u>Water Use Charge</u>	<u>Street Lighting</u>	<u>Ambulance Billing Service</u>	<u>Municipal Motor Vehicle License Tax</u>
<u>Assets</u>					
Equity in Pooled Cash and Investments	\$ 77,345	\$ 194,831	\$ 187,129	\$ 76,141	\$ 903
Receivables:					
Taxes	0	0	458,845	0	0
Accounts	53,037	0	0	104,109	0
Intergovernmental	<u>0</u>	<u>277,964</u>	<u>24,000</u>	<u>0</u>	<u>10,968</u>
Total Assets	<u>\$ 130,382</u>	<u>\$ 472,795</u>	<u>\$ 669,974</u>	<u>\$ 180,250</u>	<u>\$ 11,871</u>
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 13,304	\$ 31,394	\$ 6,969	\$ 0
Accrued Wages and Benefits Payable	0	0	0	4,365	0
Due to Other Governments	0	0	0	2,589	0
Deferred Revenue	<u>0</u>	<u>144,487</u>	<u>482,845</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>157,791</u>	<u>514,239</u>	<u>13,923</u>	<u>0</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	0	0	0	7,599	0
Unreserved:					
Undesignated (Deficit)	<u>130,382</u>	<u>315,004</u>	<u>155,735</u>	<u>158,728</u>	<u>11,871</u>
Total Fund Balances (Deficit)	<u>130,382</u>	<u>315,004</u>	<u>155,735</u>	<u>166,327</u>	<u>11,871</u>
Total Liabilities and Fund Balances	<u>\$ 130,382</u>	<u>\$ 472,795</u>	<u>\$ 669,974</u>	<u>\$ 180,250</u>	<u>\$ 11,871</u>

See accompanying notes to the basic financial statements.

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

	<u>Drug Law Enforcement</u>	<u>Computer Fee</u>	<u>Enterprise Park</u>	<u>Police Services Levy</u>	<u>Fire Services Levy</u>
<u>Assets</u>					
Equity in Pooled Cash and Investments	\$ 66,355	\$ 24,076	\$ 167,008	\$ 78,318	\$ 55,600
Receivables:					
Taxes	0	0	0	815,034	815,034
Accounts	0	0	0	0	0
Intergovernmental	<u>0</u>	<u>0</u>	<u>29,461</u>	<u>51,245</u>	<u>51,245</u>
Total Assets	<u>\$ 66,355</u>	<u>\$ 24,076</u>	<u>\$ 196,469</u>	<u>\$ 944,597</u>	<u>\$ 921,879</u>
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 48	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	30,605	28,498
Due to Other Governments	0	0	0	22,581	22,197
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>866,279</u>	<u>866,279</u>
Total Liabilities	<u>0</u>	<u>48</u>	<u>0</u>	<u>919,465</u>	<u>916,974</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	0	0	0	0	0
Unreserved:					
Undesignated (Deficit)	<u>66,355</u>	<u>24,028</u>	<u>196,469</u>	<u>25,132</u>	<u>4,905</u>
Total Fund Balances	<u>66,355</u>	<u>24,028</u>	<u>196,469</u>	<u>25,132</u>	<u>4,905</u>
Total Liabilities and Fund Balances	<u>\$ 66,355</u>	<u>\$ 24,076</u>	<u>\$ 196,469</u>	<u>\$ 944,597</u>	<u>\$ 921,879</u>

See accompanying notes to the basic financial statements.

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

	<u>Inmate Commissary</u>	<u>DARE</u>	<u>Office On Aging</u>	<u>Railroad Retribution</u>	<u>Total</u>
<u>Assets</u>					
Equity in Pooled Cash and Investments	\$ 5,898	\$ 214	\$ 67,056	\$ 105,082	\$ 1,311,434
Receivables:					
Taxes	0	0	0	0	2,353,927
Accounts	0	0	0	0	157,146
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>805,339</u>
Total Assets	<u>\$ 5,898</u>	<u>\$ 214</u>	<u>\$ 67,056</u>	<u>\$ 105,082</u>	<u>\$ 4,627,846</u>
<u>Liabilities</u>					
Accounts Payable	\$ 463	\$ 0	\$ 0	\$ 0	\$ 56,746
Accrued Wages and Benefits Payable	0	0	0	0	443,827
Due to Other Governments	0	0	0	0	68,856
Deferred Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,898,426</u>
Total Liabilities	<u>463</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,467,855</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	0	0	0	0	69,729
Unreserved:					
Undesignated (Deficit)	<u>5,435</u>	<u>214</u>	<u>67,056</u>	<u>105,082</u>	<u>1,090,262</u>
Total Fund Balances (Deficit)	<u>5,435</u>	<u>214</u>	<u>67,056</u>	<u>105,082</u>	<u>1,159,991</u>
Total Liabilities and Fund Balances	<u>\$ 5,898</u>	<u>\$ 214</u>	<u>\$ 67,056</u>	<u>\$ 105,082</u>	<u>\$ 4,627,846</u>

See accompanying notes to the basic financial statements.

CITY OF MAPLE HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2005

	Street Maintenance and Repair	State Highway	FEMA Fire Grant	Police Pension	Fire Pension
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 114,206	\$ 114,206
Intergovernmental	731,534	60,172	218,199	16,145	16,145
Charges for Services	0	0	0	0	0
Fees, Licenses, Permits	0	0	0	0	0
Interest Income	1,874	660	0	0	0
Miscellaneous	39,528	0	0	0	0
Total Revenues	<u>772,936</u>	<u>60,832</u>	<u>218,199</u>	<u>130,351</u>	<u>130,351</u>
Expenditures					
Current Operations and Maintenance:					
Security of Persons and Property	0	0	0	577,166	744,972
Leisure Time Activities	0	0	0	0	0
Public Works	0	0	0	0	0
Transportation	1,165,764	97,491	0	0	0
General Government	0	0	0	0	0
Capital Outlay	0	0	295,710	0	0
Debt Service:					
Principal Retirement	64,638	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
Total Expenditures	<u>1,230,402</u>	<u>97,491</u>	<u>295,710</u>	<u>577,166</u>	<u>744,972</u>
Excess of Revenues Over (Under) Expenditures	<u>(457,466)</u>	<u>(36,659)</u>	<u>(77,511)</u>	<u>(446,815)</u>	<u>(614,621)</u>
Other Financing Sources (Use)					
Transfers - In	500,000	50,000	26,150	410,000	575,000
Transfers - Out	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>50,000</u>	<u>26,150</u>	<u>410,000</u>	<u>575,000</u>
Net Changes in Fund Balances	42,534	13,341	(51,361)	(36,815)	(39,621)
Fund Balances (Deficit) at Beginning of Year	<u>126,623</u>	<u>16,048</u>	<u>54,687</u>	<u>(111,132)</u>	<u>(128,308)</u>
Fund Balances (Deficit) at End of Year	<u>\$ 169,157</u>	<u>\$ 29,389</u>	<u>\$ 3,326</u>	<u>\$ (147,947)</u>	<u>\$ (167,929)</u>

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

	<u>Cable Television</u>	<u>Water Use Charge</u>	<u>Street Lighting</u>	<u>Ambulance Billing Service</u>	<u>Municipal Motor Vehicle License Tax</u>
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 380,688	\$ 0	\$ 0
Intergovernmental	0	0	53,818	27,630	0
Charges for Services	0	759,237	0	351,211	0
Fees, Licenses, Permits	211,979	0	0	0	147,596
Interest Income	1,666	1,718	5,224	4,232	648
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>213,645</u>	<u>760,955</u>	<u>439,730</u>	<u>383,073</u>	<u>148,244</u>
Expenditures					
Current Operations and Maintenance:					
Security of Persons and Property	0	0	0	147,547	0
Leisure Time Activities	0	0	0	0	0
Public Works	0	79,967	0	0	0
Transportation	0	0	0	0	0
General Government	0	0	423,954	0	0
Capital Outlay	0	0	0	45,549	0
Debt Service:					
Principal Retirement	0	220,312	0	0	0
Interest and Fiscal Charges	<u>0</u>	<u>94,244</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>394,523</u>	<u>423,954</u>	<u>193,096</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>213,645</u>	<u>366,432</u>	<u>15,776</u>	<u>189,977</u>	<u>148,244</u>
Other Financing Sources (Use)					
Transfers - In	0	0	0	0	0
Transfers - Out	<u>(200,000)</u>	<u>(79,612)</u>	<u>0</u>	<u>(191,150)</u>	<u>(151,112)</u>
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(79,612)</u>	<u>0</u>	<u>(191,150)</u>	<u>(151,112)</u>
Net Changes in Fund Balances	13,645	286,820	15,776	(1,173)	(2,868)
Fund Balances (Deficit) at Beginning of Year	<u>116,737</u>	<u>28,184</u>	<u>139,959</u>	<u>167,500</u>	<u>14,739</u>
Fund Balances (Deficit) at End of Year	<u>\$ 130,382</u>	<u>\$ 315,004</u>	<u>\$ 155,735</u>	<u>\$ 166,327</u>	<u>\$ 11,871</u>

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

	Drug Law Enforcement	Computer Fee	Enterprise Park	Police Services Levy	Fire Services Levy
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 722,948	\$ 722,948
Intergovernmental	0	0	29,461	100,579	100,579
Charges for Services	0	28,179	0	0	0
Fees, Licenses, Permits	0	0	0	0	0
Interest Income	1,515	0	3,963	3,760	3,130
Miscellaneous	6,577	0	0	0	0
Total Revenues	<u>8,092</u>	<u>28,179</u>	<u>33,424</u>	<u>827,287</u>	<u>826,657</u>
Expenditures					
Current Operations and Maintenance:					
Security of Persons and Property	6,523	0	0	786,692	760,840
Leisure Time Activities	0	0	0	0	0
Public Works	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	0	26,195	0	0	0
Capital Outlay	0	0	1,708	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
Total Expenditures	<u>6,523</u>	<u>26,195</u>	<u>1,708</u>	<u>786,692</u>	<u>760,840</u>
Excess of Revenues Over (Under) Expenditures	<u>1,569</u>	<u>1,984</u>	<u>31,716</u>	<u>40,595</u>	<u>65,817</u>
Other Financing Sources (Use)					
Transfers - In	0	0	0	0	0
Transfers - Out	0	0	0	(30,000)	(50,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(30,000)</u>	<u>(50,000)</u>
Net Changes in Fund Balances	1,569	1,984	31,716	10,595	15,817
Fund Balances (Deficit) at Beginning of Year	<u>64,786</u>	<u>22,044</u>	<u>164,753</u>	<u>14,537</u>	<u>(10,912)</u>
Fund Balances (Deficit) at End of Year	<u>\$ 66,355</u>	<u>\$ 24,028</u>	<u>\$ 196,469</u>	<u>\$ 25,132</u>	<u>\$ 4,905</u>

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

	Inmate Commissary	DARE	Office On Aging	Railroad Retribution	Total
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,054,996
Intergovernmental	0	0	0	0	1,354,262
Charges for Services	0	0	0	0	1,138,627
Fees, Licenses, Permits	0	0	0	105,082	464,657
Interest Income	0	0	1,390	0	29,780
Miscellaneous	18,134	325	41,872	0	106,436
Total Revenues	<u>18,134</u>	<u>325</u>	<u>43,262</u>	<u>105,082</u>	<u>5,148,758</u>
Expenditures					
Current Operations and Maintenance:					
Security of Persons and Property	16,968	293	0	0	3,041,001
Leisure Time Activities	0	0	52,893	0	52,893
Public Works	0	0	0	0	79,967
Transportation	0	0	0	0	1,263,255
General Government	0	0	0	0	450,149
Capital Outlay	0	0	0	0	342,967
Debt Service:					
Principal Retirement	0	0	0	0	284,950
Interest and Fiscal Charges	0	0	0	0	94,244
Total Expenditures	<u>16,968</u>	<u>293</u>	<u>52,893</u>	<u>0</u>	<u>5,609,426</u>
Excess of Revenues Over (Under) Expenditures	<u>1,166</u>	<u>32</u>	<u>(9,631)</u>	<u>105,082</u>	<u>(460,668)</u>
Other Financing Sources (Use)					
Transfers - In	0	0	0	0	1,561,150
Transfers - Out	0	0	0	0	(701,874)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>859,276</u>
Net Changes in Fund Balances	1,166	32	(9,631)	105,082	398,608
Fund Balances (Deficit) at Beginning of Year	<u>4,269</u>	<u>182</u>	<u>76,687</u>	<u>0</u>	<u>761,383</u>
Fund Balances (Deficit) at End of Year	<u>\$ 5,435</u>	<u>\$ 214</u>	<u>\$ 67,056</u>	<u>\$ 105,082</u>	<u>\$ 1,159,991</u>

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

	<u>City Hall Improvement</u>	<u>Street Improvement</u>	<u>Lee Road Improvement</u>	<u>Fire Truck Rehabilitation</u>	<u>Community Development Block Grants</u>
<u>Assets</u>					
Equity in Pooled Cash and Investments	\$ 112,842	\$ 97,009	\$ 0	\$ 82,747	\$ 119,557
Receivables:					
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>159,591</u>
Total Assets	<u>\$ 112,842</u>	<u>\$ 97,009</u>	<u>\$ 0</u>	<u>\$ 82,747</u>	<u>\$ 279,148</u>
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 54,503	\$ 0	\$ 0	\$ 115,798
Due to Other Governments	<u>0</u>	<u>0</u>	<u>82,510</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>54,503</u>	<u>82,510</u>	<u>0</u>	<u>115,798</u>
<u>Fund Balances</u>					
Unreserved:					
Undesignated (Deficit)	<u>112,842</u>	<u>42,506</u>	<u>(82,510)</u>	<u>82,747</u>	<u>163,350</u>
Total Fund Balances (Deficit)	<u>112,842</u>	<u>42,506</u>	<u>(82,510)</u>	<u>82,747</u>	<u>163,350</u>
Total Liabilities and Fund Balances	<u>\$ 112,842</u>	<u>\$ 97,009</u>	<u>\$ 0</u>	<u>\$ 82,747</u>	<u>\$ 279,148</u>

**CITY OF MAPLE HEIGHTS, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2005
 (CONTINUED)**

	<u>Sidewalk Improvement</u>	<u>Safety Facilities Improvement</u>	<u>Total</u>
<u>Assets</u>			
Equity in Pooled Cash and Investments	\$ 3,782	\$ 71,566	\$ 487,503
Receivables:			
Intergovernmental	<u>0</u>	<u>0</u>	<u>159,591</u>
Total Assets	<u><u>\$ 3,782</u></u>	<u><u>\$ 71,566</u></u>	<u><u>\$ 647,094</u></u>
<u>Liabilities</u>			
Accounts Payable	\$ 0	\$ 71,566	\$ 241,867
Due to Other Governments	<u>0</u>	<u>0</u>	<u>82,510</u>
Total Liabilities	<u>0</u>	<u>71,566</u>	<u>324,377</u>
<u>Fund Balances</u>			
Unreserved:			
Undesignated (Deficit)	<u>3,782</u>	<u>0</u>	<u>322,717</u>
Total Fund Balances (Deficit)	<u>3,782</u>	<u>0</u>	<u>322,717</u>
Total Liabilities and Fund Balances	<u><u>\$ 3,782</u></u>	<u><u>\$ 71,566</u></u>	<u><u>\$ 647,094</u></u>

CITY OF MAPLE HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2005

	<u>City Hall Improvement</u>	<u>Street Improvement</u>	<u>Lee Road Improvement</u>	<u>Fire Truck Rehabilitation</u>	<u>Community Development Block Grants</u>
Revenues					
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 189,152
Interest Income	0	2,835	0	0	0
Other Income	<u>0</u>	<u>4,160</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>6,995</u>	<u>0</u>	<u>0</u>	<u>189,152</u>
Expenditures					
Current Operations and Maintenance:					
Security of Persons and Property	0	0	0	0	0
Community Development	0	0	0	0	81,497
Transportation	0	13,852	0	0	0
Capital Outlay	<u>0</u>	<u>57,762</u>	<u>0</u>	<u>0</u>	<u>176,606</u>
Total Expenditures	<u>0</u>	<u>71,614</u>	<u>0</u>	<u>0</u>	<u>258,103</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(64,619)</u>	<u>0</u>	<u>0</u>	<u>(68,951)</u>
Other Financing Sources (Uses)					
Transfers - In	<u>0</u>	<u>0</u>	<u>307,889</u>	<u>75,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>307,889</u>	<u>75,000</u>	<u>0</u>
Net Change in Fund Balances	0	(64,619)	307,889	75,000	(68,951)
Fund Balances (Deficit) at Beginning of Year	<u>112,842</u>	<u>107,125</u>	<u>(390,399)</u>	<u>7,747</u>	<u>232,301</u>
Fund Balances (Deficit) at End of Year	<u>\$ 112,842</u>	<u>\$ 42,506</u>	<u>\$ (82,510)</u>	<u>\$ 82,747</u>	<u>\$ 163,350</u>

CITY OF MAPLE HEIGHTS, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2005
(CONTINUED)

	<u>Sidewalk Improvement</u>	<u>Safety Facilities Improvement</u>	<u>Total</u>
<u>Revenues</u>			
Intergovernmental	\$ 0	\$ 0	\$ 189,152
Interest Income	0	8,721	11,556
Other Income	<u>0</u>	<u>0</u>	<u>4,160</u>
Total Revenues	<u>0</u>	<u>8,721</u>	<u>204,868</u>
<u>Expenditures</u>			
Current Operations and Maintenance:			
Security of Persons and Property	0	55,284	55,284
Community Development	0	0	81,497
Transportation	0	0	13,852
Capital Outlay	<u>0</u>	<u>548,447</u>	<u>782,815</u>
Total Expenditures	<u>0</u>	<u>603,731</u>	<u>933,448</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(595,010)</u>	<u>(728,580)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers - In	<u>0</u>	<u>0</u>	<u>382,889</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>382,889</u>
Net Change in Fund Balances	0	(595,010)	(345,691)
Fund Balances (Deficit) at Beginning of Year	<u>3,782</u>	<u>595,010</u>	<u>668,408</u>
Fund Balances (Deficit) at End of Year	<u>\$ 3,782</u>	<u>\$ 0</u>	<u>\$ 322,717</u>

CITY OF MAPLE HEIGHTS, OHIO

COMBINING STATEMENTS - AGENCY FUNDS

Agency Funds

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

Three Percent OBBS Fees To account for monies collected on behalf of the State of Ohio for building permit fees.

Street Openings To account for deposits received by the City for the opening of a new street or subdivision.

Tree Deposits To account for deposits received by the City for the planting of trees in connection with the construction of a new home or subplot.

Architect and Engineering Deposits To account for deposits received by the City to cover architect and engineer fees for reviewing building and subdivision plans.

Mayor's Court Bond Account To account for assets and disbursed by Mayor's Court pursuant to the laws of the State.

Payroll Agency To account for payroll taxes and other related payroll deductions collected for other governmental units of funds.

Health Care To account for employee contributions to health care premiums.

**CITY OF MAPLE HEIGHTS, OHIO
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 DECEMBER 31, 2005**

	<u>Three Percent OBBS Fees</u>	<u>Street Openings</u>	<u>Tree Deposits</u>	<u>Architect & Engineering Deposits</u>
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 836	\$ 18,475	\$ 6,800	\$ 17,370
Equity in Pooled Cash - Segregated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 836</u>	<u>\$ 18,475</u>	<u>\$ 6,800</u>	<u>\$ 17,370</u>
<u>Liabilities</u>				
Accounts Payable	\$ 297	\$ 0	\$ 0	\$ 7,572
Deposits Held and Due to Others	<u>539</u>	<u>18,475</u>	<u>6,800</u>	<u>9,798</u>
Total Liabilities	<u>\$ 836</u>	<u>\$ 18,475</u>	<u>\$ 6,800</u>	<u>\$ 17,370</u>

CITY OF MAPLE HEIGHTS, OHIO
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2005
(CONTINUED)

	Mayor's Court Bond Account	Health Care	Total
<u>Assets</u>			
Equity in Pooled Cash and Investments	\$ 0	\$ 14,528	\$ 58,009
Equity in Pooled Cash - Segregated	<u>2,200</u>	<u>0</u>	<u>2,200</u>
Total Assets	<u>\$ 2,200</u>	<u>\$ 14,528</u>	<u>\$ 60,209</u>
<u>Liabilities</u>			
Accounts Payable	\$ 0	\$ 0	\$ 7,869
Deposits Held and Due to Others	<u>2,200</u>	<u>14,528</u>	<u>52,340</u>
Total Liabilities	<u>\$ 2,200</u>	<u>\$ 14,528</u>	<u>\$ 60,209</u>

CITY OF MAPLE HEIGHTS, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2005

	Three Percent <u>OBBS Fees</u>	Street <u>Openings</u>	Tree <u>Deposits</u>	Architect & Engineering <u>Deposits</u>
Cash and Offsetting Agent Liability Balances, December 31, 2004	\$ 937	\$ 17,025	\$ 6,400	\$ 30,639
Additions	686	1,450	400	7,871
Deductions	<u>(787)</u>	<u>0</u>	<u>0</u>	<u>(21,140)</u>
Cash and Offsetting Agent Liability Balances, December 31, 2005	<u>\$ 836</u>	<u>\$ 18,475</u>	<u>\$ 6,800</u>	<u>\$ 17,370</u>

CITY OF MAPLE HEIGHTS, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2005
(CONTINUED)

	Mayor's Court Bond Account	Health Care	Total
Cash and Offsetting Agent Liability Balances, December 31, 2004	\$ 5,000	\$ 10,088	\$ 70,089
Additions	79,384	42,478	132,269
Deductions	<u>(82,184)</u>	<u>(38,038)</u>	<u>(142,149)</u>
Cash and Offsetting Agent Liability Balances, December 31, 2005	<u>\$ 2,200</u>	<u>\$ 14,528</u>	<u>\$ 60,209</u>

CITY OF MAPLE HEIGHTS, OHIO

**INDIVIDUAL FUND SCHEDULES OF
REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BASIS) AND ACTUAL**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 2,780,715	\$ 2,780,715	\$ 2,855,164	\$ 74,449
Intergovernmental	2,810,012	2,772,164	2,992,674	220,510
Charges for Services	129,600	129,600	127,735	(1,865)
Fees, Licenses, and Permits	656,050	656,050	646,306	(9,744)
Fines and Forfeitures	728,500	728,500	537,390	(191,110)
Interest Income	40,000	40,000	56,284	16,284
Miscellaneous	<u>216,000</u>	<u>216,000</u>	<u>250,566</u>	<u>34,566</u>
Total Revenues	<u>7,360,877</u>	<u>7,323,029</u>	<u>7,466,119</u>	<u>143,090</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property:				
Police:				
Personnel	2,686,963	2,686,963	2,623,768	63,195
Other	<u>372,200</u>	<u>372,200</u>	<u>370,732</u>	<u>1,468</u>
Total Police	<u>3,059,163</u>	<u>3,059,163</u>	<u>2,994,500</u>	<u>64,663</u>
School Guards:				
Personnel	<u>80,000</u>	<u>80,000</u>	<u>74,449</u>	<u>5,551</u>
Total School Guards	<u>80,000</u>	<u>80,000</u>	<u>74,449</u>	<u>5,551</u>
Jail Administrators:				
Personnel	791,200	816,200	811,530	4,670
Other	<u>152,600</u>	<u>167,600</u>	<u>154,243</u>	<u>13,357</u>
Total Jail Administrators	<u>943,800</u>	<u>983,800</u>	<u>965,773</u>	<u>18,027</u>
Fire Department:				
Personnel	2,345,663	2,345,663	2,302,027	43,636
Other	<u>284,500</u>	<u>284,500</u>	<u>282,889</u>	<u>1,611</u>
Total Fire Department	<u>2,630,163</u>	<u>2,630,163</u>	<u>2,584,916</u>	<u>45,247</u>
Auxiliary Police:				
Personnel	<u>120,000</u>	<u>120,000</u>	<u>116,793</u>	<u>3,207</u>
Total Auxiliary Police	<u>120,000</u>	<u>120,000</u>	<u>116,793</u>	<u>3,207</u>
Police Administration:				
Personnel	<u>778,800</u>	<u>778,800</u>	<u>757,340</u>	<u>21,460</u>
Total Police Administration	<u>778,800</u>	<u>778,800</u>	<u>757,340</u>	<u>21,460</u>
Total Security of Persons and Property	<u>7,611,926</u>	<u>7,651,926</u>	<u>7,493,771</u>	<u>158,155</u>

(Continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Leisure Time Activities:				
Recreation:				
Personnel	168,700	223,650	222,828	822
Other	<u>137,500</u>	<u>142,500</u>	<u>133,751</u>	<u>8,749</u>
Total Recreation	<u>306,200</u>	<u>366,150</u>	<u>356,579</u>	<u>9,571</u>
Human Services:				
Personnel	328,823	370,832	365,067	5,765
Other	<u>71,177</u>	<u>85,077</u>	<u>84,331</u>	<u>746</u>
Total Human Services	<u>400,000</u>	<u>455,909</u>	<u>449,398</u>	<u>6,511</u>
Total Leisure Time Activities	<u>706,200</u>	<u>822,059</u>	<u>805,977</u>	<u>16,082</u>
Community Development:				
Community Planning:				
Personnel	16,942	17,892	17,875	17
Other	<u>275</u>	<u>275</u>	<u>208</u>	<u>67</u>
Total Community Planning	<u>17,217</u>	<u>18,167</u>	<u>18,083</u>	<u>84</u>
Zoning Board:				
Personnel	8,822	7,962	5,232	2,730
Other	<u>90</u>	<u>90</u>	<u>71</u>	<u>19</u>
Total Zoning Board	<u>8,912</u>	<u>8,052</u>	<u>5,303</u>	<u>2,749</u>
Building Commissioner:				
Personnel	377,200	368,000	357,245	10,755
Other	<u>24,000</u>	<u>24,000</u>	<u>12,518</u>	<u>11,482</u>
Total Building Commissioner	<u>401,200</u>	<u>392,000</u>	<u>369,763</u>	<u>22,237</u>
Total Community Development	<u>427,329</u>	<u>418,219</u>	<u>393,149</u>	<u>25,070</u>
Basic Utility Services:				
Sewers and Drains:				
Personnel	461,500	486,500	484,414	2,086
Other	<u>38,000</u>	<u>38,000</u>	<u>37,024</u>	<u>976</u>
Total Sewers and Drains	<u>499,500</u>	<u>524,500</u>	<u>521,438</u>	<u>3,062</u>
Mechanics:				
Personnel	389,260	285,976	285,913	63
Other	<u>135,000</u>	<u>135,000</u>	<u>123,477</u>	<u>11,523</u>
Total Mechanics	<u>524,260</u>	<u>420,976</u>	<u>409,390</u>	<u>11,586</u>

(Continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Service Director:				
Personnel	147,880	145,880	142,310	3,570
Other	<u>5,100</u>	<u>5,100</u>	<u>3,701</u>	<u>1,399</u>
Total Service Director	<u>152,980</u>	<u>150,980</u>	<u>146,011</u>	<u>4,969</u>
Total Basic Utility Services	<u>1,176,740</u>	<u>1,096,456</u>	<u>1,076,839</u>	<u>19,617</u>
General Government:				
Mayor's Office:				
Personnel	158,460	163,460	162,586	874
Other	<u>3,620</u>	<u>3,620</u>	<u>2,987</u>	<u>633</u>
Total Mayor's Office	<u>162,080</u>	<u>167,080</u>	<u>165,573</u>	<u>1,507</u>
Finance:				
Personnel	305,400	300,400	297,359	3,041
Other	<u>70,000</u>	<u>72,000</u>	<u>70,772</u>	<u>1,228</u>
Total Finance	<u>375,400</u>	<u>372,400</u>	<u>368,131</u>	<u>4,269</u>
Legal:				
Personnel	180,920	179,420	169,145	10,275
Other	<u>69,900</u>	<u>71,400</u>	<u>71,311</u>	<u>89</u>
Total Legal	<u>250,820</u>	<u>250,820</u>	<u>240,456</u>	<u>10,364</u>
Election Expense	<u>15,000</u>	<u>1,000</u>	<u>945</u>	<u>55</u>
Engineering:				
Personnel	23,025	23,025	23,000	25
Other	<u>10,000</u>	<u>10,000</u>	<u>1,834</u>	<u>8,166</u>
Total Engineering	<u>33,025</u>	<u>33,025</u>	<u>24,834</u>	<u>8,191</u>
Land and Buildings:				
Personnel	144,350	139,350	136,073	3,277
Other	<u>427,000</u>	<u>423,000</u>	<u>410,498</u>	<u>12,502</u>
Total Land and Buildings	<u>571,350</u>	<u>562,350</u>	<u>546,571</u>	<u>15,779</u>
Administrative Expenses:				
Personnel	381,000	381,000	278,095	102,905
Other	<u>124,300</u>	<u>124,300</u>	<u>103,777</u>	<u>20,523</u>
Total Administrative Expenses	<u>505,300</u>	<u>505,300</u>	<u>381,872</u>	<u>123,428</u>

(Continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Civil Service:				
Personnel	6,511	6,511	6,265	246
Other	<u>10,900</u>	<u>10,900</u>	<u>2</u>	<u>10,898</u>
Total Civil Service	<u>17,411</u>	<u>17,411</u>	<u>6,267</u>	<u>11,144</u>
Human Resources:				
Personnel	91,600	107,600	107,484	116
Other	<u>5,400</u>	<u>5,400</u>	<u>4,591</u>	<u>809</u>
Total Human Resources	<u>97,000</u>	<u>113,000</u>	<u>112,075</u>	<u>925</u>
Economic Development:				
Personnel	59,720	59,520	57,351	2,169
Other	<u>1,800</u>	<u>2,000</u>	<u>1,879</u>	<u>121</u>
Total Economic Development	<u>61,520</u>	<u>61,520</u>	<u>59,230</u>	<u>2,290</u>
City Council:				
Personnel	152,000	152,000	151,018	982
Other	<u>20,450</u>	<u>20,450</u>	<u>17,423</u>	<u>3,027</u>
Total City Council	<u>172,450</u>	<u>172,450</u>	<u>168,441</u>	<u>4,009</u>
Clerk of Council:				
Personnel	105,121	108,121	107,852	269
Other	<u>900</u>	<u>1,900</u>	<u>1,517</u>	<u>383</u>
Total Clerk of Council	<u>106,021</u>	<u>110,021</u>	<u>109,369</u>	<u>652</u>
Mayor's Court:				
Personnel	133,540	133,540	132,153	1,387
Other	<u>162,000</u>	<u>142,000</u>	<u>128,335</u>	<u>13,665</u>
Total Mayor's Court	<u>295,540</u>	<u>275,540</u>	<u>260,488</u>	<u>15,052</u>
Total General Government	<u>2,662,917</u>	<u>2,641,917</u>	<u>2,444,252</u>	<u>197,665</u>
Public Health and Welfare:				
Other	<u>87,623</u>	<u>87,623</u>	<u>87,623</u>	<u>0</u>
Total Public Health and Welfare	<u>87,623</u>	<u>87,623</u>	<u>87,623</u>	<u>0</u>
Total Expenditures	<u>12,672,735</u>	<u>12,718,200</u>	<u>12,301,611</u>	<u>416,589</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,311,858)</u>	<u>(5,395,171)</u>	<u>(4,835,492)</u>	<u>559,679</u>

(Continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Capital Assets	3,000	3,000	9,746	6,746
Transfers In	5,855,000	5,855,000	5,625,000	(230,000)
Transfers Out	<u>(965,000)</u>	<u>(922,000)</u>	<u>(905,000)</u>	<u>17,000</u>
Total Other Financing Sources (Uses)	<u>4,893,000</u>	<u>4,936,000</u>	<u>4,729,746</u>	<u>(206,254)</u>
Net Change in Fund Balance	(418,858)	(459,171)	(105,746)	353,425
Decertification of Prior Year Encumbrances	0	0	14,985	14,985
Fund Balance at Beginning of Year	<u>755,511</u>	<u>755,511</u>	<u>755,511</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 336,653</u>	<u>\$ 296,340</u>	<u>\$ 664,750</u>	<u>\$ 368,410</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 883,828	\$ 883,828	\$ 913,653	\$ 29,825
Intergovernmental	126,000	126,000	129,163	3,163
Special Assessments	0	0	4,660	4,660
Interest Income	<u>8,000</u>	<u>8,000</u>	<u>21,194</u>	<u>13,194</u>
Total Revenues	<u>1,017,828</u>	<u>1,017,828</u>	<u>1,068,670</u>	<u>50,842</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
General Government:				
Other	<u>66,000</u>	<u>66,000</u>	<u>32,011</u>	<u>33,989</u>
Total General Government	<u>66,000</u>	<u>66,000</u>	<u>32,011</u>	<u>33,989</u>
Debt Service:				
Principal Retirement	859,300	859,300	859,282	18
Interest and Fiscal Charges	<u>329,500</u>	<u>329,500</u>	<u>329,106</u>	<u>394</u>
Total Debt Service	<u>1,188,800</u>	<u>1,188,800</u>	<u>1,188,388</u>	<u>412</u>
Total Expenditures	<u>1,254,800</u>	<u>1,254,800</u>	<u>1,220,399</u>	<u>34,401</u>
Excess of Revenues Over (Under) Expenditures	<u>(236,972)</u>	<u>(236,972)</u>	<u>(151,729)</u>	<u>85,243</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>169,612</u>	<u>169,612</u>	<u>169,612</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>169,612</u>	<u>169,612</u>	<u>169,612</u>	<u>0</u>
Net Change in Fund Balance	(67,360)	(67,360)	17,883	85,243
Fund Balance at Beginning of Year	<u>380,379</u>	<u>380,379</u>	<u>380,379</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 313,019</u>	<u>\$ 313,019</u>	<u>\$ 398,262</u>	<u>\$ 85,243</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 2,661,499	\$ 3,221,499	\$ 1,923,394	\$ (1,298,105)
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation:				
Other	<u>120,000</u>	<u>145,000</u>	<u>142,308</u>	<u>2,692</u>
Capital Outlay	<u>1,800,000</u>	<u>2,335,000</u>	<u>2,288,933</u>	<u>46,067</u>
Total Expenditures	<u>1,920,000</u>	<u>2,480,000</u>	<u>2,431,241</u>	<u>48,759</u>
Net Change in Fund Balance	741,499	741,499	(507,847)	(1,249,346)
Fund Balance at Beginning of Year	<u>(741,499)</u>	<u>(741,499)</u>	<u>(741,499)</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,249,346)</u>	<u>\$ (1,249,346)</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 680,000	\$ 680,000	\$ 741,406	\$ 61,406
Interest	600	600	2,225	1,625
Miscellaneous	<u>65,000</u>	<u>65,000</u>	<u>39,528</u>	<u>(25,472)</u>
Total Revenues	<u>745,600</u>	<u>745,600</u>	<u>783,159</u>	<u>37,559</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation:				
Maintenance and Repair:				
Personnel	899,500	863,500	828,060	35,440
Other	<u>125,700</u>	<u>110,400</u>	<u>105,187</u>	<u>5,213</u>
Total Maintenance and Repair	<u>1,025,200</u>	<u>973,900</u>	<u>933,247</u>	<u>40,653</u>
Snow Removal:				
Personnel	43,000	44,000	43,924	76
Other	<u>179,500</u>	<u>229,800</u>	<u>229,794</u>	<u>6</u>
Total Snow Removal	<u>222,500</u>	<u>273,800</u>	<u>273,718</u>	<u>82</u>
Total Transportation	<u>1,247,700</u>	<u>1,247,700</u>	<u>1,206,965</u>	<u>40,735</u>
Debt Service:				
Principal Retirement	<u>64,900</u>	<u>64,900</u>	<u>64,638</u>	<u>262</u>
Total Debt Service	<u>64,900</u>	<u>64,900</u>	<u>64,638</u>	<u>262</u>
Total Expenditures	<u>1,312,600</u>	<u>1,312,600</u>	<u>1,271,603</u>	<u>40,997</u>
Excess of Revenues Over (Under) Expenditures	<u>(567,000)</u>	<u>(567,000)</u>	<u>(488,444)</u>	<u>78,556</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>0</u>
Net Change in Fund Balance	(67,000)	(67,000)	11,556	78,556
Decertification of Prior Year Encumbrances	0	0	3,112	3,112
Fund Balance at Beginning of Year	<u>72,567</u>	<u>72,567</u>	<u>72,567</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,567</u>	<u>\$ 5,567</u>	<u>\$ 87,235</u>	<u>\$ 81,668</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 60,114	\$ 10,114
Interest	400	400	775	375
Total Revenues	<u>50,400</u>	<u>50,400</u>	<u>60,889</u>	<u>10,489</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation:				
Maintenance and Repair:				
Personnel	2,000	2,000	1,692	308
Other	14,700	11,650	10,709	941
Total Maintenance and Repair	<u>16,700</u>	<u>13,650</u>	<u>12,401</u>	<u>1,249</u>
Snow Removal:				
Personnel	78,000	85,000	83,653	1,347
Interest and Fiscal Charges	19,450	25,500	25,486	14
Total Snow Removal	<u>97,450</u>	<u>110,500</u>	<u>109,139</u>	<u>1,361</u>
Total Transportation	<u>114,150</u>	<u>124,150</u>	<u>121,540</u>	<u>2,610</u>
Total Expenditures	<u>114,150</u>	<u>124,150</u>	<u>121,540</u>	<u>2,610</u>
Excess of Revenues Over (Under) Expenditures	<u>(63,750)</u>	<u>(73,750)</u>	<u>(60,651)</u>	<u>13,099</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	50,000	50,000	50,000	0
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Net Change in Fund Balance	(13,750)	(23,750)	(10,651)	13,099
Decertification of Prior Year Encumbrances	0	0	271	271
Fund Balance at Beginning of Year	<u>30,809</u>	<u>30,809</u>	<u>30,809</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,059</u>	<u>\$ 7,059</u>	<u>\$ 20,429</u>	<u>\$ 13,370</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 235,350	\$ 235,350	\$ 218,199	\$ (17,151)
Total Revenues	<u>235,350</u>	<u>235,350</u>	<u>218,199</u>	<u>(17,151)</u>
<u>Expenditures</u>				
Capital Outlay	<u>261,500</u>	<u>261,500</u>	<u>242,288</u>	<u>19,212</u>
Total Expenditures	<u>261,500</u>	<u>261,500</u>	<u>242,288</u>	<u>19,212</u>
Excess of Revenues Over (Under) Expenditures	<u>(26,150)</u>	<u>(26,150)</u>	<u>(24,089)</u>	<u>2,061</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>26,150</u>	<u>26,150</u>	<u>26,150</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>26,150</u>	<u>26,150</u>	<u>26,150</u>	<u>0</u>
Net Change in Fund Balance	0	0	2,061	2,061
Decertification of Prior Year Encumbrances	0	0	254	254
Fund Balance at Beginning of Year	<u>881</u>	<u>881</u>	<u>881</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 881</u>	<u>\$ 881</u>	<u>\$ 3,196</u>	<u>\$ 2,315</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 113,491	\$ 113,491	\$ 114,206	\$ 715
Intergovernmental	<u>12,737</u>	<u>12,737</u>	<u>16,145</u>	<u>3,408</u>
Total Revenues	<u>126,228</u>	<u>126,228</u>	<u>130,351</u>	<u>4,123</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Personnel	<u>598,000</u>	<u>598,000</u>	<u>559,156</u>	<u>38,844</u>
Total Security of Persons and Property	<u>598,000</u>	<u>598,000</u>	<u>559,156</u>	<u>38,844</u>
Total Expenditures	<u>598,000</u>	<u>598,000</u>	<u>559,156</u>	<u>38,844</u>
Excess of Revenues Over (Under) Expenditures	<u>(471,772)</u>	<u>(471,772)</u>	<u>(428,805)</u>	<u>42,967</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>475,000</u>	<u>475,000</u>	<u>410,000</u>	<u>(65,000)</u>
Total Other Financing Sources (Uses)	<u>475,000</u>	<u>475,000</u>	<u>410,000</u>	<u>(65,000)</u>
Net Change in Fund Balance	3,228	3,228	(18,805)	(22,033)
Fund Balance at Beginning of Year	<u>36,097</u>	<u>36,097</u>	<u>36,097</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 39,325</u>	<u>\$ 39,325</u>	<u>\$ 17,292</u>	<u>\$ (22,033)</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 113,491	\$ 113,491	\$ 114,206	\$ 715
Intergovernmental	<u>12,737</u>	<u>12,737</u>	<u>16,145</u>	<u>3,408</u>
Total Revenues	<u>126,228</u>	<u>126,228</u>	<u>130,351</u>	<u>4,123</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Personnel	<u>710,000</u>	<u>718,000</u>	<u>716,175</u>	<u>1,825</u>
Total Security of Persons and Property	<u>710,000</u>	<u>718,000</u>	<u>716,175</u>	<u>1,825</u>
Total Expenditures	<u>710,000</u>	<u>718,000</u>	<u>716,175</u>	<u>1,825</u>
Excess of Revenues Over (Under) Expenditures	<u>(583,772)</u>	<u>(591,772)</u>	<u>(585,824)</u>	<u>5,948</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>595,000</u>	<u>595,000</u>	<u>575,000</u>	<u>(20,000)</u>
Total Other Financing Sources (Uses)	<u>595,000</u>	<u>595,000</u>	<u>575,000</u>	<u>(20,000)</u>
Net Change in Fund Balance	11,228	3,228	(10,824)	(14,052)
Fund Balance at Beginning of Year	<u>22,834</u>	<u>22,834</u>	<u>22,834</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 34,062</u>	<u>\$ 26,062</u>	<u>\$ 12,010</u>	<u>\$ (14,052)</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Fees, Licenses, and Permits	\$ 195,000	\$ 195,000	\$ 209,941	\$ 14,941
Interest Income	800	800	1,889	1,089
Total Revenues	<u>195,800</u>	<u>195,800</u>	<u>211,830</u>	<u>16,030</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>195,800</u>	<u>195,800</u>	<u>211,830</u>	<u>16,030</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(200,000)</u>	<u>50,000</u>
Total Other Financing Sources (Uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>(200,000)</u>	<u>50,000</u>
Net Change in Fund Balance	(54,200)	(54,200)	11,830	66,030
Fund Balance at Beginning of Year	<u>65,515</u>	<u>65,515</u>	<u>65,515</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 11,315</u>	<u>\$ 11,315</u>	<u>\$ 77,345</u>	<u>\$ 66,030</u>

CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
WATER USE CHARGE FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Charges for Services	\$ 730,000	\$ 730,000	\$ 699,775	\$ (30,225)
Interest Income	200	200	1,826	1,626
Other Income	<u>0</u>	<u>0</u>	<u>7,636</u>	<u>7,636</u>
Total Revenues	<u>730,200</u>	<u>730,200</u>	<u>709,237</u>	<u>(20,963)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Basic Utility Services:				
Other	<u>270,000</u>	<u>270,000</u>	<u>119,824</u>	<u>150,176</u>
Total Basic Utility Services	<u>270,000</u>	<u>270,000</u>	<u>119,824</u>	<u>150,176</u>
Capital Outlay	<u>40,000</u>	<u>40,000</u>	<u>32,117</u>	<u>7,883</u>
Debt Service:				
Principal Retirement	220,320	220,320	220,312	8
Interest and Fiscal Charges	<u>92,250</u>	<u>94,250</u>	<u>94,244</u>	<u>6</u>
Total Debt Service	<u>312,570</u>	<u>314,570</u>	<u>314,556</u>	<u>14</u>
Total Expenditures	<u>622,570</u>	<u>624,570</u>	<u>466,497</u>	<u>158,073</u>
Excess of Revenues Over (Under) Expenditures	<u>107,630</u>	<u>105,630</u>	<u>242,740</u>	<u>137,110</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(92,250)</u>	<u>(92,250)</u>	<u>(79,612)</u>	<u>12,638</u>
Total Other Financing Sources (Uses)	<u>(92,250)</u>	<u>(92,250)</u>	<u>(79,612)</u>	<u>12,638</u>
Net Change in Fund Balance	15,380	13,380	163,128	149,748
Fund Balance at Beginning of Year	<u>31,703</u>	<u>31,703</u>	<u>31,703</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 47,083</u>	<u>\$ 45,083</u>	<u>\$ 194,831</u>	<u>\$ 149,748</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 372,762	\$ 372,762	\$ 380,688	\$ 7,926
Intergovernmental	48,000	48,000	53,818	5,818
Interest Income	1,500	1,500	5,813	4,313
Total Revenues	<u>422,262</u>	<u>422,262</u>	<u>440,319</u>	<u>18,057</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
General Government:				
Other	<u>505,000</u>	<u>505,000</u>	<u>426,536</u>	<u>78,464</u>
Total General Government	<u>505,000</u>	<u>505,000</u>	<u>426,536</u>	<u>78,464</u>
Total Expenditures	<u>505,000</u>	<u>505,000</u>	<u>426,536</u>	<u>78,464</u>
Net Change in Fund Balance	(82,738)	(82,738)	13,783	96,521
Decertification of Prior Year Encumbrances	0	0	2,953	2,953
Fund Balance at Beginning of Year	<u>173,346</u>	<u>173,346</u>	<u>173,346</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 90,608</u>	<u>\$ 90,608</u>	<u>\$ 190,082</u>	<u>\$ 99,474</u>

CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
AMBULANCE BILLING SERVICE FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Charges for Services	\$ 390,000	\$ 390,000	\$ 341,649	\$ (48,351)
Intergovernmental	0	0	27,630	27,630
Interest Income	<u>1,500</u>	<u>1,500</u>	<u>4,506</u>	<u>3,006</u>
Total Revenues	<u>391,500</u>	<u>391,500</u>	<u>373,785</u>	<u>(17,715)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Personnel	107,500	107,500	104,159	3,341
Other	<u>61,130</u>	<u>58,130</u>	<u>42,481</u>	<u>15,649</u>
Total Security of Persons and Property	<u>168,630</u>	<u>165,630</u>	<u>146,640</u>	<u>18,990</u>
Capital Outlay	<u>27,000</u>	<u>54,500</u>	<u>52,292</u>	<u>2,208</u>
Total Expenditures	<u>195,630</u>	<u>220,130</u>	<u>198,932</u>	<u>21,198</u>
Excess of Revenues Over (Under) Expenditures	<u>195,870</u>	<u>171,370</u>	<u>174,853</u>	<u>3,483</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(191,150)</u>	<u>(191,150)</u>	<u>(191,150)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(191,150)</u>	<u>(191,150)</u>	<u>(191,150)</u>	<u>0</u>
Net Change in Fund Balance	4,720	(19,780)	(16,297)	3,483
Decertification of Prior Year Encumbrances	0	0	1,214	1,214
Fund Balance at Beginning of Year	<u>76,679</u>	<u>76,679</u>	<u>76,679</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 81,399</u>	<u>\$ 56,899</u>	<u>\$ 61,596</u>	<u>\$ 4,697</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Fees, Licenses, and Permits	\$ 155,000	\$ 155,000	\$ 147,259	\$ (7,741)
Interest Income	<u>200</u>	<u>200</u>	<u>649</u>	<u>449</u>
Total Revenues	<u>155,200</u>	<u>155,200</u>	<u>147,908</u>	<u>(7,292)</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>155,200</u>	<u>155,200</u>	<u>147,908</u>	<u>(7,292)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(155,000)</u>	<u>(155,000)</u>	<u>(151,112)</u>	<u>3,888</u>
Total Other Financing Sources (Uses)	<u>(155,000)</u>	<u>(155,000)</u>	<u>(151,112)</u>	<u>3,888</u>
Net Change in Fund Balance	200	200	(3,204)	(3,404)
Fund Balance at Beginning of Year	<u>4,107</u>	<u>4,107</u>	<u>4,107</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,307</u>	<u>\$ 4,307</u>	<u>\$ 903</u>	<u>\$ (3,404)</u>

CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
DRUG LAW ENFORCEMENT FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Interest Income	\$ 500	\$ 500	\$ 1,735	\$ 1,235
Miscellaneous Income	<u>3,000</u>	<u>3,000</u>	<u>6,576</u>	<u>3,576</u>
Total Revenues	<u>3,500</u>	<u>3,500</u>	<u>8,311</u>	<u>4,811</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Other	<u>11,500</u>	<u>11,500</u>	<u>6,523</u>	<u>4,977</u>
Total Security of Persons and Property	<u>11,500</u>	<u>11,500</u>	<u>6,523</u>	<u>4,977</u>
Capital Outlay	<u>23,000</u>	<u>23,000</u>	<u>0</u>	<u>23,000</u>
Total Expenditures	<u>34,500</u>	<u>34,500</u>	<u>6,523</u>	<u>27,977</u>
Net Change in Fund Balance	(31,000)	(31,000)	1,788	32,788
Fund Balance at Beginning of Year	<u>64,567</u>	<u>64,567</u>	<u>64,567</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 33,567</u>	<u>\$ 33,567</u>	<u>\$ 66,355</u>	<u>\$ 32,788</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Charges for Services	\$ 41,000	\$ 41,000	\$ 28,179	\$ (12,821)
Total Revenues	<u>41,000</u>	<u>41,000</u>	<u>28,179</u>	<u>(12,821)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
General Government:				
Personnel	13,000	13,000	10,300	2,700
Other	<u>23,800</u>	<u>23,800</u>	<u>15,831</u>	<u>7,969</u>
Total General Government	<u>36,800</u>	<u>36,800</u>	<u>26,131</u>	<u>10,669</u>
Total Expenditures	<u>36,800</u>	<u>36,800</u>	<u>26,131</u>	<u>10,669</u>
Net Change in Fund Balance	4,200	4,200	2,048	(2,152)
Decertification of Prior Year Encumbrances	0	0	200	200
Fund Balance at Beginning of Year	<u>21,828</u>	<u>21,828</u>	<u>21,828</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 26,028</u>	<u>\$ 26,028</u>	<u>\$ 24,076</u>	<u>\$ (1,952)</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 44,000	\$ 19,000
Interest Income	<u>500</u>	<u>500</u>	<u>4,372</u>	<u>3,872</u>
Total Revenues	<u>25,500</u>	<u>25,500</u>	<u>48,372</u>	<u>22,872</u>
<u>Expenditures</u>				
Capital Outlay	<u>30,000</u>	<u>30,000</u>	<u>1,708</u>	<u>28,292</u>
Total Capital Outlay	<u>30,000</u>	<u>30,000</u>	<u>1,708</u>	<u>28,292</u>
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>1,708</u>	<u>28,292</u>
Net Change in Fund Balance	(4,500)	(4,500)	46,664	51,164
Fund Balance at Beginning of Year	<u>120,344</u>	<u>120,344</u>	<u>120,344</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 115,844</u>	<u>\$ 115,844</u>	<u>\$ 167,008</u>	<u>\$ 51,164</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 695,142	\$ 695,142	\$ 722,948	\$ 27,806
Intergovernmental	102,490	102,490	100,579	(1,911)
Interest Income	<u>1,000</u>	<u>1,000</u>	<u>3,996</u>	<u>2,996</u>
Total Revenues	<u>798,632</u>	<u>798,632</u>	<u>827,523</u>	<u>28,891</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Personnel	<u>801,400</u>	<u>801,400</u>	<u>788,653</u>	<u>12,747</u>
Total Security of Persons and Property	<u>801,400</u>	<u>801,400</u>	<u>788,653</u>	<u>12,747</u>
Total Expenditures	<u>801,400</u>	<u>801,400</u>	<u>788,653</u>	<u>12,747</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,768)</u>	<u>(2,768)</u>	<u>38,870</u>	<u>41,638</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(35,000)</u>	<u>(35,000)</u>	<u>(30,000)</u>	<u>5,000</u>
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(30,000)</u>	<u>5,000</u>
Net Change in Fund Balance	<u>(37,768)</u>	<u>(37,768)</u>	<u>8,870</u>	<u>46,638</u>
Fund Balance at Beginning of Year	<u>69,448</u>	<u>69,448</u>	<u>69,448</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 31,680</u>	<u>\$ 31,680</u>	<u>\$ 78,318</u>	<u>\$ 46,638</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 695,142	\$ 695,142	\$ 722,948	\$ 27,806
Intergovernmental	102,490	102,490	100,579	(1,911)
Interest Income	<u>1,000</u>	<u>1,000</u>	<u>3,268</u>	<u>2,268</u>
Total Revenues	<u>798,632</u>	<u>798,632</u>	<u>826,795</u>	<u>28,163</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Personnel	<u>749,950</u>	<u>769,950</u>	<u>764,177</u>	<u>5,773</u>
Total Security of Persons and Property	<u>749,950</u>	<u>769,950</u>	<u>764,177</u>	<u>5,773</u>
Total Expenditures	<u>749,950</u>	<u>769,950</u>	<u>764,177</u>	<u>5,773</u>
Excess of Revenues Over (Under) Expenditures	<u>48,682</u>	<u>28,682</u>	<u>62,618</u>	<u>33,936</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(70,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(70,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
Net Change in Fund Balance	<u>(21,318)</u>	<u>(21,318)</u>	<u>12,618</u>	<u>33,936</u>
Fund Balance at Beginning of Year	<u>42,982</u>	<u>42,982</u>	<u>42,982</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,664</u>	<u>\$ 21,664</u>	<u>\$ 55,600</u>	<u>\$ 33,936</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Miscellaneous Income	\$ 9,000	\$ 17,000	\$ 18,133	\$ 1,133
Total Revenues	<u>9,000</u>	<u>17,000</u>	<u>18,133</u>	<u>1,133</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Other	<u>10,000</u>	<u>19,000</u>	<u>17,063</u>	<u>1,937</u>
Total Security of Persons and Property	<u>10,000</u>	<u>19,000</u>	<u>17,063</u>	<u>1,937</u>
Total Expenditures	<u>10,000</u>	<u>19,000</u>	<u>17,063</u>	<u>1,937</u>
Net Change in Fund Balance	(1,000)	(2,000)	1,070	3,070
Fund Balance at Beginning of Year	<u>4,828</u>	<u>4,828</u>	<u>4,828</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 3,828</u></u>	<u><u>\$ 2,828</u></u>	<u><u>\$ 5,898</u></u>	<u><u>\$ 3,070</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Miscellaneous Income	\$ 3,000	\$ 3,000	\$ 325	\$ (2,675)
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>325</u>	<u>(2,675)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Other	<u>3,000</u>	<u>3,000</u>	<u>293</u>	<u>2,707</u>
Total Security of Persons and Property	<u>3,000</u>	<u>3,000</u>	<u>293</u>	<u>2,707</u>
Total Expenditures	<u>3,000</u>	<u>3,000</u>	<u>293</u>	<u>2,707</u>
Net Change in Fund Balance	0	0	32	32
Fund Balance at Beginning of Year	<u>183</u>	<u>183</u>	<u>183</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 183</u>	<u>\$ 183</u>	<u>\$ 215</u>	<u>\$ 32</u>

CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
OFFICE ON AGING FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Interest Income	\$ 1,000	\$ 1,000	\$ 1,675	\$ 675
Miscellaneous Income	<u>37,000</u>	<u>37,000</u>	<u>41,872</u>	<u>4,872</u>
Total Revenues	<u>38,000</u>	<u>38,000</u>	<u>43,547</u>	<u>5,547</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Leisure Time Activities:				
Other	<u>54,000</u>	<u>68,000</u>	<u>60,502</u>	<u>7,498</u>
Total Leisure Time Activities	<u>54,000</u>	<u>68,000</u>	<u>60,502</u>	<u>7,498</u>
Total Expenditures	<u>54,000</u>	<u>68,000</u>	<u>60,502</u>	<u>7,498</u>
Net Change in Fund Balance	(16,000)	(30,000)	(16,955)	13,045
Fund Balance at Beginning of Year	<u>84,011</u>	<u>84,011</u>	<u>84,011</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 68,011</u>	<u>\$ 54,011</u>	<u>\$ 67,056</u>	<u>\$ 13,045</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Charges for Services	\$ 75,000	\$ 75,000	\$ 105,082	\$ 30,082
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>105,082</u>	<u>30,082</u>
<u>Total Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	75,000	75,000	105,082	30,082
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 105,082</u>	<u>\$ 30,082</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	<u>112,842</u>	<u>112,842</u>	<u>112,842</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 112,842</u>	<u>\$ 112,842</u>	<u>\$ 112,842</u>	<u>\$ 0</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Interest Income	\$ 500	\$ 500	\$ 3,523	\$ 3,023
Miscellaneous Income	<u>0</u>	<u>0</u>	<u>4,160</u>	<u>4,160</u>
Total Revenues	<u>500</u>	<u>500</u>	<u>7,683</u>	<u>7,183</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation:				
Other	<u>20,000</u>	<u>28,795</u>	<u>8,633</u>	<u>20,162</u>
Total Transportation	<u>20,000</u>	<u>28,795</u>	<u>8,633</u>	<u>20,162</u>
Capital Outlay	<u>170,000</u>	<u>170,000</u>	<u>104,587</u>	<u>65,413</u>
Total Expenditures	<u>190,000</u>	<u>198,795</u>	<u>113,220</u>	<u>85,575</u>
Net Change in Fund Balance	(189,500)	(198,295)	(105,537)	92,758
Fund Balance at Beginning of Year	<u>202,546</u>	<u>202,546</u>	<u>202,546</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 13,046</u>	<u>\$ 4,251</u>	<u>\$ 97,009</u>	<u>\$ 92,758</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
Capital Outlay	<u>170,000</u>	<u>327,000</u>	<u>326,777</u>	<u>223</u>
Total Capital Outlay	<u>170,000</u>	<u>327,000</u>	<u>326,777</u>	<u>223</u>
Total Expenditures	<u>170,000</u>	<u>327,000</u>	<u>326,777</u>	<u>223</u>
Excess of Revenues Over (Under) Expenditures	<u>(170,000)</u>	<u>(327,000)</u>	<u>(326,777)</u>	<u>223</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>155,000</u>	<u>312,000</u>	<u>307,889</u>	<u>(4,111)</u>
Total Other Financing Sources (Uses)	<u>155,000</u>	<u>312,000</u>	<u>307,889</u>	<u>(4,111)</u>
Net Change in Fund Balance	(15,000)	(15,000)	(18,888)	(3,888)
Fund Balance at Beginning of Year	<u>18,888</u>	<u>18,888</u>	<u>18,888</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,888</u>	<u>\$ 3,888</u>	<u>\$ 0</u>	<u>\$ (3,888)</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
<u>Other Financing Sources (Uses)</u>				
Transfers In	75,000	75,000	75,000	0
Total Other Financing Sources (Uses)	75,000	75,000	75,000	0
Net Change in Fund Balance	75,000	75,000	75,000	0
Fund Balance at Beginning of Year	7,747	7,747	7,747	0
Fund Balance at End of Year	<u>\$ 82,747</u>	<u>\$ 82,747</u>	<u>\$ 82,747</u>	<u>\$ 0</u>

CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 185,000	\$ 520,000	\$ 204,561	\$ (315,439)
Total Revenues	<u>185,000</u>	<u>520,000</u>	<u>204,561</u>	<u>(315,439)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Community Development:				
Other	<u>45,000</u>	<u>65,000</u>	<u>54,326</u>	<u>10,674</u>
Total Community Development	<u>45,000</u>	<u>65,000</u>	<u>54,326</u>	<u>10,674</u>
Capital Outlay	<u>147,807</u>	<u>277,807</u>	<u>89,655</u>	<u>188,152</u>
Total Expenditures	<u>192,807</u>	<u>342,807</u>	<u>143,981</u>	<u>198,826</u>
Net Change in Fund Balance	(7,807)	177,193	60,580	(116,613)
Fund Balance at Beginning of Year	<u>58,977</u>	<u>58,977</u>	<u>58,977</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 51,170</u>	<u>\$ 236,170</u>	<u>\$ 119,557</u>	<u>\$ (116,613)</u>

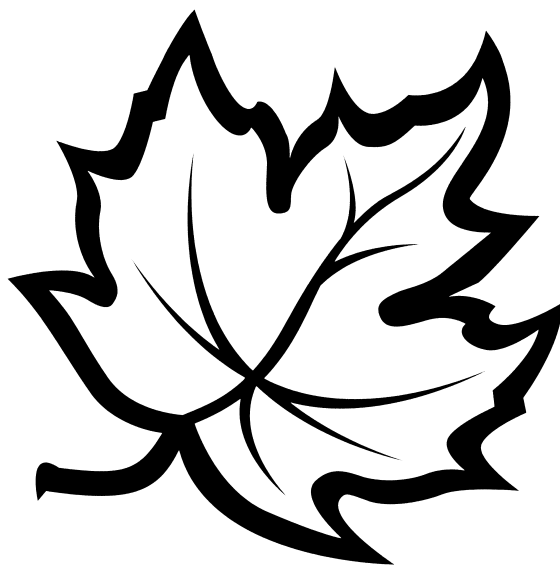
CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
SIDEWALK IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	<u>3,782</u>	<u>3,782</u>	<u>3,782</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,782</u>	<u>\$ 3,782</u>	<u>\$ 3,782</u>	<u>\$ 0</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Interest Income	\$ 1,500	\$ 1,500	\$ 10,735	\$ 9,235
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>10,735</u>	<u>9,235</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property:				
Other	<u>47,045</u>	<u>72,045</u>	<u>66,666</u>	<u>5,379</u>
Total Security of Persons and Property	<u>47,045</u>	<u>72,045</u>	<u>66,666</u>	<u>5,379</u>
Capital Outlay	<u>545,000</u>	<u>520,000</u>	<u>486,505</u>	<u>33,495</u>
Total Expenditures	<u>592,045</u>	<u>592,045</u>	<u>553,171</u>	<u>38,874</u>
Net Change in Fund Balance	(590,545)	(590,545)	(542,436)	48,109
Fund Balance at Beginning of Year	<u>592,996</u>	<u>592,996</u>	<u>592,996</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,451</u>	<u>\$ 2,451</u>	<u>\$ 50,560</u>	<u>\$ 48,109</u>

STATISTICAL SECTION



**CITY OF MAPLE HEIGHTS, OHIO
GENERAL FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Table 1

	<u>1996 (1)</u>	<u>1997 (1)</u>	<u>1998 (1)</u>	<u>1999 (2)</u>	<u>2000 (2)</u>	<u>2001 (2)</u>	<u>2002 (2)</u>	<u>2003 (2)</u>	<u>2004 (2)</u>	<u>2005 (2)</u>
Revenues:										
Property Taxes	\$2,716,501	\$2,544,267	\$2,643,854	\$2,655,082	\$2,778,848	\$2,734,292	\$2,238,210	\$2,585,013	\$2,818,920	\$2,855,164
Other Local Taxes	22,140	15,558	3,116	410	0	0	0	0	0	0
Intergovernmental	2,004,702	2,376,005	2,672,013	2,268,774	2,711,855	2,994,060	3,261,378	2,940,989	3,011,967	2,945,496
Charges for Services	0	92,821	106,734	97,973	110,698	85,592	79,722	425,566	291,758	127,735
Fees, Licenses and Permits	533,008	610,479	526,821	554,078	607,992	554,763	597,774	608,235	665,840	1,183,696
Fines and Forfeitures	406,177	407,747	478,738	475,068	557,865	529,972	654,966	645,413	772,089	0
Special Assessments	0	6,101	2,165	2,165	2,110	0	0	0	0	0
Interest Income	131,105	218,505	192,863	192,863	262,347	262,347	76,677	29,989	29,925	44,665
Workers Compensation Settlement and Refunds	0	0	312,639	312,639	21,253	21,253	60,385	44,614	0	0
Miscellaneous Income	<u>220,620</u>	<u>226,496</u>	<u>201,280</u>	<u>201,280</u>	<u>168,434</u>	<u>168,434</u>	<u>444,211</u>	<u>287,017</u>	<u>228,621</u>	<u>250,566</u>
Total Revenues	<u>\$6,034,253</u>	<u>\$6,497,979</u>	<u>\$6,497,979</u>	<u>\$7,140,223</u>	<u>\$7,221,402</u>	<u>\$7,221,402</u>	<u>\$7,413,323</u>	<u>\$7,566,836</u>	<u>\$7,819,120</u>	<u>\$7,407,322</u>

(1) Table based on the Budget Basis Accounting.

(2) Information reflected in this table is presented on the modified accrual basis of accounting. Information for the Government Wide activities will be presented when there are enough years of information to make comparisons.

Source: City of Maple Heights, Finance Department.

**CITY OF MAPLE HEIGHTS, OHIO
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS**

Table 2

	<u>1996 (1)</u>	<u>1997 (1)</u>	<u>1998 (1)</u>	<u>1999 (1)</u>	<u>2000 (2)</u>	<u>2001 (2)</u>	<u>2002 (2)</u>	<u>2003 (2)</u>	<u>2004 (2)</u>	<u>2005 (2)</u>
Expenditures:										
Security of Persons and										
Property	\$5,690,687	\$6,024,695	\$6,493,366	\$5,621,150	\$6,095,593	\$ 6,991,728	\$ 7,574,051	\$7,760,697	\$7,401,298	\$ 7,467,019
Public Health and Welfare	66,097	69,090	69,890	74,495	74,495	79,913	77,160	81,084	81,084	87,623
Leisure Time Activities	1,256,388	1,455,285	1,552,711	1,444,961	1,451,390	1,573,159	1,665,641	1,503,985	1,269,568	773,595
Community Development	378,941	443,621	341,668	430,717	548,596	564,399	628,701	619,351	598,696	378,014
Basic Utility Services	1,054,848	1,043,528	997,813	1,064,941	1,131,350	1,149,637	1,166,548	1,141,133	1,040,732	1,069,379
Transportation	551	0	0	0	0	0	0	0	0	0
General Government	2,175,938	2,146,652	2,007,645	2,249,905	2,225,451	2,402,391	2,563,151	2,596,379	2,658,234	2,486,133
Capital Outlay	48,944	29,925	64,492	25,570	84,879	59,546	10,413	0	0	0
Total Expenditures	<u>\$10,672,394</u>	<u>\$11,212,796</u>	<u>\$11,527,585</u>	<u>\$10,911,739</u>	<u>\$11,611,754</u>	<u>\$12,820,773</u>	<u>\$13,685,665</u>	<u>\$13,685,665</u>	<u>\$13,049,612</u>	<u>\$12,261,763</u>

(1) Table based on the Budget Basis Accounting.

(3) Information reflected in this table is presented on the modified accrual basis of accounting. Information for the Government Wide activities will be presented when there are enough years of information to make comparisons.

Source: City of Maple Heights, Finance Department.

CITY OF MAPLE HEIGHTS, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS - REAL AND PUBLIC UTILITY
LAST TEN FISCAL YEARS

Table 3

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Current Collections</u>	<u>Current Levy Collected</u>	<u>Total Collection Including Deficiencies</u>	<u>Total Collections As Percent Of Current Levy</u>	<u>Accumulated Delinquent Taxes</u>
1995/1996	\$3,583,233	\$3,483,333	97.2%	\$3,552,281	99.1%	\$ 224,937
1996/1997	3,601,204	3,491,419	96.3	3,622,816	100.6	181,891
1997/1998	4,357,694	4,200,283	96.4	4,336,645	99.5	400,285
1998/1999	4,966,965	4,710,213	94.8	4,911,751	98.8	311,224
1999/2000	4,955,421	4,706,357	94.9	4,944,543	99.8	337,589
2000/2001	5,222,304	4,784,833	91.6	5,007,266	95.9	507,167
2001/2002	5,181,533	4,794,221	92.5	5,123,212	98.9	573,110
2002/2003	5,180,525	4,758,667	91.8	5,028,941	97.1	704,779
2003/2004	5,960,101	5,548,026	93.8	5,916,243	99.2	787,832
2004/2005	5,956,127	5,479,623	92.0	6,631,781	111.3	788,071

Note - Table excludes "tangible personal tax".

Source: Cuyahoga County Auditor's Office.

CITY OF MAPLE HEIGHTS, OHIO
ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY - REAL AND PUBLIC UTILITY
LAST TEN FISCAL YEARS

Table 4

Tax Year/ Collection Year	<u>Real Property</u>		Personal Property	Public Utilities	Total Assessed Value
	Assessed Value	Estimated Actual Value*	Assessed Value	Assessed Value	
1996/1997	\$276,886,230	\$791,103,514	\$38,267,796	\$20,972,810	\$336,126,836
1997/1998	307,270,120	877,914,628	31,793,599	20,040,070	359,103,789
1998/1999	308,911,830	882,605,229	35,777,462	19,612,920	364,302,212
1999/2000	313,364,500	895,327,143	31,911,123	17,619,230	362,894,853
2000/2001	350,726,520	1,002,075,771	34,492,662	17,619,890	402,839,072
2001/2002	351,340,790	1,003,830,828	41,282,871	14,313,680	406,937,341
2002/2003	350,154,050	1,000,440,143	39,466,822	14,477,060	404,097,932
2003/2004	374,057,220	1,068,734,914	37,096,385	16,597,690	427,751,295
2004/2005	372,674,300	1,064,783,714	35,798,886	15,810,410	424,283,596
2005/2006	372,241,930	1,063,548,371	35,259,452	15,083,680	422,585,062

* Real property based on assessed value at 35% of estimated market value.

Source: Cuyahoga County Auditor's Office.

CITY OF MAPLE HEIGHTS, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN FISCAL YEARS

Table 5

<u>Tax Year/ Collection Year</u>	<u>City of Maple Heights</u>			<u>Total</u>	<u>Maple Heights School District</u>	<u>Cuyahoga County</u>	<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>				
1996/1997	\$7.50	\$1.60	\$3.00	\$12.10	\$56.80	\$18.00	\$86.90
1997/1998	7.30	1.60	3.10	12.00	56.30	18.00	86.30
1998/1999	7.60	4.60	2.80	15.00	56.10	16.70	87.80
1999/2000	7.30	4.60	3.10	15.00	56.60	16.70	88.30
2000/2001	7.60	4.60	2.30	14.50	55.90	17.60	88.00
2001/2002	7.50	4.60	2.40	14.50	55.80	17.60	87.90
2002/2003	7.50	4.60	2.40	14.50	56.50	17.60	88.60
2003/2004	7.50	5.60	2.40	15.50	64.30	19.40	99.20
2004/2005	7.50	5.60	2.40	15.50	63.50	20.30	99.30
2005/2006	7.50	5.60	2.40	15.50	63.30	20.30	99.10

Source: Cuyahoga County Auditor's Office.

**CITY OF MAPLE HEIGHTS, OHIO
SPECIAL ASSESSMENT COLLECTION
LAST TEN FISCAL YEARS**

Table 6

<u>Fiscal Year</u>	<u>Current Billing</u>	<u>Current Collections</u>	<u>Current Billing Collection</u>	<u>Total Collection Including Deficiencies</u>	<u>Total Collections As Percent Of Current Billing</u>	<u>Cumulative Delinquency</u>
1995/1996	\$ 157,421	\$ 151,576	96.3%	\$ 156,375	99.3%	\$ 81,034
1996/1997	144,237	138,525	96.0	143,489	103.5	74,973
1997/1998	142,773	136,900	95.8	142,086	99.5	82,717
1998/1999	160,605	132,936	82.7	137,662	85.7	104,501
1999/2000	155,670	132,834	85.3	163,842	105.0	85,371
2000/2001	86,518	60,818	70.3	92,906	107.4	45,683
2001/2002	117,817	91,842	77.9	123,666	104.9	51,936
2002/2003	79,283	68,655	86.6	76,234	96.1	25,669
2003/2004	109,174	80,352	73.5	85,871	78.6	50,519
2004/2005	58,555	41,908	71.6	57,212	97.7	50,540

Source: Cuyahoga County Auditor's Office.

**CITY OF MAPLE HEIGHTS, OHIO
RATIO OF NET BONDED DEBT TO ASSESSED VALUE AND NET
BONED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Table 7

<u>Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Gross General Bonded Debt</u>	<u>Less Balance In Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Ratio Of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1996	27,089	336,126,836	7,683,603	690,908	6,992,695	2.08	258.14
1997	27,089	359,103,789	7,012,278	991,885	6,020,393	1.68	222.24
1998	27,089	364,302,212	7,750,433	1,147,872	6,602,561	1.81	243.74
1999	27,089	362,894,853	7,092,108	1,229,554	5,862,554	1.62	216.42
2000	26,156	402,839,072	9,276,783	4,095,332	5,181,451	1.29	198.10
2001	26,156	406,937,341	8,470,458	626,932	7,843,526	1.92	299.87
2002	26,156	404,097,932	7,743,133	420,412	7,322,721	1.81	279.96
2003	26,156	427,751,295	6,978,805	319,428	6,659,377	1.56	254.60
2004	26,156	424,283,596	9,472,480	381,673	9,090,807	2.14	347.56
2005	26,156	422,585,062	8,622,480	398,262	8,224,218	1.95	314.43

Source: Cuyahoga County Auditor's Office.

**CITY OF MAPLE HEIGHTS, OHIO
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS**

Table 8

Year	<u>New Construction (A)</u>		Cuyahoga County Bank Deposits (In Thousands) (B)	<u>Assessed Value (A)</u>	
	<u>Number Of Permits</u>	<u>Value</u>		<u>Commercial</u>	<u>Residential</u>
1996	1,741	15,190,380	27,068,211	123,170,934	209,613,540
1997	1,855	16,600,345	53,941,971	126,310,946	209,815,890
1998	1,625	6,473,052	58,904,596	125,498,199	233,605,590
1999	1,737	10,323,920	57,816,942	130,916,732	233,385,480
2000	1,800	12,562,099	61,942,764	129,085,553	233,809,300
2001	2,238	7,474,488	63,893,769	137,420,922	265,418,150
2002	2,244	3,841,016	95,761,917	140,778,431	266,158,910
2003	1,800	11,296,810	97,238,973	137,544,592	266,553,340
2004	1,680	6,667,954	101,838,959	138,788,545	288,962,750
2005	1,804	5,318,885	109,071,512	83,056,380	289,185,550

(A) Source: City Records.

(B) Source: Federal Reserve Bank of Cleveland (total demand, time and savings deposits) for Cuyahoga County, Ohio Banks.

**CITY OF MAPLE HEIGHTS, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2005**

Table 9

Total of all City Debt Outstanding(Voted and Unvoted) Subject to 10.5% Limitation		\$ 8,622,480
Less Debt Service Fund Balance		<u>(398,262)</u>
Net Indebtedness Subject to 10.5% Limitation		<u>\$ 8,224,218</u>
Assessed Valuation of City		<u>\$ 422,585,062</u>
10.5% of Valuation (Maximum Voted and Unvoted General Obligation Debt Allowed)		\$ 44,371,432
Less Debt Outstanding Subject to 10.5% Limitation		<u>(8,224,218)</u>
Legal Debt Margin within 10.5% Limitation		<u>\$ 36,147,214</u>
5.5% of Valuation (Maximum of Unvoted General Obligation Debt Allowed)		\$ 23,242,178
Less Debt Outstanding Subject to 5.5% Limitation		<u>(8,224,218)</u>
Legal Debt Margin within 5.5% Limitation		<u>\$ 15,017,960</u>

Source: City Records.

**CITY OF MAPLE HEIGHTS, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 GENERAL OBLIGATION BONDED DEBT
 DECEMBER 31, 2005**

Table 10

	<u>Net Debt Outstanding</u> (1)	<u>Percentage Applicable To To City Of Maple Heights</u>	<u>Amount Applicable To To City Of Maple Heights</u>
Direct:			
City of Maple Heights	\$ 8,224,218	100.00%	\$ 8,224,218
Overlapping:			
Maple Heights City School District	4,265,000	100.00%	4,934,000
Cuyahoga County	231,365,971	1.37%	3,169,714
Greater Cleveland Regional Transit	<u>139,790,000</u>	1.37%	<u>1,915,123</u>
Sub Total	<u>375,420,971</u>		<u>10,018,837</u>
 Total	 <u>\$ 383,645,189</u>		 <u>\$18,243,055</u>

Source: Cuyahoga County Auditor's Office.

(1) Net debt outstanding equals the amount of general obligation bonds outstanding minus the debt service fund balance available to pay non-special assessment general obligation debt.

CITY OF MAPLE HEIGHTS, OHIO
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT TO
TOTAL GENERAL FUND EXPENDITURES
LAST TEN FISCAL YEARS

Table 11

<u>Year</u>	<u>Debt Service For General Bonded Debt (1)</u>	<u>General Fund Expenditures (2)</u>	<u>Ratio Of Tax Supported Debt Service To General Fund Expenditure</u>
1996	588,829	10,672,394	5.52
1997	532,325	11,212,796	4.75
1998	548,325	11,527,585	4.76
1999	658,325	10,911,739	6.03
2000	810,325	11,611,754	6.98
2001	806,326	12,820,773	6.29
2002	727,325	13,685,665	5.31
2003	764,326	13,702,629	5.58
2004	1,616,325	13,049,612	12.39
2005	850,000	12,261,763	6.93

(1) Excluding debt service for short-term notes.

(2) Presented on GAAP basis.

Source: City Records.

**CITY OF MAPLE HEIGHTS, OHIO
PRINCIPAL TAXPAYERS
DECEMBER 31, 2005**

Table 12

<u>Taxpayer</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage Of Total Real Property Assessed Valuation</u>
Southgate U.S.A.	\$ 10,189,340	2.70
Liberty Investments Group	2,867,270	0.77
Rockside Commerce One, LLC	2,279,130	0.61
Rockside Distribution	1,802,605	0.48
Turney Dunham Association	1,726,095	0.46
JDS Maple Leaf Square, LLC	1,695,750	0.46
Commercial Net Lease Realty	1,567,020	0.42
MidAmco	1,305,745	0.35
LTD Liability Co.	1,265,670	0.34
Eastbank Realty Ltd.	<u>1,171,275</u>	<u>0.31</u>
Total	<u>\$ 25,869,900</u>	<u>6.90%</u>
Total City Real Property Valuation	<u>\$ 372,241,930</u>	

Source: Cuyahoga County Auditor's Office.

**CITY OF MAPLE HEIGHTS, OHIO
DEMOGRAPHIC STATISTICS
DECEMBER 31, 2005**

Table 13

	<u>1990</u>	<u>2000</u>
Population	27,089	26,156
Per capita income	\$ 12,792	\$ 18,676
Number of dwelling units	10,791	10,935
Persons per household	2.55	2.47
% Owner-occupied dwelling units	84.98%	83.80%
Median family income	\$ 29,568	\$ 40,414
Median value owner-occupied housing units	\$ 57,900	\$ 85,000
Household income distribution:		
Under \$25,000	4,254	2,822
\$25,000 - \$34,999	2,064	1,547
\$35,000 - \$49,999	2,419	2,259
\$50,000 +	1,827	3,865
Household Units In: Structure		
1 - Unit, Detached	9,254	9,336
1 - Unit, Attached	181	221
2 to 4 Units	219	288
5 to 9 Units	326	325
10 or More Units	750	752
Other	61	13
Persons 25 years and older by education:		
% High school graduates	72.20%	82.20%
% With four years college	8.10%	12.9%
Source: U.S. Census 1990, 2000		

**CITY OF MAPLE HEIGHTS, OHIO
LARGEST EMPLOYERS
DECEMBER 31, 2005**

Table 14

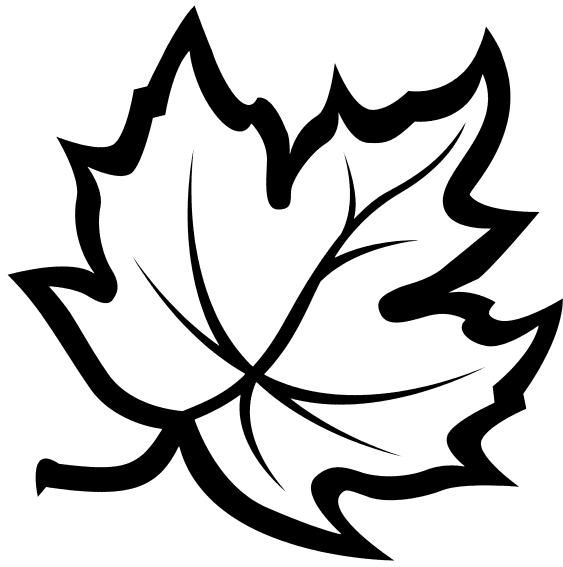
<u>TAXPAYER</u>	<u>Withholding Taxes Reported</u>
Maple Heights Board of Education	\$ 400,016
C&S Wholesale Grocers Inc.	244,899
The City of Maple Heights	214,184
Sherwood Food Distributors Inc.	199,692
Cuyahoga County Auditor	158,394
Beverage Management Co.	84,615
Absolute Home Health Care Agency	70,436
BCS Metal Prep, LLC	68,895
Jim Herrick Motors (Liberty Ford)	68,888
Tops Markets LLC	67,692
Clifton Steel Company	60,000
Jiffy Lube International Inc.	59,411
Home Depot USA Inc.	58,591

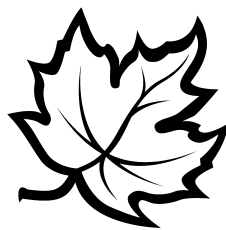
Source: Regional Income Tax Agency.

**CITY OF MAPLE HEIGHTS, OHIO
OTHER STATISTICS
DECEMBER 31, 2005**

Table 15

Chartered	January 1, 1932
Form of Government	Mayor-Council
Area in Square Miles	5.5
Miles of Streets	105
Number of Street Lights	2,536
 Fire Protection:	
Number of Stations	2
Number of Firemen Officers	42
Fire Hydrants	1,095
 Police Protection:	
Number of Stations	1
Number of Police Officers	42
Number of Auxiliary Police	28
Number of Dispatchers	14
Traffic Lights	206
 Sewer:	
Miles of Storm Sewers	105
Miles of Sanitary Sewers	105
 Building:	
Permits Issued in 2005	1,804
Dollar Valuation of Construction - 2005	\$5,318,885
 Parks and Recreation:	
Number of Parks	9
Number of Pools	2
Number of Tennis Courts	6
Number of Ball Diamonds	14
Number of Volleyball Courts	3
Number of Basketball Courts	5





City of Maple Heights

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**Auditor of State
Betty Montgomery**

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800-282-0370

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CITY OF MAPLE 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
NOVEMBER 28, 2006**