

CITY OF SHAKER HEIGHTS
CUYAHOGA COUNTY, OHIO

SINGLE AUDIT

**For the Year Ended
December 31, 2021**

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

City Council
City of Shaker Heights
3400 Lee Road
Shaker Heights, OH 44120

We have reviewed the *Independent Auditor's Report* of the City of Shaker Heights, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period January 1, 2021 through December 31, 2021. 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 Shaker Heights is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 16, 2022

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Cuyahoga County, Ohio
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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Members of Council
City of Shaker Heights
Cuyahoga County, Ohio
3400 Lee Road
Shaker Heights, OH 44120

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Shaker Heights, Cuyahoga County, Ohio (the “City”), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 29, 2022, in which we noted the City restated beginning net position to account for a reevaluation of capital assets.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

Purpose of this Report

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

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 29, 2022

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Members of Council
City of Shaker Heights
Cuyahoga County, Ohio
3400 Lee Road
Shaker Heights, OH 44120

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Shaker Heights’s, Cuyahoga County, Ohio (the “City”) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2021. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 29, 2022, which contained unmodified opinions on those financial statements, in which we noted in our report that the City restated beginning net position to account for a reevaluation of capital assets. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 29, 2022

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Expenditures of Federal Awards
For The Fiscal Year Ended December 31, 2021*

Federal Grantor/Pass Through Grantor Program/Cluster Title	Federal ALN Number	Award Number/Pass Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
<i>Direct:</i>				
Fair Housing Assistance Program	14.401	N/A	\$ 22,881	\$ -
<i>Passed through Cuyahoga County</i>				
Community Block Development Grant	14.228	B-19-UC-39-0001	\$ 143,705	-
Total U.S. Department of Housing and Urban Development			166,586	-
Department of the Interior				
<i>Passed through Ohio History Connection</i>				
Certified Local Government Grant	15.904	OH-21-10016	18,389	-
Total Department of the Interior			18,389	-
U.S. Department of Justice				
<i>Direct:</i>				
Bulletproof Vest Program	16.607	2021BUBX21025801	8,930	-
<i>Passed through the Ohio Department of Criminal Justice</i>				
Coronavirus Emergency Supplemental Funding	16.034	2020-CE-CTF-2292	18,982	-
Total U.S. Department of Justice			27,912	-
U.S. Department of Treasury				
<i>Passed through Ohio Office of Budget and Management</i>				
Coronavirus Relief Funds for Local Government Assistance - Remote Technology Enablement Project	21.019	#20-RTG-0100	333	-
Total U.S. Department of Justice			333	-
U.S. Department of Transportation				
<i>Passed Through the Ohio Department of Transportation:</i>				
<i>Highway Planning and Construction Cluster:</i>				
Highway Planning and Construction	20.205	PID #105725	949,226	-
Highway Planning and Construction	20.205	PID # 105935	140,792	-
Total Highway Planning and Construction Cluster			1,090,018	-
Total U.S. Department of Transportation			1,090,018	-
National Highway Traffic Safety Administration - Federal Highway Administration				
<i>Passed Through Ohio Department of Public Safety, Ohio Traffic Safety Office:</i>				
<i>Highway Safety Cluster:</i>				
National Priority Safety Programs	20.616	OVI-2019 University Hospitals Cleve-00005	9,000	-
Total Highway Safety Cluster			9,000	-
Total National Highway Traffic Safety Administration - Federal Highway Administration			9,000	-
U.S. Department of Health and Human Services				
<i>Direct:</i>				
Provider Relief Funds	93.498	N/A	15,673	-
			15,673	-
Total U.S. Department of Health and Human Services			15,673	-
U.S. Department of Homeland Security				
<i>Direct:</i>				
Assistance to Firefighter Grant Program - COVID	97.044	EMW-2020-FG-02887	123,703	-
Assistance to Firefighter Grant Program	97.044	N/A	153,567	-
Total Assistance to Firefighter Grant Program			277,270	-
Total U.S. Department of Homeland Security			277,270	-
Total Expenditures of Federal Awards			\$ 1,605,181	\$ -

**City of Shaker Heights
Cuyahoga County, Ohio**

*Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Year Ended December 31, 2021*

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Shaker Heights (the City's) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D- MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE E- PROVIDER RELIEF FUNDS

Provider Relief Funds were reported on the 2020 Schedule in error. They have been included on the December 31, 2021 Schedule in accordance with U.S. Department of Health and Human Services guidance.

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Findings and Questioned Costs
2 CFR Section 200.515
December 31, 2021*

1. SUMMARY OF AUDITOR'S RESULTS

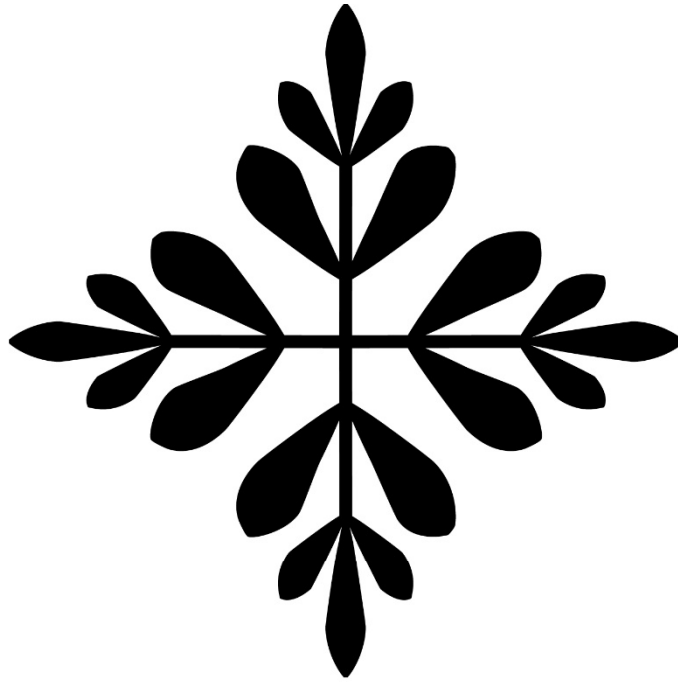
<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	None Reported
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	None Reported
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list): Highway Planning and Construction Cluster	CFDA #20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None Noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None Noted.



SHAKER HEIGHTS

Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021
City of Shaker Heights, Ohio

**City of Shaker Heights
Cuyahoga County, Ohio**

**Annual Comprehensive Financial Report
For the Year Ended December 31, 2021**

**Prepared by: The Department of Finance
John J. Potts, CPA, Director of Finance**

**INTRODUCTORY
SECTION**

City of Shaker Heights
Cuyahoga County, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2021

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Cuyahoga County, Ohio
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SHAKER HEIGHTS

June 29, 2022

Mayor David E. Weiss,
Chief Administrative Officer, Jeri E. Chaikin,
Members of City Council and
Residents of the City of Shaker Heights, Ohio
Shaker Heights City Hall
3400 Lee Road
Shaker Heights, Ohio 44120

Re: Submission of 2021 Annual Comprehensive Financial Report

Dear Mayor Weiss, Ms. Chaikin, Members of Council, and Residents of Shaker Heights:

I am pleased to submit for your review the City of Shaker Heights' (the City) 2021 Annual Comprehensive Financial Report (Annual Report). This report is the City's official annual report for the fiscal year ended December 31, 2021. This Annual Report is a more extensive report than the basic financial statements, and we believe that it demonstrates the City's ongoing commitment to be accountable not only to its citizenry but also to excellence in financial reporting. Ohio law requires that the City of Shaker Heights annually publish a complete set of financial statements for the results of its fiscal operations, presented in conformity with generally accepted accounting principles (GAAP). The Finance Department is responsible for the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the City.

This Annual Report consists of management's representations concerning the finances of the City of Shaker Heights. Consequently, the management of the City assumes full responsibility for the completeness and reliability of all of the information presented in this report. In order to provide a reasonable basis for making these representations, the management of the City has established a comprehensive internal control framework. This internal control system has been designed to both protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As the management of the City of Shaker Heights, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Shaker Heights' financial statements have been audited by Rea & Associates, Inc., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Shaker Heights for the year ended December 31, 2021, are free of material misstatement. An independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the results of the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2021 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Shaker Heights was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal grant awards. These reports are available in the City's separately issued Reports Issued Pursuant to Governmental Auditing Standards and Uniform Guidance.

Provisions of GAAP require that city management provide an introduction, overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

Profile of the City of Shaker Heights, Ohio

The City of Shaker Heights, covering approximately 6.3 square miles and a population of 29,439, (2020 Census) is located approximately ten miles southeast of downtown Cleveland in Cuyahoga County in northeastern Ohio. Incorporated under Ohio law as a village in 1912, Shaker Heights became a city in 1931. As provided by Ohio law, the City operates under the auspices of its own charter, which was adopted by the voters in 1931. The Charter provides for the City to operate under the Mayor-Council form of government with the Mayor serving as the President of Council. The Mayor serves as the City's Chief Executive Officer and appoints, subject to confirmation by City Council, and removes the City's Chief Administrative Officer and appoints and removes all department heads. The City is empowered by State statute to levy a property tax on real properties and public utility personal property located within its boundaries. It is also empowered to levy a tax on the income and net profits of all individuals and businesses earned within the boundaries of the City as well as the income of City residents, regardless of where the income was earned.

Legislative authority is vested in a seven-member Council. All council members are elected at-large and serve for four-year terms. Council terms are staggered with four members being elected in one election and three members being elected in the next election two years following. City Council holds its regular monthly council meeting on the fourth Monday of the month. In addition, the Council holds a work session meeting on the second Monday of the month. The various committees of Council meet on a monthly basis at various times throughout the month. The Mayor appoints all Council committees. The Chief Administrative Officer serves as the Clerk of Council with the Director of Law serving as the Clerk of Council Pro-Tem. The City department heads attend regular council meetings and council work sessions whenever required.

Primarily considered to be a residential community, Shaker Heights is the nation's oldest completely planned community and is recognized in the National Register as the Shaker Village Historical District. Combining the "Garden City" movement with comprehensive planning, the City was initially planned and developed to include housing that was diverse in style and in price, large parcels of land for public and private schools, churches, lakes, parks and a golf course. The City is served by a rail transit system to downtown Cleveland and Cleveland Hopkins International Airport. Originally City-owned and operated, the rail system is now owned and operated by the Greater Cleveland Regional Transit Authority (GCRTA).

The City provides a variety of City services to its residents, including: Police and Fire Protection, Emergency Medical Services, Refuse Collection, Street Maintenance, Recreation, Municipal Court, Planning, Economic Development, Inspectional Services, Public Improvements and General Administrative Services. The City receives its Public Health services from the Cuyahoga County Board of Health. FirstEnergy and Dominion East Ohio Gas Company, both of which are independent, investor-owned utilities regulated by the State of Ohio, provide the City's residents with electricity and natural gas distribution, respectively. The City provides a natural gas aggregation program for its residents through Interstate Gas Supply, Inc., which is used by about 6,200 residential and small commercial customers in the City. The City is also a member of the Northeast Ohio Public Energy Council (NOPEC), for the provision of an electric aggregation program to over 7,600 residential and small commercial customers in the City. The City of Cleveland and the Northeast Ohio Regional Sewer District provide water and sewage service to the City's residents, respectively. In addition to fees paid to the Northeast Ohio Regional Sewer District, City residents also pay a local surcharge based upon water consumption that is used by the City for the maintenance and replacement of the sewer lines within the City. In December 2019 City Council approved legislation authorizing new local sewer fees to be phased in over four years starting in 2020, including a new fixed monthly local sewer fee that applies equally to each water account, which will be phased in over four years, and an increase in the local usage rate (per thousand cubic feet of water used or MCF), which will vary depending on water usage and will be phased in over four years. The new fixed fee started in June 2019 for usage in May 2020. This fee will be phased in over four years through 2023. The monthly fixed fee will increase by \$2.50 each year until it reaches \$10.00/month in June 2023. The fees will generate a funding stream for long term planning and continued aggressive maintenance of existing sewers and capital costs related to infrastructure, such as new laterals and connections from the sewer main to private property, sewer linings and replacements. This will ensure that the sewer system remains viable for at least another 50 years and beyond.

The City's Police Department is an internationally accredited law enforcement agency. The department attained its 9th reaccreditation award in November, 2017 from the Commission on Accreditation of Law Enforcement Agencies (CALEA). Annually, the police department offers a Citizens Police Academy for City residents and merchants and supports a robust volunteer organization known as the Shaker Heights Citizen Police Association (SHCPA). The department is a member of a regional law enforcement agency with 5 other cities identified as Eastside Departments Group Enforcement (EDGE) which provides police services, including SWAT, Mobile Field Force, and Crisis Intervention and Accident Investigation teams. The Shaker Heights Fire Department belongs to the Heights Hillcrest Technical Rescue Team (HHTRT) which provides technical rescue capabilities such as Confined Space Rescue, High Angle Rope Rescue, Trench Collapse Rescue and Structural Collapse Rescue. The Fire Department oversees the Community Emergency Response Team (CERT), a group of citizens trained in emergency preparedness and how to assist police and firefighters when called upon during an emergency. The City has entered into an Agreement with the Cities of Cleveland Heights, University Heights, South Euclid and Richmond Heights to create the Heights-Hillcrest Communications Center (HHCC) which, on

January 1, 2022, merged with Chagrin Valley Dispatch (CVD), to provide a joint police, fire and emergency medical services communications system for the dispatch of police, fire and emergency medical services in and for the member communities. The Public Works Department offers backyard collection of refuse and recycling, and as such, unsightly garbage cans are not placed on residential tree lawns. The City's recycling program allows the comingling of paper, glass, plastic and cans along with organic materials. In addition, the City offers large item drop off and recycling of corrugated cardboard, magazines and other materials at its service center, as well as recycling of discarded computers and electronic equipment and tires. Public Works maintains over 350 acres of greenspace. Each year, Public Works oversees several multi million dollars' worth of street resurfacing, sewer repair and replacement projects, and waterline replacement projects.

The City of Shaker Heights Recreation Department offers many programs and services to the community including Thornton Park situated on a 13-acre campus. Programs and services include an indoor ice arena that operates year-round, a 50 meter outdoor swimming pool with separate tot pool, and spray pad. Also at Thornton Park is a sand volleyball court, outdoor tennis courts, a skate-park, basketball court, walking trail and sledding hill. Another premier park in Shaker is Horseshoe Lake Park that includes trails, picnic pavilions, ADA accessible parking, and a playground. Shaker has a multipurpose trail in the Shaker Boulevard median from Warrensville Center Road to the City of Beachwood border and connects with Beachwood's multipurpose trail. Outdoor athletic fields are located on the Shaker Boulevard median near Warrensville Center Road and on Chagrin Boulevard next to the Shaker Public Library Main Branch. Other athletic fields managed by the City are located in a variety of locations. In addition to these facilities, a comprehensive range of recreational programs is offered for children and adults in both playgrounds and neighborhood parks. The City also maintains the Shaker Lakes, a 190-acre area that includes three lakes. Recreation programs and services include those for all ages from preschool through senior and active older adults. Programs include sports, health and wellness, enrichment, and skill development.

Shaker Heights was designated as a Bronze-level Bicycle Friendly Community in 2016 and 2020, one of only 21 in the state. The regional, multi-purpose Lake-to-Lakes Trail connects the Shaker Lakes with Lake Erie and the multi-purpose Shaker Median Trail provides connection between Shaker Heights and Beachwood. "Bikes May Use Full Lane" and sharrows/share the road signage has been installed on five roads totaling 30.6 miles. The Farnsleigh Road multipurpose path was completed in 2019 and the Warrensville Center Road multipurpose path was completed in 2020. These paths offer an additional mile of off-road, active transportation infrastructure and provides neighborhood and business connections to the Van Aken District, a new Transit-Oriented Development. There are approximately 365 bike rack spaces across 70 bike racks throughout Shaker Heights.

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

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

Local Economy and Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Shaker Heights operates.

The City of Shaker Heights is an inner-ring suburb of the City of Cleveland, Ohio. Primarily residential in nature, the City of Shaker Heights has a diverse base of residents working in many professions and industries. The City's economic strength is directly linked to this diversity and the strength of northeast Ohio's economy.

While downtown Cleveland is only twenty minutes by car from the heart of the City, the rapid transit, a light rail public transit system, provides even more accessibility to downtown Cleveland's business community and attractions, including a casino, the Global Center for Health Innovation and the Huntington Convention Center of Cleveland. The Greater Cleveland Regional Transit Authority's (GCRTA) rapid transit rail line serves not only downtown Cleveland and Cleveland Hopkins International Airport but also the Cleveland waterfront area including the recreational/entertainment area known as the "Flats", the Rock & Roll Hall of Fame and Museum, the Great Lakes Science Museum, Rocket Mortgage Field House (home of the NBA Cleveland Cavaliers), Progressive Field (home of the MLB Cleveland Guardians) and First Energy Stadium (home of the NFL Cleveland Browns). Another contributor to the City's economic strength is its proximity to the University Circle area of Cleveland. University Circle is home to major cultural, educational and medical facilities including Severance Hall, the home of the world-renown Cleveland Orchestra, the Cleveland Museum of Art, and Case Western Reserve University. University Hospitals of Cleveland and the Cleveland Clinic are located in University Circle and are both world-renowned for medical research, teaching and treatment facilities. They are the two largest employers in Cuyahoga County.

Educational institutions contribute significantly to the fabric of the community. Of the principal employers in 2021, four of the top six are schools: the Shaker Heights City School District; Hathaway Brown School; Laurel School; and University School (Shaker Heights Campus). The City of Shaker Heights residents place a noteworthy value on public education. Of the total millage in the City of Shaker Heights for all entities in 2020, approximately 72.2% of residential property taxes support the Shaker Heights City School District. In May 2017, voters in the School District passed a \$30 million bond issue and a 1.25 mill continuing permanent improvement levy to improve and renovate school buildings throughout the School District. The average annual levy for debt charges on the bond issue will be at a rate of 2.50 mills.

According to the Cuyahoga County Fiscal Officer, the total property assessed valuation for the 2021 tax year/collection year 2022 is \$879,798,540. This amount is higher than the prior year valuation of \$832,514,630 as a result of the recent triennial update.

On a cash basis, City income tax revenue grew 85.9% during the ten-year period from 2012 to 2021. The significant growth over the period was mostly attributable to the 0.5% increase in the income tax rate that became effective in October 2012. Income taxes were 13.0% higher in 2021 than 2020, mainly a rebound from the first year of the pandemic in 2020. The components of income tax collections in 2021 were 59.91% from individual taxpayers, 35.33% from withholding by employers and 3.01% from taxes on net profits.

Economic Development

The City has historically permitted development pursuant only to carefully developed and implemented general plans. In 2001, the City adopted a Strategic Investment Plan (SIP) which identified areas of the City for commercial and residential development and redevelopment.

In November 2010, the City adopted an Economic Development Strategy to diversify its tax base and support the City's long term economic strength. The plan focuses on business attraction in target industry sectors (ambulatory care and health sciences, professional services, technology and information services, and design and engineering); business retention and expansion; placemaking investments to create vibrant commercial districts; financial incentives for commercial property owners and businesses seeking to expand or locate in the City; and aggressive marketing, branding, and outreach.

The City's economic development incentive tools are designed to attract, retain and expand businesses, create jobs and new payroll within the City, and improve commercial properties. The Vision Fund assists established, growing businesses ready to move into office space by providing financial assistance for tenant improvements and equipment purchases based on income/payroll taxes the City collects over a three to five year period, or longer in specific circumstances. Through the SBA Shaker Partnership Loan program, the City – with financial support from Cuyahoga County and in partnership with the U.S. Small Business Administration – provides equity in the form of forgivable loans to small businesses that relocate to, expand or start up in Shaker Heights. The City's Storefront Renovation Program provides micro-grants to small businesses and commercial property owners for new or improved business signage or full storefront façade improvements.

The City works in partnership with the Shaker Heights Development Corporation (SHDC), a nonprofit community improvement corporation created to help enhance the City's commercial revitalization efforts. Forty percent of SHDC board members are City-elected and appointed officials. SHDC leases a former car dealership from the City for use as its offices and as "The Dealership", which offers co-working and office space for entrepreneurs and businesses as well as small business programming presented in partnership with regional nonprofit organizations. SHDC also manages two business associations and invests in real estate development in the Lee Road commercial district, including by acquiring properties to support new businesses and to help current businesses expand. When the City purchases or receives commercial property through tax foreclosure, it either partners with SHDC to put the property back into productive use or partners with the Cuyahoga County Land Bank to demolish vacant buildings using Cuyahoga County grant dollars. After demolitions, SHDC assists in redeveloping properties to enable additional revitalization of the commercial corridor.

The Van Aken neighborhood spans approximately 20 acres and sits at the terminus of GCRTA’s rapid transit line. The Van Aken District mixed-use development has created a gathering place for residents with unique retail shops and restaurants, high quality rental apartments, and second and third floor office space. City Council approved a development and use agreement for the project in 2016. The demolition of a former 1960’s shopping center occurred in 2016. Construction began in 2017, and the first phase of development was completed by April 2019, including 60,000 square feet of office space, 100,000 square feet of retail space, 103 housing units and a 350-space parking garage. In total, this development required a \$119 million public-private partnership. The next phase of development will include apartment buildings built upon a city-owned parking lot on Farnsleigh Road. The project consists of an 18 story building with 229 market rate apartments and a 263 space garage on a landscaped 2.55 acre site. The investment is estimated at \$100 million and is under design now.

The Van Aken District mixed-use development also motivated a number of infill developments in the surrounding area, including a climbing gym (the first of its kind in the region) and a preschool. Both of these businesses were built on property deeded to the City in lieu of tax foreclosure and whose buildings were demolished with County grant funds. The project has also spurred deliberations for additional office, retail, and apartment projects on redevelopment sites within the District.

Finally, the City’s economic development programming also seeks to ensure connectivity between commercial districts and residential neighborhoods. The Economic Development Department leads the City’s neighborhood engagement efforts, which are designed to increase cohesiveness and stability in the neighborhoods. Efforts focus on building relationships with and among residents, increasing resident participation within the greater community, developing resident leadership capacity, and connecting neighbors to foster network-building, safe and active streets, and stable neighborhoods.

Housing and the Neighborhoods

The City of Shaker Heights is known for the excellent quality of its housing, its attractive, Garden City landscape and its vibrant, diverse neighborhoods. These are the characteristics which draw people to the community and which cause them to stay. While all cities seek to be regarded as desirable places to live, for cities like Shaker Heights where over 90.0% of the property tax base is residential, maintaining strong property values is an imperative, not a choice. Housing is Product #1 in this City. Throughout the decades, Shaker Heights has been the choice for home seekers looking to move into a community that acknowledges and recognizes the benefits – social, economic, and long-term – of an integrated, diverse suburb.

Shaker’s City Council has adopted the 2015 Housing and Neighborhood Plan which serves as an update to the 2001 Housing Preservation Plan. The goals of the 2015 Plan are:

- Attract New Residents to Shaker Heights, Increase Demand for Houses, and Increase Property Values
- Preserve Existing High Quality Housing, and
- Increase Cohesiveness, Desirability, Attractiveness, and Stability in the Neighborhoods

Since the adoption of the 2015 Housing and Neighborhood Plan, the City has made both large scale and scattered site infill housing at various price points a priority. 103 units of luxury apartment units were completed at the Van Aken District in 2018. In April 2018, the City established a Small Lot Infill Development (SLID) Overlay District, which enables a greater variety of housing types to be built in portions of the City with the highest concentrations of City-owned vacant lots. The City has entered into a Development and Use agreement with Knez Builders and the Cuyahoga County Land Bank (CCLRC) for market rate single family homes in the southern Moreland neighborhood and they have completed and sold one house and are beginning work on the second. All twelve units of Phase I of The Townhomes of Van Aken project in northern Moreland have been built and sold. Phase II construction is anticipated to begin in 2022.

High quality housing is maintained with a strong code enforcement program. In 2021, the Building and Housing Department conducted 746 new point of sale inspections, a 9.8% increase over the prior year. 172 escrow accounts totaling \$1.9 million were established to correct code violations. The Building and Housing Department also works to improve the quality of rental housing for safety and habitability by requiring an annual Housing License for each rental property as well as a complete interior and exterior inspection every three years. Owner-occupied single-family homes receive an exterior inspection every five years. Over 2,791 building permits were issued in 2021 for building improvements totaling over \$50.0 million, a 68% increase over the prior year Code enforcement and permit activities resulted in over 5,286 inspections which ensures buildings are constructed and maintained in a manner that safeguards the building's occupants and the overall welfare of the community.

Foreclosures and properties sold at Sheriff's sales are monitored regularly and the City's Vacant Property Ordinance mandates that vacant homes are kept secure, winterized, and covered by insurance. Each vacant property is checked monthly by a Housing Inspector to ensure it is maintained to community standards. Nuisance abatement orders were issued on 23 properties in 2021 for items such as, replacement of broken windows, removal of litter, debris, and fallen tree branches. Nine blighted houses and garages were demolished.

The Shaker Renovator Program sells houses obtained by the City through donations and foreclosures for \$1 to approved rehabbers who upgrade them and sell them to owner-occupants. In 2021, the City's partnership with the Cleveland Restoration Society's Heritage Home Loan Program resulted in \$523,009 of reinvestment in 12 homes.

Resident and Business Attract and Retain Strategy

The Communications and Marketing Department leads the City's efforts to identify Shaker Heights as a desirable place to live, work and do business. Marketing campaigns emphasize the progressive nature of the community; its commitment to diversity and inclusion; its walkability and access to public transportation; its dedication to the protection and preservation of parks and trails, housing, schools, and neighborhoods. Communications and Marketing strategies aimed at attracting and retaining residents and businesses include:

- Messaging and advertising in print, radio, video, social and digital media;
- Delivery of City ENews (monthly), Mayor's Report (quarterly) and other email newsletters (as needed) to more than 15,000 subscribers;
- Websites (shakeronline.com, www.shaker.life, and shaker365);
- Social Media: Facebook, Twitter, Instagram, YouTube

- Creation and distribution of marketing collateral to realtors
- Publishing the quarterly, award-winning Shaker Life magazine.

Awards and Acknowledgements

GFOA Certificate of Achievement Award and Auditor of State Award

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 Shaker Heights for its annual comprehensive financial report for the fiscal year ended December 31, 2020. This was the 15th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The City was awarded the Auditor of State Award with Distinction by the Ohio Auditor for 2020, 2018, 2016, 2014, 2013 and 2012 Audit reports.

The successful completion of a report of this scope depends upon the dedicated contributions of many employees. The sincere appreciation of those primarily responsible for the completion of this Annual Report is extended to all contributors, but especially those employees in the Finance Department, Assistant Director of Finance, Cheryl Arslanian, CPA, Senior Accountant, Lorraine Miller, CPA, Accountant, Eric Sandberg, CPA, Accounting Specialist, Beverly Brown, and Accounting Technician, Linda Sulc. Without the dedicated assistance of these Finance Department employees, this report would not have been possible. Finally, the Staff wishes to extend its appreciation to Mayor David E. Weiss, Chief Administrative Officer and Clerk of Council, Jeri E. Chaikin, the City Council and its Finance Committee for their support and commitment to responsible and transparent financial reporting.

Respectfully submitted,



John J. Potts, CPA
Director of Finance

City of Shaker Heights, Ohio

Listing of Principal City Officials

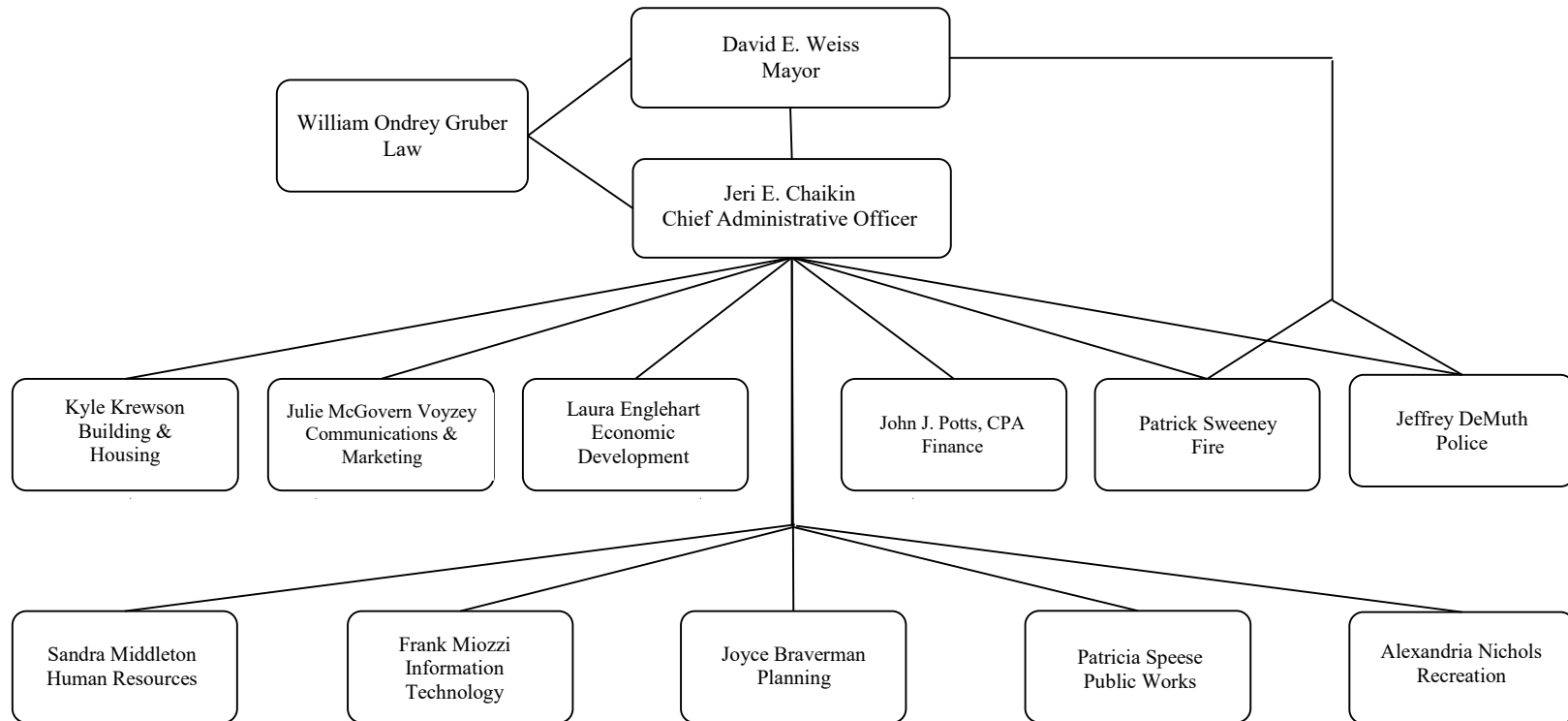
December 31, 2021

Mayor	David E. Weiss
Council Member/Vice Mayor	Tres Roeder
Council Member.....	Sean Malone
Council Member.....	Nancy Moore
Council Member.....	Anne Williams
Council Member.....	Carmella Williams
Council Member.....	Earl Williams, Jr.
Council Member.....	Rob Zimmerman

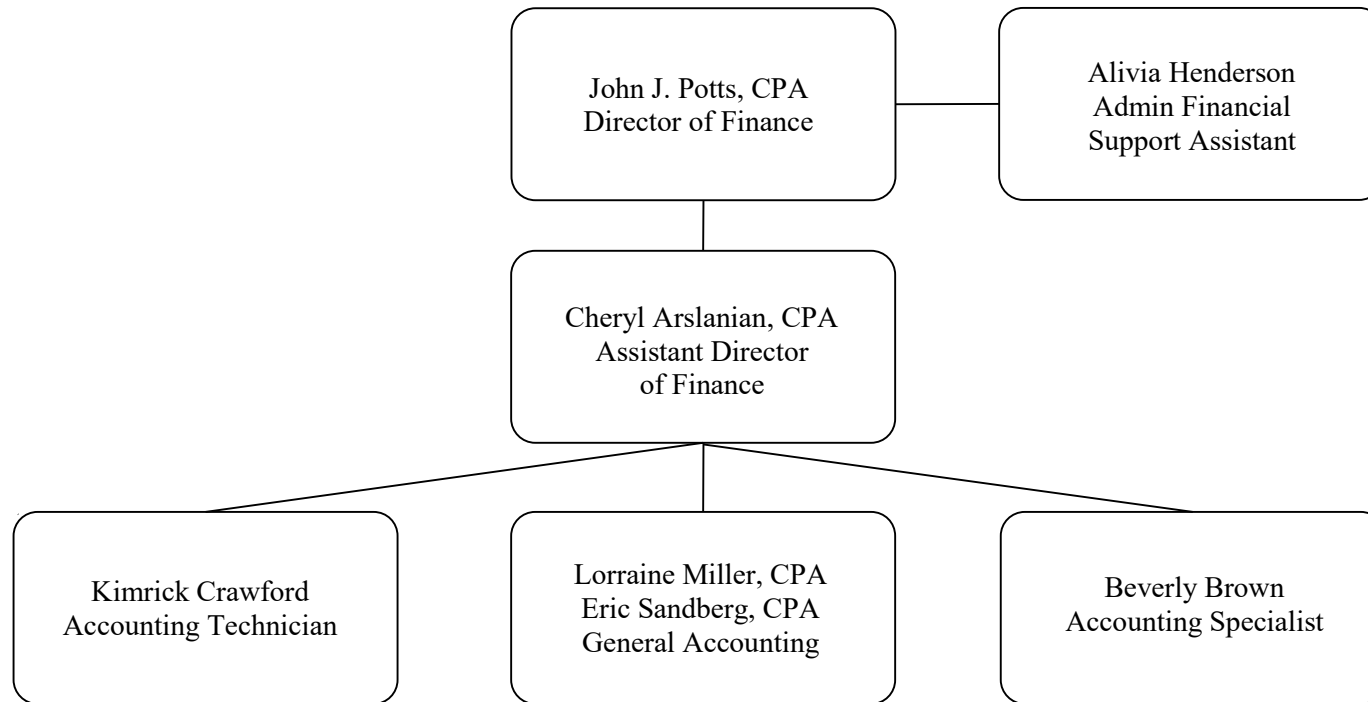
APPOINTED OFFICIALS

Chief Administrative Officer.....	Jeri E. Chaikin
Director of Law	William Ondrey Gruber
Chief of Fire	Patrick Sweeney
Chief of Police.....	Jeffrey DeMuth
Director of Building and Housing.....	Kyle Krewson
Director of Communications and Marketing.....	Julie McGovern Voyzey
Director of Economic Development.....	Laura Englehart
Director of Finance	John J. Potts, CPA
Director of Human Resources	Sandra Middleton
Director of Information Technology	Frank Miozzi
Director of Planning	Joyce Braverman
Director of Public Works.....	Patricia Speese
Director of Recreation	Alexandria Nichols

City of Shaker Heights, Ohio Administrative Organizational Chart December 31, 2021



City of Shaker Heights, Ohio Finance Department Organizational Chart December 31, 2021





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Shaker Heights
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

**FINANCIAL
SECTION**

INDEPENDENT AUDITOR'S REPORT

To the Members of Council
City of Shaker Heights
Cuyahoga County, Ohio
3400 Lee Road
Shaker Heights, OH 44120

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Shaker Heights, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position, and where applicable, cash flows thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (Government Auditing Standards), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 2, the City restated beginning fund net position to account for a reevaluation of capital assets. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 29, 2022

City of Shaker Heights
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

The discussion and analysis of the City of Shaker Heights's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- Net position increased \$28,668,238, which represents a 36 percent increase from 2020.
- Total capital assets decreased \$3,610,139 during 2021.
- The City refinanced \$3,400,000 of the 2020 Bond Anticipation Notes (\$200,000 in short-term and \$3,200,000 in long-term Notes) and issued an additional 1,200,000 of Bond Anticipations notes in 2021.
- OPERS approved several changes to the health care plan offered to retirees in an effort to decrease costs and increase the solvency of the health care plan. These changes significantly decreased the total OPEB liability for OPERS and resulted in the City reporting a net OPEB asset in 2021 (compared to reporting a net OPEB liability in prior years) causing a significant decrease in expenses.

Using this Comprehensive Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the City of Shaker Heights as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2021 and how they affected the operations of the City as a whole.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City of Shaker Heights, the general fund is by far the most significant fund.

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A question typically asked about the City's finances is "How did we do financially during 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, the governmental activities include most of the City's programs and services, including general government, security of persons and property, leisure time services, housing and community development, sanitation and sewer services, street maintenance and repair, transportation and repair, public works and interest and fiscal charges.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund and capital projects fund.

Governmental Funds Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance future services. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds There are two types of proprietary funds; enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City has no activity that fits this category. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains four individual internal service funds. Because these activities benefit governmental rather than business functions, they have been included within governmental activities in the government-wide financial statements.

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Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support the City's own programs. The City of Shaker Heights has only custodial funds to report within the fiduciary fund category. Custodial funds are reported on the accrual basis and present a statement of fiduciary net position and statement of changes in fiduciary net position.

The City as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2021 compared to 2020:

Table 1
Net Position

	Governmental Activities		
	2021	Restated * 2020	Change
Assets			
Current & Other Assets	\$ 111,053,966	\$ 96,342,557	\$ 14,711,409
Net Pension/OPEB Asset	1,527,883	-	1,527,883
Capital Assets	102,368,493	98,758,354	3,610,139
<i>Total Assets</i>	<u>214,950,342</u>	<u>195,100,911</u>	<u>19,849,431</u>
Deferred Outflows of Resources			
Pension & OPEB	11,432,823	11,367,550	65,273
Liabilities			
Current & Other Liabilities	8,399,920	5,866,205	2,533,715
Long-Term Liabilities			
Due Within One Year	6,928,117	3,027,821	3,900,296
Net Pension Liability	44,027,332	46,612,564	(2,585,232)
Net OPEB Liability	4,815,093	16,475,741	(11,660,648)
Other Amounts	26,071,080	31,425,162	(5,354,082)
<i>Total Liabilities</i>	<u>90,241,542</u>	<u>103,407,493</u>	<u>(13,165,951)</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	7,140,918	7,059,587	81,331
Revenue in Lieu of Taxes	3,682,178	2,818,714	863,464
Pension & OPEB	17,308,783	13,841,161	3,467,622
<i>Total Deferred Inflows of Resources</i>	<u>28,131,879</u>	<u>23,719,462</u>	<u>4,412,417</u>
Net Investment in Capital Assets	79,718,816	75,408,246	4,310,570
Restricted	15,121,955	12,361,983	2,759,972
Unrestricted	13,168,973	(8,428,723)	21,597,696
<i>Total Net Position</i>	<u>\$ 108,009,744</u>	<u>\$ 79,341,506</u>	<u>\$ 28,668,238</u>

* See Note 2V.

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The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior year the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Capital assets include land, buildings and improvements, land improvements, machinery and equipment, infrastructure and construction in progress. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance.

The addition of a net OPEB asset, significant decrease in net OPEB liability and increase in deferred inflows for OPEB is related to OPERS changes previously discussed in the financial highlights. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and net pension/net OPEB liability are described in more detail in their respective notes. Current and other assets increased for cash and investments and taxes receivable. This was primarily due to an increase in municipal income tax revenue collected and the related accruals which declined in 2020 due to impact of COVID-19.

Current and other liabilities increased due to unspent grant monies received for the American Rescue Plan Act resulting in unearned revenue at December 31, 2021. Proceeds received for the 2021 Bond Anticipation Note also increased cash and investments as well as increased current and other liabilities due to accounts payable relating to the ongoing projects paid with those proceeds. Deferred inflows for payments in lieu of taxes increased due to an increase in collections for the Van Aken District Tax Increment Financing (TIF).

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In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2021 and 2020.

Table 2
Changes in Net Position

	Governmental Activities		
	2021	2020	Change
Revenues			
<i>Program Revenues</i>			
Charges for Services	\$ 9,991,100	\$ 9,612,159	\$ 378,941
Operating Grants	1,748,158	3,773,064	(2,024,906)
Capital Grants	2,237,395	1,045,755	1,191,640
<i>Total Program Revenues</i>	<u>13,976,653</u>	<u>14,430,978</u>	<u>(454,325)</u>
<i>General Revenues</i>			
Property Taxes	7,153,641	7,095,855	57,786
Municipal Income Taxes	41,533,564	34,303,727	7,229,837
Other Taxes	74,233	96,192	(21,959)
Grants and Entitlements Not Restricted for Specific Programs	2,365,132	2,104,557	260,575
Revenue in Lieu of Taxes	5,472,141	2,440,756	3,031,385
Investment Earnings	(87,830)	541,610	(629,440)
Miscellaneous	1,513,857	235,170	1,278,687
<i>Total General Revenues</i>	<u>58,024,738</u>	<u>46,817,867</u>	<u>11,206,871</u>
<i>Total Revenues</i>	<u>72,001,391</u>	<u>61,248,845</u>	<u>10,752,546</u>
Program Expenses			
General Government			
Legislative and Executive	4,784,603	6,108,523	(1,323,920)
Judicial System	305,095	2,523,912	(2,218,817)
Security of Persons and Property			
Police	9,833,790	12,132,433	(2,298,643)
Fire	8,870,982	8,988,303	(117,321)
Other	885,269	825,612	59,657
Leisure Time Services:			
Culture and Recreation	1,135,734	1,771,744	(636,010)
Parks and Public Land Maintenance	670,056	1,082,862	(412,806)
Housing and Community Development	7,279,982	10,087,220	(2,807,238)
Sanitation and Sewer Services	3,330,183	5,326,517	(1,996,334)
Street Maintenance and Repair	3,274,328	4,059,339	(785,011)
Transportation	414,661	472,234	(57,573)
Public Works	1,966,493	3,306,949	(1,340,456)
Interest and Fiscal Charges	581,977	1,590,830	(1,008,853)
<i>Total Expenses</i>	<u>43,333,153</u>	<u>58,276,478</u>	<u>(14,943,325)</u>
<i>Change in Net Position</i>	28,668,238	2,972,367	25,695,871
<i>Net Position Beginning of Year (Restated, See Note 2V)</i>	79,341,506	83,233,840	(3,892,334)
<i>Restatement, See Note 2V.</i>	-	(6,864,701)	6,864,701
<i>Net Position End of Year</i>	<u>\$ 108,009,744</u>	<u>\$ 79,341,506</u>	<u>\$ 28,668,238</u>

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Governmental Activities

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, and charges for services.

The City's income tax rate was 2.25 percent in 2021 after voters approved an increase in the income tax rate at a special election in August 2012. The rate became effective on October 1, 2012. The City submitted to voters a request to increase its municipal income tax rate as a result of the state legislature reducing state local government fund support of cities by 50 percent and the elimination of the tax on estates of descendants that had died on or after January 1, 2013. Prior to this approval, the tax rate was unchanged at 1.75 percent since the last voter approved increase in 1981. Both residents of the City and nonresidents who work inside the City are subject to the income tax. The City grants an income tax credit to residents who work in a locality that has a municipal income tax. The City provides a credit of 50 percent of the resident's workplace community's income tax rate up to a tax rate of 1.0 percent

Governmental revenue is comprised of program revenue and general revenue. General revenues include grants and entitlements, such as local government funds. Governmental activities are primarily funded with the combination of income tax, property tax, state shared taxes, charges for services, license and permit fees and interest earnings. The City monitors its sources of revenues very closely for fluctuations.

Municipal income tax revenue increased due to the impact of the COVID-19 pandemic in the prior year. Operating grants revenue decreased due to the CARES Act funding received by the City in 2020. The increase in capital grants was due to contributions received from the Ohio Department of Transportation for the Warrensville Center Road project and revenue in lieu of taxes increased due to additional collections for the Van Aken District TIF's.

The largest program function of the City is for security of persons and property, which includes police and fire departments. This significant decrease in security of persons and property for police is a result of the change in net pension/OPEB liability while the decrease for fire was partially offset by an increase in overtime wages and severance payouts for retirees.

See financial highlights for explanation of significant decrease in expenses.

The City's Funds

Governmental Funds

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

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	Fund Balance 12/31/2021	Fund Balance 12/31/2020	Increase (Decrease)
General Fund	\$ 39,969,450	\$ 32,719,757	\$ 7,249,693
Capital Projects Fund	19,998,866	16,911,161	3,087,705
<i>Total</i>	<u>\$ 59,968,316</u>	<u>\$ 49,630,918</u>	<u>\$ 10,337,398</u>

The increase in fund balance in the general fund is primarily due to an increase in municipal income tax revenue collected. This was caused by the impact of the COVID-19 pandemic as previously discussed.

The increase in fund balance in the capital projects fund is primarily due to the timing of revenues used for project expenditures. The City issued Notes payable during 2021, as well as increased transfers in from the general fund.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. An annual appropriation budget is legally required to be prepared for all funds of the City other than the capital projects and agency funds. The City appropriates for capital projects on a project-by-project basis. Council is provided with a detailed line item budget for all departments and has discussions at several regularly held council meetings and work sessions, which are open to the public. The budget is adopted by Council at the fund level by department and within each department, broken out between personal services, other expenses and transfers. Appropriations by department may be transferred between departments and between personal services and other expenses within a department with the approval of Council. Council must also approve any revisions to the budget that alter total fund appropriations or that require the transfer of monies between funds. Recommendations for budget revisions are reviewed by the Finance Committee of Council before being presented to the Council for consideration for enactment by ordinance. During the course of 2021, the City used this process to amend its general fund budget on several occasions.

The most significant budgeted fund is the general fund, which includes the recreation fund and economic development and housing fund. The Chief Administrative Officer and the Finance Department monitor all departmental budgets closely to monitor compliance with allocated budgets and provide quarterly reports to Council and its Finance Committee depicting monthly and year-to-date activity.

Original Budget Compared to Final Budget During the year there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. However, there was a need to make amendments to reallocate appropriations among departments when it became clearer which departments had shortfalls and/or deficits in personal services and other expenditures. Generally, the movement of the appropriations between departments was not significant.

There were no significant differences between the original and final estimate.

Final Budget Compared to Actual Results There was a significant increase between estimated revenues and actual revenues for municipal income taxes which have been affected by the COVID-19 pandemic. A review of actual expenditures compared to the appropriations in the final budget also shows an increase in correlation with the additional revenue available.

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The City increased budgeted transfers during the year, primarily to the 27th pay reserve fund, the capital projects fund to support capital improvements throughout the City and to provide additional support for principal payments on debt.

Capital Assets and Debt Administration

Capital Assets

There were no significant changes in the City's capital assets during 2021. See Note 8 for additional details about the capital assets of the City. The City reevaluated its capital assets during 2021 which resulted in a restatement of net position reported in the prior year. See Note 2V for additional details.

Debt

Outstanding debt, excluding premium, decreased from \$26,554,010 to \$26,307,740. See Notes 11 and 12 for additional details.

Current Financial Related Activities

The City of Shaker Heights is strong financially and well managed, as evidenced by the AA+ bond rating reaffirmed by S&P Global Ratings in April 2022. The City's AAA rating awarded from Fitch Rating Services was reaffirmed in February 2017. These favorable credit rating are the result of the City's history of creative planning and the combined cooperation of the elected officials, professional administration and employees and, most importantly, its residents. The City is well prepared to meet the challenges of the future. City management continues to be committed to providing the residents of the City of Shaker Heights with full and timely disclosures of the financial position of the City.

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The investments of the pension and other employee benefit plans in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

The City of Shaker Heights has committed itself to financial excellence. The City has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting every year since 1996, with the exception of the 2005 audit period due to the transition of finance directors. The City was awarded the Auditor of State Award with Distinction by the Ohio Auditor of State for the 2012, 2013, 2014, 2016, 2018 and 2020 audit reports.

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Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Director of Finance, John J. Potts, CPA at the City of Shaker Heights, 3400 Lee Road, Shaker Heights, Ohio 44120, (216) 491-1420 and by email: john.potts@shakeronline.com. Additional financial and budgetary reporting for the City of Shaker Heights can be found online at the City's website: <https://www.shakeronline.com/156/Finance>.

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Net Position
December 31, 2021

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 75,298,895
Accounts Receivable	1,802,750
Intergovernmental Receivable	2,453,538
Taxes Receivable	22,472,114
Revenue in Lieu of Taxes Receivable	3,682,178
Special Assessments Receivable	3,177,918
Loans Receivable	270,763
Materials and Supplies Inventory	535,606
Leases Receivable	1,360,204
Net OPEB Asset	1,527,883
Non-Depreciable Capital Assets	18,416,899
Depreciable Capital Assets, net	83,951,594
<i>Total Assets</i>	214,950,342
Deferred Outflows of Resources	
Pension	7,737,188
OPEB	3,695,635
<i>Total Deferred Outflows of Resources</i>	11,432,823
Liabilities	
Accounts Payable	1,241,152
Accrued Wages and Benefits	2,254,000
Contracts Payable	600,591
Retainage Payable	216,400
Accrued Interest Payable	37,893
Matured Compensated Absences Payable	48,827
Unearned Revenue	2,775,757
Payroll Withholdings Payable	25,300
Notes Payable	1,200,000
Long-Term Liabilities:	
Due Within One Year	6,928,117
Due In More Than One Year:	
Net Pension Liability	44,027,332
Net OPEB Liability	4,815,093
Other Amounts Due in More Than One Year	26,071,080
<i>Total Liabilities</i>	90,241,542
Deferred Inflows of Resources	
Property Taxes Levied for the Next Year	7,140,918
Revenue in Lieu of Taxes	3,682,178
Pension	10,138,329
OPEB	7,170,454
<i>Total Deferred Inflows of Resources</i>	28,131,879
Net Position	
Net Investment in Capital Assets	79,718,816
Restricted for:	
Capital Projects	1,888,346
Streets	1,705,504
Public Safety	3,949,683
Judicial Services	1,107,461
Tree Maintenance	1,241,538
Other Purposes	5,229,423
Unrestricted	13,168,973
<i>Total Net Position</i>	\$ 108,009,744

See accompanying notes to the basic financial statements.

City of Shaker Heights
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Statement of Activities
For the Year Ended December 31, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Government					
Legislative and Executive	\$ 4,784,603	\$ 168,698	\$ 34,927	\$ -	\$ (4,580,978)
Judicial System	305,095	2,496,833	3,330	-	2,195,068
Security of Persons and Property					
Police	9,833,790	291,495	33,104	-	(9,509,191)
Fire	8,870,982	668,380	30,233	-	(8,172,369)
Other	885,269	569,075	-	-	(316,194)
Leisure Time Services:					
Culture and Recreation	1,135,734	812,305	-	-	(323,429)
Parks and Public Land Maintenance	670,056	-	-	-	(670,056)
Housing and Community Development	7,279,982	2,953,417	43,951	150,000	(4,132,614)
Sanitation and Sewer Services	3,330,183	1,488,558	9,006	165,915	(1,666,704)
Street Maintenance and Repair	3,274,328	-	1,593,607	1,921,480	240,759
Transportation	414,661	-	-	-	(414,661)
Public Works	1,966,493	542,339	-	-	(1,424,154)
Interest and Fiscal Charges	581,977	-	-	-	(581,977)
Total	\$ 43,333,153	\$ 9,991,100	\$ 1,748,158	\$ 2,237,395	(29,356,500)

General Revenues

Property Taxes Levied for:	
General Purposes	6,720,107
Police and Fire Pension	433,534
Municipal Income Taxes Levied for:	
General Purposes	41,533,564
Other Taxes Levied for:	
General Purposes	74,233
Grants and Entitlements not Restricted to Specific Programs	2,365,132
Revenue in Lieu of Taxes	5,472,141
Gain on Sale of Capital Assets	1,210,075
Investment Earnings	(87,830)
Miscellaneous	303,782
Total General Revenues	58,024,738
Change in Net Position	28,668,238
Net Position Beginning of Year (Restated, See Note 2V.)	79,341,506
Net Position End of Year	\$ 108,009,744

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Balance Sheet
Governmental Funds
December 31, 2021

	General	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 33,943,733	\$ 20,541,134	\$ 15,640,893	\$ 70,125,760
Accounts Receivable	1,360,099	-	442,651	1,802,750
Intergovernmental Receivable	1,220,738	468,780	764,020	2,453,538
Taxes Receivable	22,002,846	-	469,268	22,472,114
Revenue in Lieu of Taxes Receivable	-	-	3,682,178	3,682,178
Special Assessments Receivable	360,451	-	2,817,467	3,177,918
Loans Receivable	80,729	-	190,034	270,763
Interfund Receivable	185,000	-	99,986	284,986
Materials and Supplies Inventory	197,991	-	-	197,991
Leases Receivable	1,360,204	-	-	1,360,204
<i>Total Assets</i>	<u>\$ 60,711,791</u>	<u>\$ 21,009,914</u>	<u>\$ 24,106,497</u>	<u>\$ 105,828,202</u>
Liabilities				
Accounts Payable	\$ 603,693	\$ 214,111	\$ 314,897	\$ 1,132,701
Accrued Wages and Benefits	1,707,385	-	511,243	2,218,628
Contracts Payable	-	600,591	-	600,591
Retainage Payable	7,086	196,346	12,968	216,400
Interfund Payable	-	-	99,986	99,986
Matured Compensated Absences Payable	48,827	-	-	48,827
Unearned Revenue	1,360,204	-	1,415,553	2,775,757
Payroll Withholdings Payable	25,300	-	-	25,300
Notes Payable	-	-	1,200,000	1,200,000
<i>Total Liabilities</i>	<u>3,752,495</u>	<u>1,011,048</u>	<u>3,554,647</u>	<u>8,318,190</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	6,708,048	-	432,870	7,140,918
Revenue in Lieu of Taxes	-	-	3,682,178	3,682,178
Unavailable Revenue	10,281,798	-	3,541,214	13,823,012
<i>Total Deferred Inflows of Resources</i>	<u>16,989,846</u>	<u>-</u>	<u>7,656,262</u>	<u>24,646,108</u>
Fund Balances				
Nonspendable	596,083	-	-	596,083
Restricted	-	2,417,213	9,520,381	11,937,594
Committed	1,683,826	17,581,653	3,452,060	22,717,539
Assigned	9,280,581	-	-	9,280,581
Unassigned	28,408,960	-	(76,853)	28,332,107
<i>Total Fund Balance</i>	<u>39,969,450</u>	<u>19,998,866</u>	<u>12,895,588</u>	<u>72,863,904</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 60,711,791</u>	<u>\$ 21,009,914</u>	<u>\$ 24,106,497</u>	<u>\$ 105,828,202</u>

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2021

Total Governmental Fund Balances		\$ 72,863,904
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		102,368,493
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 600,443	
Municipal Income Taxes	7,224,174	
Intergovernmental	1,391,656	
Special Assessments	3,177,918	
Charges for Services	<u>1,428,821</u>	13,823,012
Internal service funds are used by management to charge the costs of certain activities, such as insurance, worker's compensation, printing supplies and maintenance and repair of the City's fleet of vehicles to individual funds. The assets, liabilities, deferred outflows/inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		3,358,937
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(37,893)
The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Net OPEB Asset (net of internal service funds)	1,460,656	
Deferred Outflows - Pension (net of internal service funds)	7,613,500	
Deferred Outflows - OPEB (net of internal service funds)	3,633,301	
Net Pension Liability (net of internal service funds)	(43,453,296)	
Net OPEB Liability (net of internal service funds)	(4,815,093)	
Deferred Inflows - Pension (net of internal service funds)	(9,748,021)	
Deferred Inflows - OPEB (net of internal service funds)	<u>(6,877,869)</u>	(52,186,822)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(13,912,900)	
Non-Tax Revenue Bonds	(4,265,000)	
Loans Payable	(1,717,969)	
Notes Payable	(4,000,000)	
Unamortized Bond Premium	(421,769)	
Lease Purchases	(866,961)	
Capital Lease	(344,910)	
Compensated Absences (net of internal service funds) *	<u>(6,650,378)</u>	<u>(32,179,887)</u>
<i>Net Position of Governmental Activities</i>		<u>\$ 108,009,744</u>

*Net of Internal Service Fund portion of \$167,867

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$ 6,709,399	\$ -	\$ 432,844	\$ 7,142,243
Municipal Income Taxes	42,551,636	-	-	42,551,636
Other Local Taxes	74,233	-	-	74,233
Special Assessments	136,670	-	1,329,344	1,466,014
Charges for Services	2,747,377	36,750	1,466,562	4,250,689
Fees, Licenses and Permits	1,214,308	-	-	1,214,308
Fines and Forfeitures	2,302,787	-	442,237	2,745,024
Intergovernmental	2,315,788	2,108,645	1,779,473	6,203,906
Investment Earnings	(87,830)	-	13,250	(74,580)
Revenue in Lieu of Taxes	-	-	2,834,297	2,834,297
Residential Point of Sale Escrow	-	-	2,637,844	2,637,844
Other Revenues	303,067	-	9,781	312,848
<i>Total Revenues</i>	<u>58,267,435</u>	<u>2,145,395</u>	<u>10,945,632</u>	<u>71,358,462</u>
Expenditures				
General Government				
Legislative and Executive	6,311,143	1,181,047	46,306	7,538,496
Judicial Systems	1,562,638	-	143,372	1,706,010
Security of Persons and Property				
Police	9,884,479	672,753	1,156,885	11,714,117
Fire	7,378,072	339,675	1,303,945	9,021,692
Other	162,013	-	725,787	887,800
Leisure Time Services:				
Culture and Recreation	1,482,602	163,802	-	1,646,404
Parks and Public Land Maintenance	1,062,687	169,690	-	1,232,377
Housing and Community Development	5,774,712	123,851	4,580,293	10,478,856
Sanitation and Sewer Services	3,376,593	1,645,674	1,215,244	6,237,511
Transportation	-	-	142,416	142,416
Street Maintenance and Repair	776,624	3,721,988	1,099,949	5,598,561
Public Works	2,493,073	-	-	2,493,073
Debt Service:				
Principal Retirement	230,656	2,000,000	3,015,614	5,246,270
Interest and Fiscal Charges	48,552	40,000	523,056	611,608
<i>Total Expenditures</i>	<u>40,543,844</u>	<u>10,058,480</u>	<u>13,952,867</u>	<u>64,555,191</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>17,723,591</u>	<u>(7,913,085)</u>	<u>(3,007,235)</u>	<u>6,803,271</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	1,432,229	790	-	1,433,019
Issuance of Notes Payable	-	4,000,000	-	4,000,000
Transfers In	-	7,000,000	4,747,940	11,747,940
Transfers Out	(11,906,127)	-	(277,813)	(12,183,940)
<i>Total Other Financing Sources (Uses)</i>	<u>(10,473,898)</u>	<u>11,000,790</u>	<u>4,470,127</u>	<u>4,997,019</u>
<i>Net Change in Fund Balances</i>	7,249,693	3,087,705	1,462,892	11,800,290
<i>Fund Balances Beginning of Year</i>	<u>32,719,757</u>	<u>16,911,161</u>	<u>11,432,696</u>	<u>61,063,614</u>
<i>Fund Balances End of Year</i>	<u>\$ 39,969,450</u>	<u>\$ 19,998,866</u>	<u>\$ 12,895,588</u>	<u>\$ 72,863,904</u>

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, 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, 2021*

Net Change in Fund Balances - Total Governmental Funds		\$ 11,800,290
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
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.		
Capital Asset Additions	\$ 7,723,680	
Current Year Depreciation	<u>(3,890,597)</u>	3,833,083
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(222,944)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	11,398	
Municipal Income Taxes	(1,018,072)	
Intergovernmental	49,947	
Charges for Services	148,225	
Special Assessments	<u>241,356</u>	(567,146)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	1,212,800	
Non-Tax Revenue Bonds	185,000	
Loans Payable	321,694	
Notes Payable	3,200,000	
Lease Purchases	268,849	
Capital Lease	<u>57,927</u>	5,246,270
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
Notes Payable		(4,000,000) *
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	1,513	
Amortization of Premium on Bonds	<u>28,118</u>	29,631
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	4,118,040	
OPEB	<u>57,177</u>	4,175,217
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(1,306,258)	
OPEB	<u>8,972,872</u>	7,666,614
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		600,584
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences **		<u>106,639</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$ 28,668,238</u></u>

* See Note 22 for details of Bond Anticipation Note.

**Net of Internal Service Fund portion of \$4,692.

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 6,700,000	\$ 6,700,000	\$ 6,709,399	\$ 9,399
Municipal Income Taxes	34,500,000	34,500,000	39,172,820	4,672,820
Other Local Taxes	82,600	82,600	78,847	(3,753)
Charges for Services	4,357,073	4,357,073	3,950,204	(406,869)
Fees, Licenses and Permits	1,150,000	1,150,000	1,193,648	43,648
Fines and Forfeitures	510,000	510,000	540,718	30,718
Intergovernmental	1,771,700	1,880,466	2,022,709	142,243
Investment Earnings	500,000	500,000	237,003	(262,997)
Other Revenues	916,766	1,738,315	2,640,816	902,501
<i>Total Revenues</i>	50,488,139	51,418,454	56,546,164	5,127,710
Expenditures				
Current:				
General Government				
Legislative and Executive	6,224,906	6,159,455	5,770,934	388,521
Judicial System	2,301,689	2,351,689	2,179,892	171,797
Security of Persons and Property				
Police	10,863,096	10,363,096	10,015,352	347,744
Fire	7,048,380	7,651,146	7,556,054	95,092
Other	77,000	77,000	68,796	8,204
Leisure Time Services				
Culture and Recreation	1,992,603	1,992,603	1,561,135	431,468
Parks and Public Land Maintenance	1,197,829	1,099,529	1,058,604	40,925
Housing and Community Development	5,951,482	6,848,632	6,074,918	773,714
Sanitation and Sewer Services	3,237,369	3,551,069	3,452,518	98,551
Street Maintenance and Repair	1,119,778	889,878	845,713	44,165
Public Works - Other	2,729,247	2,485,597	2,270,245	215,352
<i>Total Expenditures</i>	42,743,379	43,469,694	40,854,161	2,615,533
<i>Excess of Revenues Over Expenditures</i>	7,744,760	7,948,760	15,692,003	7,743,243
Other Financing Sources (Uses)				
Advances In	320,000	320,000	200,000	(120,000)
Advances Out	-	(240,000)	(185,000)	55,000
Transfers In	13,000	13,000	-	(13,000)
Transfers Out	(7,891,827)	(13,020,327)	(13,020,327)	-
<i>Total Other Financing Sources (Uses)</i>	(7,558,827)	(12,927,327)	(13,005,327)	(78,000)
<i>Net Change in Fund Balance</i>	185,933	(4,978,567)	2,686,676	7,665,243
Beginning Cash Fund Balance	27,113,726	27,113,726	27,113,726	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(617,745)	(617,745)	(617,745)	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrances	(1,208,665)	(1,208,665)	(1,208,665)	-
Ending Unreserved Cash Fund Balance	\$ 25,473,249	\$ 20,308,749	27,973,992	\$ 7,665,243
Reserved for Encumbrances - All Budget Years			2,853,786	
Total Cash Fund Balance - December 31			\$ 30,827,778	

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2021

	Governmental Activities Internal Service Fund
Assets	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	\$ 5,173,135
Materials and Supplies Inventory	337,615
<i>Total Current Assets</i>	5,510,750
<i>Non-Current Assets:</i>	
Net OPEB Asset	67,227
<i>Total Assets</i>	5,577,977
Deferred Outflows of Resources	
Pension	123,688
OPEB	62,334
<i>Total Deferred Outflows of Resources</i>	186,022
Liabilities	
<i>Current Liabilities:</i>	
Accounts Payable	108,451
Accrued Wages and Benefits	35,372
Interfund Payable	185,000
Compensated Absences Payable	9,136
Claims Payable	499,650
<i>Total Current Liabilities</i>	837,609
<i>Long-Term Liabilities:</i>	
Claims Payable - Net of Current Portion	151,793
Compensated Absences Payable - Net of Current Portion	158,731
Net Pension Liability	574,036
<i>Total Long-Term Liabilities</i>	884,560
<i>Total Liabilities</i>	1,722,169
Deferred Inflows of Resources	
Pension	390,308
OPEB	292,585
<i>Total Deferred Inflows of Resources</i>	682,893
Net Position	
Unrestricted	3,358,937
Total Net Position	\$ 3,358,937

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2021

	Governmental Activities Internal Service Fund
Operating Revenues	
Charges for Services	\$ 6,976,229
Operating Expenses	
Personal Services	355,353
Contractual Services	5,733,593
Materials and Supplies	722,699
<i>Total Operating Expenses</i>	6,811,645
<i>Operating Income (Loss)</i>	164,584
Transfers In	436,000
<i>Change in Net Position</i>	600,584
<i>Net Position Beginning of Year</i>	2,758,353
<i>Net Position End of Year</i>	\$ 3,358,937

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities	
Cash Received from Internal Services	\$ 6,976,229
Cash Payments for Goods and Services	(5,878,701)
Cash Payments to Employees for Services and Benefits	(886,147)
Cash Payments to Suppliers	(832,381)
<i>Net Cash Used by Operating Activities</i>	(621,000)
Cash Flows from Noncapital Financing Activities	
Advances In	185,000
Advances Out	(200,000)
Transfers In	436,000
<i>Net Cash Provided by Noncapital Financing Activities</i>	421,000
<i>Net Decrease in Cash and Cash Equivalents</i>	(200,000)
<i>Cash and Cash Equivalents Beginning of Year</i>	5,373,135
<i>Cash and Cash Equivalents End of Year</i>	\$ 5,173,135
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income	\$ 164,584
Adjustments:	
Materials and Supplies Inventory	(74,546)
Net OPEB Asset	(67,227)
Deferred Outflows - Pension/OPEB	263,705
Increase (Decrease) in Liabilities and Deferred Inflows:	
Accounts Payable	(112,124)
Accrued Wages and Benefits	3,428
Claims Payable	(68,067)
Compensated Absences Payable	(4,692)
Deferred Inflows - Pension/OPEB	333,609
Net Pension Liability	(396,716)
Net OPEB Liability	(662,954)
<i>Net Cash Used by Operating Activities</i>	\$ (621,000)

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2021

	<u>Custodial Funds</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 771,769
Cash in Segregated Accounts	596,551
Loans Receivable	<u>16,412</u>
<i>Total Assets</i>	<u>1,384,732</u>
Liabilities	
Accounts Payable	89,785
Intergovernmental Payable	<u>202,709</u>
<i>Total Liabilities</i>	<u>292,494</u>
Net Position	
Restricted for Individuals, Organizations and Other Governments	<u>1,092,238</u>
<i>Total Net Position</i>	<u><u>\$ 1,092,238</u></u>

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2021

	Custodial Funds
Additions	
Contributions and Donations	\$ 7,385
Intergovernmental	758,358
Amounts Received as Fiscal Agent	237,700
Licenses, Permits & Fees for Other Governments	291,011
Fines & Forfeitures for Other Governments	318,049
Amounts Received for Others	774,145
<i>Total Additions</i>	2,386,648
 Deductions	
Distributions as Fiscal Agent	179,832
Licenses, Permits & Fees Distributions to Other Governments	295,262
Fines & Forfeitures Distributions to Other Governments	313,798
Other Distributions	1,477,909
<i>Total Deductions</i>	2,266,801
 <i>Change in Net Position</i>	 119,847
 <i>Net Position Beginning of Year</i>	 972,391
 <i>Net Position End of Year</i>	 \$ 1,092,238

See accompanying notes to the basic financial statements.

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Shaker Heights (the “City”) was incorporated under the laws of the State of Ohio in 1912. The City has operated as a home rule municipal corporation under its own charter since the charter’s adoption by the residents in 1931. The charter provides that the City operate under the Mayor/Council form of government, with the legislative power vested in the seven-member Council. The Mayor is the Chief Executive Officer of the City. The Mayor appoints the Chief Administrative Officer of the City, who is confirmed by Council.

Reporting Entity

The City provides various services including police and fire protection, parks and recreation, street maintenance, planning and zoning, community preservation, economic development and other general governmental services. None of these services are provided by legally separate organizations; therefore, these operations are included in the primary government.

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the City (the primary government), as well as its component units. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit’s board, and either a) the ability of the primary government to impose its will on the component unit, or b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, the primary government.

Based upon the foregoing criteria, these financial statements do not include any component units.

The City participates in jointly governed organizations and a related organization. The jointly governed organizations are the Northeast Ohio Public Energy Council, the First Suburbs Consortium of Northeast Ohio Council of Governments and Heights Hillcrest Communications Center while the Shaker Heights Development Corporation is a related organization.

A. Jointly Governed Organizations

Northeast Ohio Public Energy Council (NOPEC)

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 a number of 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 member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the ten-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. The City did not contribute to NOPEC during 2021. Financial information can be obtained by contacting NOPEC, 31320 Solon Rd, Suite 20, Solon, Ohio 44139.

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

First Suburbs Consortium of Northeast Ohio Council of Governments

The City is a member of the First Suburbs Consortium of Northeast Ohio Council of Governments (Council). The Council is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. The Council is currently comprised of 19 communities. The Council was formed to foster cooperation between municipalities in matters of mutual concern, including but not limited to initiation and support of policies and practices which protect, maintain and redevelop mature communities and other matters which affect health, welfare, education, economic conditions and regional development.

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

Heights Hillcrest Communications Center (HHCC)

On June 28, 2016, the City entered into an Agreement with three other political subdivisions, the Cities of Cleveland Heights, University Heights and South Euclid, to form a Council of Governments (COG), pursuant to the authority granted by Chapter 167 of the Ohio Revised Code and Article XVIII, Section 3 of the Ohio Constitution. The name of the Regional Council of Governments is the *Heights-Hillcrest Communications Center* ("HHCC"). The purpose of HHCC is to provide a joint Police, Fire and Emergency Medical Services ("EMS") communications system for the dispatch of Police, Fire and EMS services in and for the communities of all of the Members to this Agreement, which is operated and maintained by HHCC. On September 1, 2017, the HHCC COG Agreement was amended to add the City of Richmond Heights as a member. The HHCC Dispatch Center is paid for by all five cities, based on a formula set forth in the Agreement. HHCC first began partial operation on November 1, 2017, with further increase in operation on December 13, 2017, and full operation for all five cities beginning on or about March 31, 2018.

On September 22, 2021, the HHCC Board voted unanimously to terminate HHCC as a Council of Governments as of December 31, 2021, and to assign all of HHCC's property to the Chagrin Valley Dispatch Council (CVD), conditioned on all of the HHCC members signing agreements to join CVD. All members of HHCC subsequently signed such agreements, and HHCC went out of existence at the end of the day on December 31, 2021.

B. Related Organization

Shaker Heights Development Corporation (SHDC)

In 1980, the City formed the Community Improvement Corporation of Shaker Heights, Ohio (CIC) under Chapter 1724 of the Ohio Revised Code, which is now known as the Shaker Heights Development Corporation. The CIC was formed and designated by the City as its agent for industrial, commercial, distribution and research development in the City, but was largely inactive. In 2011, the CIC was reactivated and reorganized to be involved in the economic development of the City. The organization was re-named the Shaker Heights Development Corporation, and applied to the IRS for, and was granted, status as a section 501(c)(3) tax exempt organization. The City acts as fiscal agent for the Shaker Heights Development Corporation.

City of Shaker Heights
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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid double-counting revenues and expenses.

The statement of net position presents the financial condition of the governmental activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore, 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 not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

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

The following are the City’s major governmental funds:

General Fund – To account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio. Within the general fund group are the economic development and housing fund, the central services fund, the recreation fund, the 27th pay reserve fund, the unclaimed monies fund, the contractor deposit fund and the FlexSave fund.

Capital Projects Fund – To account for financial resources to be used for the acquisition or construction of capital facilities.

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 position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no enterprise funds.

Internal Service Funds – Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City maintains four separate internal service funds to account for its self-insurance activity, central purchasing, copier management, and its municipal garage (fleet maintenance).

Fiduciary Funds – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial 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. The City has eight custodial funds which are used to account for state mandated fees relating to the acceptance, review, and approval of building plans and specifications, for monies held for individuals and organizations for fines and forfeitures, for donations for public art and economic development throughout the City, scholarships and assets that provide aid to young children and their families for educational, recreational, social and support programs and services, for the design and construction design of water line projects, for the Heights Hillcrest Technical Rescue Team, and for activities of the Shaker Heights Development Corporation.

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C. Measurement Focus

Government-Wide Financial Statements

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

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

All proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City's finances meets the cash flow needs of its proprietary activities. Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Proprietary funds and fiduciary funds also use the accrual basis of accounting.

Governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows of resources, and in the presentation of expenses versus expenditures.

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Revenues – Exchange and Non-Exchange Transactions

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: municipal income taxes withheld by employers, sewerage surcharges, investment earnings, fines and forfeitures and state levied locally shared taxes (including motor vehicle fees). 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. Revenues received by the City within 60 days after year-end are deemed to be available. Reimbursements for federally funded grant projects are accrued as revenue at the time the eligible expenditures are made. Property taxes and special assessments, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Income taxes and sewerage surcharges are considered to be measurable when billed; however, these revenue sources are not considered to be available until they have been received by the collecting agency. Accordingly, these items are recorded and revenue recognition is deferred until they become available.

All other revenue sources, including licenses and permits, certain charges for services, and non-employer withheld income taxes, are recorded as revenue when received in cash because they generally are not measurable until actually received by the City.

Unearned Revenue

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned. At December 31, 2021, the City has unearned revenue for lease receivables recorded for rent that will be collected for a future year as well as grant monies received for the American Rescue Plan Act that will be spent over the next several years.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, revenue in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue may include delinquent property taxes, income taxes, special assessments, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 9 and 10).

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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. Most expenditures are measurable and are recorded when the related liability is incurred except for unmatured principal and interest on general long-term debt which is recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the proprietary fund types consider all highly liquid investments that are both readily convertible to known amounts of cash, with a maturity of three months or less when purchased to be cash equivalents.

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

Except for nonparticipating investment contracts, investments are reported at fair value. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

The City also invests in Government Insured Deposit Program (GIDP), a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. GIDP enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. GIDP offers attractive yields with no market or credit risk, daily liquidity and penalty free withdrawals. All deposits with GDIP have full FDIC insurance with no term commitment on deposits.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2021 amounted to \$(87,830), which includes \$(45,429) assigned from other City funds. The adjustment to investments for fair value at December 31, 2021 decreased investment income in the general fund by \$150,911 for reporting purposes.

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

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording an asset for the prepaid item at the time of the purchase and the expenditure/expense in the year in which the services are consumed.

G. Inventory

Inventory is stated at weighted average cost and is expended/expensed when used. Obsolete inventory has not been valued for financial reporting purposes.

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H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All purchased capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City's capitalization threshold is \$10,000. The City's infrastructure consists of curbs, sidewalks, sewers, streets, and other general capital assets that are immovable and of value only to the City. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All 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>Estimated Lives</u>
Buildings and Improvements	25 to 60 Years
Machinery and Equipment	5 to 20 Years
Land Improvements	25 to 40 Years
Infrastructure	40 to 100 Years

I. Interfund Balances

During the course of normal operations, the City had numerous transactions between funds, most of which are in the form of transfers of resources to provide services or to service debt. The accompanying financial statements generally reflect such transactions as transfers. The City also advances money between funds throughout the year. To the extent that certain transactions between funds have not been paid or received as of December 31, 2021 interfund amounts receivable or payable have been recorded as interfund payables and interfund receivables. Interfund balance amounts are eliminated in the statement of net position and the statement of activities.

J. Compensated Absences

The City has accrued a liability for compensated absences (vacation and sick leave) at December 31, 2021 along with any salary-related benefit liabilities associated with the payment of compensated absences. The City uses the vesting method to calculate this liability. The entire compensated absence liability is reported on the government-wide financial statements.

In governmental funds, the liability for unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated unpaid leave is paid.

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K. Pensions/Other Postemployment Benefits (OPEB)

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

L. Payables, 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, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance. The Finance Director is authorized to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

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

City Council has adopted a minimum fund balance policy for the general fund with the goal of maintaining a fund balance of not less than 25 percent of annual operating expenditures on the non-GAAP budgetary basis of accounting.

N. Net Position

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

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

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O. Interfund Activity

Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

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 of item occurred in 2021.

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.

R. 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 miscellaneous supplies and materials, printing charges, repairs and maintenance fees and the City's worker's compensation. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the funds and health insurance. All revenue and expenses not meeting these definitions are classified as nonoperating.

S. Budgetary Process

Tax Budget

A budget of estimated cash receipts and disbursements is submitted to the County Fiscal Officer, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources

The County Budget Commission certifies its actions relative to the submitted tax budget to the City by September 1. As a part of this certification, the City receives the official certificate of estimated resources, which states the projected resources of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. The City must then revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure.

City of Shaker Heights
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Appropriations

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. For all operating funds except capital projects and trust and custodial funds, an annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. For 2021, the annual appropriation measure was passed by City Council on December 20, 2020.

The appropriation measure may be amended during the year as new information becomes available provided that total appropriations do not exceed estimated resources as certified. Trust and custodial funds are deemed to be appropriated for their intended purpose upon receipt. The City appropriates capital project funds on a project by project basis.

As provided by the City's Charter and State law, amendments to the 2021 appropriation ordinance were approved by City Council. These amendments are reflected in the individual fund schedules of revenue, expenditures, and changes in fund balances – budget (non-GAAP budgetary basis) and actual.

Lapsing of Appropriations

For all funds, except capital project funds, unencumbered appropriation balances lapse at year-end and revert to the respective funds from which they were originally appropriated, thus, becoming available for future appropriation. Capital projects are appropriated on a project basis. Project appropriation balances lapse upon completion of the project; therefore, their unencumbered appropriation balances are carried over to the subsequent fiscal year.

Budgeted Level of Expenditure

State law mandates that a fund's total obligations may not exceed the total amount appropriated for the fund. For all funds except fiduciary and capital project funds, the City maintains its legal level of budgetary control at the department level and within each department segregates out expenses between personal services and other expenses. For fiduciary funds, the legal level of budgetary control is maintained at the fund level. For capital project funds, the City maintains its legal level of budgetary control at the project level. Management control is exercised at the department level within each fund. Administrative control is maintained through the establishment of more detailed line-item budgets. Council may authorize the transfer of budgeted amounts between personal service and other expenses within a department and between departments within a fund. Council may also authorize any revision in the budget that alters the fund totals or requires the transfer of moneys between funds.

T. Loan Receivable

The City advanced monies to the Shaker Heights Development Corporation to fund costs associated with professional fund development to assist in raising funds to pursue economic development projects. The loan has a three-year term, expiring January 1, 2023, with an interest rate of 1 percent, all due at maturity.

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Notes to the Basic Financial Statements
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U. Implementation of New Accounting Principles

For the year ended December 31, 2021, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 93 and GASB Statement No. 98.

GASB Statement No. 93 addresses accounting and financial reporting effects that result from the replacement of interbank offered rates (IBORs) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. The implementation of certain provisions (all except for paragraphs 13 and 14, which are effective for fiscal years beginning after June 15, 2021), of GASB Statement No. 93 did not have an effect on the financial statements of the City.

GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. These changes were incorporated in the City's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

V. Restatement of Net Position

The City reevaluated its capital assets during 2021. This had the following effect on net position as reported December 31, 2020.

	Governmental Activities
Net Position, December 31, 2020	\$ 86,206,207
Capital Assets	(6,864,701)
Restated Net Position, December 31, 2020	\$ 79,341,506

NOTE 3 – FUND BALANCES

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

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City of Shaker Heights
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

	General Fund	Capital Projects Fund	Other Governmental Funds	Total
Nonspendable for:				
Inventory	\$ 197,991	\$ -	\$ -	\$ 197,991
Unclaimed Monies	317,363	-	-	317,363
Loans Receivable	80,729	-	-	80,729
Total Nonspendable	<u>596,083</u>	<u>-</u>	<u>-</u>	<u>596,083</u>
Restricted for:				
Street Maintenance and Repair	-	-	1,097,032	1,097,032
State Highway	-	-	261,735	261,735
Police and Fire Pension	-	-	1,566,243	1,566,243
Indigent Driver Alcohol Treatment	-	-	109,105	109,105
Court Computer Legal Research	-	-	161,219	161,219
Clerk's Computerization	-	-	636,573	636,573
Housing Grants	-	-	129,985	129,985
Law Enforcement Grant	-	-	27,746	27,746
Court Alternate Dispute Resolution	-	-	98,254	98,254
Ohio Court Security Project	-	-	56,948	56,948
Indigent Driver Interlock	-	-	38,277	38,277
Tree Maintenance Special Assessment	-	-	171,719	171,719
Law Enforcement Trust	-	-	1,152,785	1,152,785
Street Lighting Special Assessment	-	-	478,067	478,067
Capital Projects	-	2,417,213	-	2,417,213
Point of Sale Escrow	-	-	2,906,821	2,906,821
Economic Development	-	-	533,688	533,688
Other	-	-	94,184	94,184
Total Restricted	<u>-</u>	<u>2,417,213</u>	<u>9,520,381</u>	<u>11,937,594</u>
Committed for:				
Sewer Maintenance	-	-	1,018,418	1,018,418
Housing and Nuisance Abatement	-	-	156,072	156,072
Urban Renewal Debt Service	-	-	1,298,999	1,298,999
Capital Projects	-	17,581,653	-	17,581,653
Debt Service	-	-	978,571	978,571
27th Pay Reserve	1,485,600	-	-	1,485,600
Encumbrances:				
Housing and Community Development	198,226	-	-	198,226
Total Committed	<u>1,683,826</u>	<u>17,581,653</u>	<u>3,452,060</u>	<u>22,717,539</u>
Assigned:				
Economic Development	6,522,818	-	-	6,522,818
Recreation	228,658	-	-	228,658
Central Services	870,963	-	-	870,963
Encumbrances				
General Government	295,050	-	-	295,050
Security of Persons and Property	603,069	-	-	603,069
Leisure Time Services	34,605	-	-	34,605
Housing and Community Development	247,094	-	-	247,094
Public Works	244,862	-	-	244,862
Sanitation and Sewer Services	138,122	-	-	138,122
Street Maintenance and Repair	95,340	-	-	95,340
Total Assigned	<u>9,280,581</u>	<u>-</u>	<u>-</u>	<u>9,280,581</u>
Unassigned	28,408,960	-	(76,853) *	28,332,107
Total Fund Balance	<u>\$ 39,969,450</u>	<u>\$ 19,998,866</u>	<u>\$ 12,895,588</u>	<u>\$ 72,863,904</u>

City of Shaker Heights
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* Fund balance at December 31, 2021, included deficits of \$76,853 in the High Intensity Drug Trafficking Area Grant fund. This fund deficit is the result of the recognition of liabilities in accordance with general accepted accounting principles. The general fund is liable for any deficit in this fund and will provide transfers when cash is required, not when accruals occur. Additionally, the municipal garage internal service fund had a deficit of \$1,020,776 at December 31, 2021 primarily as a result of net pension and net OPEB liabilities and related components. The general fund is liable for any deficit in this fund, other than the pension and OPEB accruals, and will provide transfers when cash is required, not when accruals occur.

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

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

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 or encumbered (budget) as opposed to when susceptible to accrual (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned of fund balance (GAAP).
4. Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

GAAP Basis	\$ 7,249,693
Net Adjustment for Revenue Accruals	(1,100,868)
Net Adjustment for Expenditure Accruals	704,923
Funds Budgeted Elsewhere	(1,313,286)
Adjustment for Encumbrances	<u>(2,853,786)</u>
Budget Basis	<u>\$ 2,686,676</u>

* As part of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the central services operation fund.

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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.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. The City's investment policies are governed by the City's charter and ordinances. The charter authorizes the City to invest in the following securities:

1. Bonds or notes which are issued by and are obligations of the City of Shaker Heights, Ohio.
2. Bonds, notes, certificates of indebtedness, treasury bills or other securities issued by and constituting direct obligations of, or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest thereon.
3. Bonds or notes which are issued by and are the obligations of the State of Ohio, provided that such bonds or notes have a rating assigned to them by S&P Global Ratings or Moody's Investor Services, Inc. which rating:
 - a. As to bonds, is one of the two highest rating categories that may be assigned; and
 - b. As to notes, is the highest rating category that may be assigned.

In order to be eligible investments under points (2) and (3), there must be no outstanding default for the payment of the principal or interest on such securities and the securities must mature or be subject to redemption at the option of the City within five years of the date the City purchased such security.

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

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

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The municipal court bond fund is maintained separately from the City’s deposits. The carrying amount of the deposits is reported as “Cash in Segregated Accounts.”

Although the securities serving as collateral (for all deposits) were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by:

- Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
- Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments - As of December 31, 2021, the City had the following investments:

Moody's Rating	Investment	Measurement Amount	Investment Maturity			% Total Investments
			Less than One Year	1 - 3 Years	Over 3 Years	
	Fair Value:					
Aaa	U.S. Treasury Notes	\$ 2,466,172	\$ -	\$ 495,937	\$ 1,970,235	15.7%
N/A	Negotiable Certificates of Deposit	12,782,096	1,748,554	6,392,555	4,640,987	81.1%
AA+	Municipal Bonds	503,670	503,670	-	-	3.2%
		<u>\$ 15,751,938</u>	<u>\$ 2,252,224</u>	<u>\$ 6,888,492</u>	<u>\$ 6,611,222</u>	<u>100.0%</u>

N/A - Underlying securities are exempt

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City’s recurring fair value measurements as of December 31, 2021. The City’s investments measured at fair value (Level 2) are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data.

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 the 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 within five years unless specifically matched to a specific cash flow. To date, no investments have been purchased with a life greater than five years.

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Credit Risk is addressed in the City’s investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer.

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 according to the specific percentage allocations noted in the policy. The investment percentages are listed above.

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

NOTE 6 – RECEIVABLES

Receivables at December 31, 2021, consisted of municipal income taxes, property and other taxes, accounts, loans, special assessments, leases, interfund and intergovernmental receivables arising from grants, entitlements, revenue in lieu of taxes and shared revenues. All receivables are deemed collectible in full. Special assessments are expected to be collected within one year.

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2021 for real and public utility property taxes represents collections of the 2020 taxes.

2021 real property taxes were levied after October 1, 2021 on the assessed value as of January 1, 2021, the lien date. Assessed values are established by the Cuyahoga County Fiscal Officer at 35% of the appraised market value, and reappraisal of all property is required every six years with a triennial update. The last reappraisal was in the year 2019. 2021 real property taxes are collected in and intended to finance 2022.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2021, was \$9.60 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2021 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 860,964,760
Public Utilities - Personal	18,833,780
Total Assessed Value	\$ 879,798,540

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The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2021, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2021 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

B. Municipal Income Taxes

The City income tax is applied to the gross salaries, wages and other personal service compensation earned by residents of the City and to the earnings of nonresidents working within the City. The tax also applies to the net income of businesses operating within the City. The tax rate was 2.25 percent in 2021. Both residents of the City and non-residents working inside the City are subject to the income tax. The City grants an income tax credit to residents who work in a locality that has a municipal income tax. The City provides a credit of 50 percent of the resident’s workplace community’s income tax rate up to a tax rate of 1.0 percent. A receivable totaling \$14,641,461 has been recorded in the general fund. This total includes \$7,417,287 for the portion of taxes that is due prior to December 31, 2021, but is not received until January of the following year, and \$7,224,174 estimated to be collectable as of December 31, 2021, but is not available in the current period.

NOTE 7 – INTERFUND BALANCES AND TRANSFERS

A. Interfund Receivables/Payables

Interfund activity for the year ended December 31, 2021, consisted of the following:

Interfund Receivable	Interfund Payable		Total
	Nonmajor Governmental Funds	Internal Service Fund	
General Fund	\$ -	\$ 185,000	\$ 185,000
Nonmajor Governmental Funds	99,986	-	99,986
Total	\$ 99,986	\$ 185,000	\$ 284,986

The interfund receivables and payables listed above result from a difference in the timing of when expenses are recognized in accordance with generally accepted accounting principles and when the related interfund subsidies are budgeted for payment on a cash basis. The \$185,000 represents interfund advances between the Central Purchasing Fund and the General Fund.

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B. Transfers

Interfund transfers for the year ended December 31, 2021, consisted of the following:

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Total</u>
	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Internal Service Fund</u>	
General Fund	\$ 7,000,000	\$ 4,470,127	\$ 436,000	\$ 11,906,127
Nonmajor Governmental Funds	-	277,813	-	277,813
Total	\$ 7,000,000	\$ 4,747,940	\$ 436,000	\$ 12,183,940

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

The General fund made transfers to the capital projects fund and the internal service fund to cover expenditures. The City also made a transfer from the sewer maintenance fund to the debt service fund for the payment of capital related debt.

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City of Shaker Heights
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NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

	Restated Balance 12/31/2020	Additions	Reductions	Balance 12/31/2021
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 13,298,650	\$ 83,900	\$ (28,246)	\$ 13,354,304
Construction in Progress	1,259,914	5,166,657	(1,363,976)	5,062,595
Total Capital Assets, not being depreciated	<u>14,558,564</u>	<u>5,250,557</u>	<u>(1,392,222)</u>	<u>18,416,899</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	19,906,599	361,104	-	20,267,703
Land Improvements	12,994,060	153,475	-	13,147,535
Machinery and Equipment	22,809,782	1,421,006	(1,106,407)	23,124,381
Infrastructure:				
Streets	49,707,382	271,033	-	49,978,415
Storm and Sanitary Sewers	15,839,070	1,456,691	-	17,295,761
Bridges	148,389	-	-	148,389
Culverts	56,000	-	-	56,000
Traffic Signals	13,176,550	173,790	-	13,350,340
Total Capital Assets, being depreciated	<u>134,637,832</u>	<u>3,837,099</u>	<u>(1,106,407)</u>	<u>137,368,524</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(10,186,846)	(399,579)	-	(10,586,425)
Land Improvements	(5,830,564)	(433,596)	-	(6,264,160)
Machinery and Equipment	(13,729,950)	(1,241,974)	911,709	(14,060,215)
Infrastructure:				
Streets	(13,023,745)	(1,214,863)	-	(14,238,608)
Storm and Sanitary Sewers	(2,438,026)	(264,501)	-	(2,702,527)
Bridges	(123,789)	(4,540)	-	(128,329)
Culverts	(12,009)	(747)	-	(12,756)
Traffic Signals	(5,093,113)	(330,797)	-	(5,423,910)
Total Accumulated Depreciation	<u>(50,438,042)</u>	<u>(3,890,597)</u>	<u>911,709</u>	<u>(53,416,930)</u>
Total Capital Assets being depreciated, net	<u>84,199,790</u>	<u>(53,498)</u>	<u>(194,698)</u>	<u>83,951,594</u>
Governmental Activities Capital Assets, Net	<u>\$ 98,758,354</u>	<u>\$ 5,197,059</u>	<u>\$ (1,586,920)</u>	<u>\$ 102,368,493</u>

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Depreciation expense was charged to governmental activities as follows:

	<u>Depreciation</u>
<i>Governmental Activities:</i>	
General Government	
Legislative and Executive	\$ 167,086
Judicial System	28,308
Security of Persons and Property	565,885
Leisure Time Activities	278,647
Sanitation and Sewer Services	298,609
Transportation	332,935
Street Maintenance and Repair	1,172,972
Community and Economic Development	462,335
Public Works	583,820
	<u>\$3,890,597</u>

NOTE 9 - DEFINED BENEFIT PENSION PLANS

The statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability (Asset)

Pensions and OPEB are components of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions and OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period.

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be

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effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* and *net OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contributions outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 10 for the OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member’s pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a benefit recipient has received benefits for 12 months, current law provides for an annual cost-of-living adjustment (COLA). This COLA is calculated on the original base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index (CPI), capped at 3 percent.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	State and Local
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2021 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
 Employee	 10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,779,784 for 2021. Of this amount, \$236,997 is reported as an intergovernmental payable.

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1 of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

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	Police	Firefighters
2021 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2021 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$2,416,566 for 2021. Of this amount, \$262,602 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS	OP&F	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.088104%	0.454462%	
Prior Measurement Period	0.090950%	0.425080%	
Change in Proportion	-0.002846%	0.029381%	
Proportionate Share of the Net			
Pension Liability	\$ 13,046,284	\$ 30,981,048	\$ 44,027,332
Pension Expense	\$ (489,241)	\$ 1,782,843	\$ 1,293,602

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ -	\$ 1,295,112	\$ 1,295,112
Changes of Assumptions	-	519,567	519,567
Changes in Proportionate Share and Differences in Contributions	45,378	1,680,781	1,726,159
City Contributions Subsequent to the Measurement Date	<u>1,779,784</u>	<u>2,416,566</u>	<u>4,196,350</u>
Total Deferred Outflows of Resources	<u>\$ 1,825,162</u>	<u>\$ 5,912,026</u>	<u>\$ 7,737,188</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 545,737	\$ 1,206,932	\$ 1,752,669
Net Difference between Projected and Actual Earnings on Pension Plan Investments	5,085,060	1,502,788	6,587,848
Changes in Proportionate Share and Differences in Contributions	<u>476,637</u>	<u>1,321,175</u>	<u>1,797,812</u>
Total Deferred Inflows of Resources	<u>\$ 6,107,434</u>	<u>\$ 4,030,895</u>	<u>\$ 10,138,329</u>

\$4,196,350 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2022	\$ (2,445,896)	\$ (130,427)	\$ (2,576,323)
2023	(849,788)	539,532	(310,256)
2024	(2,072,844)	(1,302,200)	(3,375,044)
2025	(693,528)	110,887	(582,641)
2026	-	246,773	246,773
Total	<u>\$ (6,062,056)</u>	<u>\$ (535,435)</u>	<u>\$ (6,597,491)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020 are presented below.

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<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Wage Inflation	3.25 percent
Future Salary Increases, including wage inflation	3.25 percent to 10.75 percent (including wage inflation)
Investment Rate of Return	
Current Measurement Date	7.20 percent
Prior Measurement Date	7.20 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 0.50 percent Simple through 2021, then 2.15 percent Simple

In October 2020, the OPERS Board adopted a change in COLA for post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to 0.5 percent simple through 2021 then 2.15 percent simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other Investments	9.00	4.75
Total	<u>100.00 %</u>	<u>5.43 %</u>

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Discount Rate The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent and the City's proportionate share of the net pension liability if it were calculated using a discount rate that is one percent lower (6.20 percent) or one percent higher (8.20 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 24,885,856	\$ 13,046,284	\$ 3,201,699

Changes between Measurement Date and Report Date During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 percent along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2020, are presented below:

Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.20 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
 Total	 125.00 %	

Note: Assumptions are geometric.

* levered 2.5x

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OP&F’s Board of Trustees has incorporated the risk parity concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 43,129,588	\$ 30,981,048	\$ 20,813,948

NOTE 10 - DEFINED BENEFIT OPEB PLANS

See Note 9 for a description of the net OPEB liability (asset).

Plan Description – Ohio Public Employees Retirement System (OPERS)

OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree’s years of service and age when they first enrolled in OPERS coverage.

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Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2021.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded.

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

The City’s contractually required contribution to OP&F was \$57,177 for 2021. Of this amount, \$6,126 is reported as an intergovernmental payable.

OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F’s total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City’s proportion of the net OPEB liability (asset) was based on the City’s share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	OP&F	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Period	0.085760%	0.4544615%	
Prior Measurement Period	0.088882%	0.4250803%	
Change in Proportion	-0.003122%	0.0293812%	
Proportionate Share of the Net			
OPEB Liability (Asset)	\$ (1,527,883)	\$ 4,815,093	
OPEB Expense	\$ (9,777,667)	\$ 366,178	\$ (9,411,489)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes of Assumptions	\$ 751,123	\$ 2,660,076	\$ 3,411,199
Changes in Proportionate Share and Differences in Contributions	29,285	197,974	227,259
City Contributions Subsequent to the Measurement Date	-	57,177	57,177
Total Deferred Outflows of Resources	<u>\$ 780,408</u>	<u>\$ 2,915,227</u>	<u>\$ 3,695,635</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 1,378,907	\$ 794,235	\$ 2,173,142
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	813,773	178,937	992,710
Changes of Assumptions	2,475,628	767,616	3,243,244
Changes in Proportionate Share and Differences in Contributions	322,284	439,074	761,358
Total Deferred Inflows of Resources	<u>\$ 4,990,592</u>	<u>\$ 2,179,862</u>	<u>\$ 7,170,454</u>

\$57,177 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2022	\$ (2,235,960)	\$ 114,689	\$ (2,121,271)
2023	(1,524,705)	157,064	(1,367,641)
2024	(353,630)	90,257	(263,373)
2025	(95,889)	117,489	21,600
2026	-	81,993	81,993
Thereafter	-	116,696	116,696
	<u>\$ (4,210,184)</u>	<u>\$ 678,188</u>	<u>\$ (3,531,996)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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Wage Inflation	3.25 percent
Projected Salary Increases, Including Inflation	3.25 to 10.75 percent, including wage inflation
Single Discount Rate:	
Current Measurement Date	6.00 percent
Prior Measurement Date	3.16 percent
Investment Rate of Return:	
Current Measurement Date	6.00 percent
Prior Measurement Date	6.00 percent
Municipal Bond Rate:	
Current Measurement Date	2.00 percent
Prior Measurement Date	2.75 percent
Health Care Cost Trend Rate:	
Current Measurement Date	8.5 percent, initial, 3.50 percent, ultimate in 2035
Prior Measurement Date	10.5 percent, initial, 3.50 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS investment consultant.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other Investments	9.00	4.02
Total	100.00 %	4.43 %

Discount Rate A single discount rate of 6.00 percent was used to measure the total OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents the City’s proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 percent and the City’s proportionate share of the net OPEB liability (asset) if it were calculated using a discount rate that is one percent lower (5.00 percent) or one percent higher (7.00 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City’s Proportionate Share of the Net OPEB (Asset)	\$ (379,917)	\$ (1,527,883)	\$ (2,471,603)

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates, and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

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	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB (Asset)	\$ (1,565,120)	\$ (1,527,883)	\$ (1,486,221)

Changes between Measurement Date and Report Date During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent
Blended Discount Rate:	
Current Measurement Date	2.96 percent
Prior Measurement Date	3.56 percent
Municipal Bond Rate:	
Current Measurement Date	2.12 percent
Prior Measurement Date	3.75 percent
Cost of Living Adjustments	2.20 percent simple

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. The target asset allocation and best estimates of geometric real rates of return for each major asset class as of December 31, 2020, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	0.00 %
Domestic Equity	21.00	4.10
Non-U.S. Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income*	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	125.00 %	

Note: Assumptions are geometric.

* Levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

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Discount Rate For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56 percent for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2035. The long-term expected rate of return on health care investments was applied to projected costs through 2035, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 6,004,147	\$ 4,815,093	\$ 3,834,264

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

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NOTE 11 – LONG-TERM OBLIGATIONS

Changes in the City’s long-term obligations during the year were as follows:

	Balance 12/31/2020	Additions	Reductions	Balance 12/31/2021	Due Within One Year
Governmental Activities					
<i>General Obligation Bonds</i>					
Urban Renewal Refunding Bonds, Series 2012 3.58%, due 12/1/2031	\$ 700,000	\$ -	\$ 700,000	\$ -	\$ -
Urban Renewal Refunding Bonds, Series 2016 1.97%, due 12/1/2031	2,935,700	-	242,800	2,692,900	247,600
Van Aken Sewer Line Improvement Bonds Series 2013, 2.90%, due 6/1/28	225,000	-	25,000	200,000	25,000
Various Purpose Bonds, Series 2017					
Serial Bonds, 2% - 3%, maturing 12/1/27	1,030,000	-	140,000	890,000	140,000
Term Bonds, 3.25% - 3.75%, maturing 12/1/37	1,755,000	-	-	1,755,000	-
Premium on Various Purpose Bonds	82,482	-	5,155	77,327	-
Urban Renewal Refunding Bonds, Series 2020 1.64%, due 12/1/2031	8,480,000	-	105,000	8,375,000	780,000
<i>Total General Obligation Bonds</i>	<u>15,208,182</u>	<u>-</u>	<u>1,217,955</u>	<u>13,990,227</u>	<u>1,192,600</u>
<i>Revenue Bonds</i>					
CCCPA Non-Tax Revenue Bonds, Series 2017					
Serial Bonds, 3% - 5%, maturing 12/1/30	2,220,000	-	185,000	2,035,000	190,000
Term Bonds, 3% - 5%, maturing 12/1/37	2,230,000	-	-	2,230,000	-
Premium on Non-Tax Revenue Bonds	367,405	-	22,963	344,442	-
<i>Total Revenue Bonds</i>	<u>4,817,405</u>	<u>-</u>	<u>207,963</u>	<u>4,609,442</u>	<u>190,000</u>
<i>Direct Borrowings</i>					
<i>OPWC Loans</i>					
OPWC - CA08F - Water System Improvements, 0%, maturing 6/1/2026	768,994	-	139,817	629,177	139,817
OPWC - CA17E - City Water Line Improvements, 0%, maturing 7/1/2025	292,276	-	64,950	227,326	64,950
OPWC – CA17K – South Woodland Area Infrastructure Improvements, 0%, maturing 1/1/2029	706,218	-	88,277	617,941	88,277
OPWC – CA18M – Hildana-Ludgate Sanitary Sewer Improvements, 0%, maturing 7/1/2030	272,175	-	28,650	243,525	28,650
<i>Total Direct Borrowings</i>	<u>2,039,663</u>	<u>-</u>	<u>321,694</u>	<u>1,717,969</u>	<u>321,694</u>
<i>Lease Purchases</i>					
Fire Truck (2016)	417,166	-	136,600	280,566	139,041
Street Sweeper (2017)	106,420	-	38,193	68,227	68,226
Fire Truck (2019)	612,224	-	94,056	518,168	97,113
<i>Total Lease Purchases</i>	<u>1,135,810</u>	<u>-</u>	<u>268,849</u>	<u>866,961</u>	<u>304,380</u>
<i>Other Long-Term Obligations</i>					
Pension & OPEB	63,088,305	-	14,245,880	48,842,425	-
Notes Payable	3,200,000	4,000,000	3,200,000	4,000,000	4,000,000
Capital Lease	402,837	-	57,927	344,910	46,027
Compensated Absences	6,929,576	2,683,208	2,794,539	6,818,245	373,766
Claims Payable	719,510	4,535,713	4,603,780	651,443	499,650
<i>Total Other Long-Term Obligations</i>	<u>74,340,228</u>	<u>11,218,921</u>	<u>24,902,126</u>	<u>60,657,023</u>	<u>4,919,443</u>
Total Governmental Long Term Liabilities	<u>\$ 97,541,288</u>	<u>\$11,218,921</u>	<u>\$26,918,587</u>	<u>\$ 81,841,622</u>	<u>\$ 6,928,117</u>

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As of December 31, 2021, the City's future debt service requirements consisted of bonds, four non-interest bearing Ohio Public Works Commission Loans numbered CA08F, CA17E, CA17K and CA18M, notes payable, lease purchases, compensated absences and claims payable. For governmental activities, the OPWC loans and the general obligation bonds are generally liquidated from the debt service funds, compensated absences and pension liability expense are generally liquidated by the general fund and claims payable are generally liquidated from the self-insurance internal service fund. There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund and water, sewer, and sanitation funds. For additional information related to the net pension liability and net OPEB liability see Notes 9 and 10.

On April 11, 2012, the City issued \$13,460,000 in general obligation bonds for the purpose of advance refunding general obligation bonds outstanding in order to take advantage of lower interest rates. The interest rates of the bonds ranged from 1.0 percent to 4.0 percent and the bonds were sold at a premium of \$464,383. Proceeds of \$13,744,754 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the general obligation bonds. The City decreased its total debt service payments by \$1,332,007 as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$1,021,201. The final defeased bonds were called in December 2013. These bonds were refunded in 2020.

On May 9, 2013, the City issued \$385,000 in general obligation bonds for the purpose of improving sewer lines along Van Aken Boulevard. The bonds bear an interest rate of 2.9 percent with semi-annual interest payments on June 1 and December 31 of each year, commencing December 1, 2013. The bonds mature on June 1, 2028.

On December 1, 2016, the City issued \$3,501,300 in general obligation bonds for the purpose of advance refunding general obligation bonds outstanding in order to take advantage of lower interest rates. The interest rates of the bonds is 1.97 percent. The City decreased its total debt service payments by \$609,036 as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$526,511. The balance of the defeased bonds was \$2,625,000 as of December 31, 2021.

On July 26, 2017, the City issued \$3,195,000 in various purpose serial and term general obligation bonds for the purpose of sewer improvements and RMS Park and Right of Way components of the Van Aken Redevelopment project. The interest rates of the serial bonds are 2.00 to 3.00 percent and the interest rates of the term bonds is 3.25 percent to 3.75 percent. The bonds were sold at a premium of \$103,102. The bonds mature on December 1, 2037.

On April 2, 2020, the City issued \$8,650,000 of general obligation bonds for the purpose of refunding general obligation bonds outstanding in order to take advantage of lower interest rates. The interest rate of the bonds is 1.64 percent. The City decreased its total debt service payments by \$844,255 as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$768,560. The balance of the defeased bonds was \$8,250,000 as of December 31, 2021.

General obligation bonds are backed by the full faith and credit of the City.

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On June 29, 2017, the City issued \$4,960,000 in Cleveland-Cuyahoga County Port Authority Non-Tax Revenue serial and term bonds for the Van Aken Redevelopment project. The interest rates of the serial bonds are 3.00 to 5.00 percent and the interest rates of the term bonds are 3.00 percent to 5.00 percent. The bonds were sold at a premium of \$459,257. The bonds mature on December 1, 2037. In the event of default, the issuer may pursue all remedies to collect all amounts then due and thereafter to become due under the agreement.

In 2007, the City transferred ownership of its waterlines to the City of Cleveland, but retained its obligation to pay the Ohio Public Works Commission Loans CA08F and CA17E. In the event of default, as defined by each OPWC loan agreement, the amount of default will be subject to 8 percent interest on all amounts due from date of default. Additionally, the Lender may declare all amounts immediately due and payable or require the County treasurer to pay the amounts due from funds appropriated to the county's undivided local government fund. The lender will also be entitled to collect any cost incurred in the event of default.

In 2016, the City entered into a lease purchase agreement for the acquisition of a fire truck in the amount of \$940,000. The lease carries an interest rate of 1.79 percent and matures in 2023. Payments on this lease are made from the general fund.

In 2017, the City entered into a lease purchase agreement for the acquisition of a street sweeper in the amount of \$256,250. The lease carries an interest rate of 2.60 percent and matures in 2022. Payments on this lease are made from the general fund and sewer maintenance fund.

In 2019, the City entered into a lease purchase agreement for the acquisition of a fire truck in the amount of \$703,319. The lease carries an interest rate of 3.25 percent and matures in 2026. Payments on this lease are made from the general fund.

In the event of default, as defined by each lease purchase agreement, the lessor may declare all lease payments and all other amounts payable to be due and such amounts shall thereafter bear interest at the rate of 12 percent per annum. Additionally, the lessor may terminate the agreement and retake possession of the equipment. For each lease purchase agreement, the respective equipment is collateral.

Notes payable consisted of street improvement notes. In 2020, the City issued notes for \$3,200,000, which were retired in 2021 with principal payments made from the operational revenues of the debt service fund and the issuance of Notes Payable, Series 2021. The notes are dated May 26, 2021, and are due May 26, 2022, at an interest rate of .58 percent. The City has entered into a qualifying financing agreement subsequent to year end to refinance these in the amount of \$4,000,000 and issue \$4,000,000 to improve the City's sanitary and drainage facilities, as further discussed in Note 22. Premium relating to the issuance of the note was immaterial to amortize and was expensed in 2021 in the amount of \$20,800. The balance of \$1,200,000 is reported as a fund liability, as disclosed in Note 12.

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The annual debt service requirements are as follows:

Year Ending December 31,	Governmental Activities						
	General Obligation Bonds		OPWC Loans	Non-Tax Revenue Bonds		Lease-Purchases	
	Principal	Interest	Principal	Principal	Interest	Principal	Interest
2022	\$ 1,192,600	\$ 279,413	\$ 321,694	\$ 190,000	\$ 174,938	\$ 304,380	\$ 23,628
2023	1,212,000	258,218	321,694	200,000	167,338	241,794	16,213
2024	1,235,900	236,600	321,694	205,000	159,338	103,528	10,426
2025	1,254,500	213,862	289,219	215,000	151,138	106,892	7,061
2026	1,272,600	190,764	186,836	225,000	142,538	110,367	3,587
2027 - 2031	6,670,300	587,093	276,832	1,280,000	554,588	-	-
2032 - 2036	885,000	135,288	-	1,595,000	235,900	-	-
2037	190,000	7,125	-	355,000	12,425	-	-
Total	<u>\$13,912,900</u>	<u>\$1,908,363</u>	<u>\$ 1,717,969</u>	<u>\$4,265,000</u>	<u>\$1,598,203</u>	<u>\$ 866,961</u>	<u>\$ 60,915</u>

Legal Debt Margin Under the Uniform Bond Act of the Ohio Revised Code, at December 31, 2021, the City's overall debt limitation is \$92,378,847 (10.5 percent of the City's total assessed property valuation of \$879,798,540) of which \$85,533,847 is available for additional voted and unvoted general obligation debt. Of this total general obligation debt capacity, the City's unvoted general obligation debt capacity is \$48,388,920 (5.5 percent of the City's total assessed property valuation) at December 31, 2021, of which \$41,543,920 is available.

The City has pledged future non-tax revenues to repay \$5.0 million in revenue bonds issued on June 29, 2017 to finance the redevelopment of the Van Aken Shopping Center issued by the Cleveland-Cuyahoga County Port Authority. The bonds are payable solely from all monies of the City that are not raised by taxation, including but not limited to payments in lieu of taxes, charges for services, fines and forfeitures, licenses and permits and investment earnings. Total principal, interest and fees remaining on the bonds is \$5,863,203, payable through December 2037. For the current year, interest and fees paid were \$375,263 and available non-tax revenues were \$13,179,421.

NOTE 12 – NOTES PAYABLE

Notes payable consisted of street improvement notes. The notes have a term of one year or less, and were issued to finance improvements to City owned property. The notes are dated May 5, 2021, and are due May 26, 2022, at an interest rate of .58 percent. The balance of \$1,200,000 will be retired with operational revenues of the debt service fund at maturity.

NOTE 13 – LEASE OBLIGATION

The City is obligated under certain leases to be accounted for as a capital lease. The leased asset and related obligation is accounted for in the capital assets and the long-term debt liabilities in governmental activities. Capitalized assets acquired under capital leases amount to \$344,910 and are all classified as machinery and equipment with accumulated depreciation of \$97,183. The item is a long-term lease agreement, which meets the criteria of a capital lease as they transfer benefits and risks of ownership to the lessee.

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The future minimum lease payments required under capital leases are as follows:

Year Ending December 31,	Lease Payments
2022	\$ 59,186
2023	59,186
2024	59,186
2025	59,186
2026	59,186
2027 - 2028	101,778
Total Minimum Lease Payments	397,708
Less: Amount Representing Interest	(52,798)
Present Value of Minimum Lease Payments	\$ 344,910

Principal payments made in the current year amounted to \$57,927.

NOTE 14 – COMPENSATED ABSENCES

Vacation is earned by City employees at varying rates based upon length of service. Vacation accumulates based on the bargaining units, and the maximum amounts vary from a range of 160 hours to 600 hours. In the case of death, termination or retirement, an employee (or the employee’s estate) is paid for the accumulated, unused vacation leave.

All full-time employees earn sick leave at a rate of fifteen (15) workdays per year. In November of each year, full-time employees of the City have the right to convert accumulated sick leave days earned but not used for the previous year in excess of a total accumulation of ninety (90) days at the ratio of three days of accumulated sick leave for one day’s pay. Sick leave not converted under this option may be used through time off from work. Non-bargaining full-time employees with ten years minimum continuous service with the City who terminate employment for other than disciplinary reasons may receive payment for one-half their accumulated sick leave to a maximum of 675 hours. Safety forces bargaining unit employees with at least 5 years minimum continuous service with the City and eligible for retirement may receive payment for their accumulated sick leave according to their bargaining agreement. Recreation and Public Works bargaining unit employees receive sick leave according to their bargaining agreement. Compensated absences are charged to various funds of the City in accordance to where an employee’s salary is charged.

NOTE 15 – LEASE RECEIVABLE

As of December 31, 2021, the City has leased multiple pieces of real property. All of the leases are accounted for as operating leases. The value of the City’s investment in the operating leases is reflected as lease receivable and unearned revenue in the general fund and capital projects fund.

Former Moreland School Building: This property was leased to the Shaker Heights Public Library during 1991 to serve as the library district’s new main library facility. The initial lease term expired in 2013 and was renewed for two ten-year periods, until August 29, 2033. The annual basic lease payment is \$100. The lease has been further renewed until August 29, 2053. In 2019, the Shaker Heights Public Library entered into a \$10,400,000 certificate of participation financing to fund additional renovation to the facility, but the City has no liability for this financing. Under the terms of the lease, the Library Board of Directors completed approximately \$4.3 million in renovations to the facility financed through bonds issued by the City, which have been retired.

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Warrensville Center Road Parking Lots: This lease was entered into with University Hospitals Health System, Inc. as of December 16, 2006 for a term of 15 years. Under the terms of the lease, the City constructed and made necessary improvements to existing parking lots on City-owned property along Warrensville Center Road. The lease requires annual payments of \$1 through December 16, 2016, with annual step increases of \$10,000 on December 16 of subsequent years through 2021. The lease expired at the end of 2021, with the lessee continuing its use on a month-to-month basis as discussions about a new lease continue.

Former Sussex School Building: The City became the owner of the former Sussex School Building in 1995, and entered into a lease with a non-profit entity known as the Shaker Family Center (SFC) starting in 1996. The City subsequently entered into lease extensions with the SFC, now known as “Family Connections of Northeast Ohio” through 2018. Family Connections of Northeast Ohio operates an early learning and day care center for children. On January 1, 2018, the City and Family Connections entered into a new 3-year lease, with the rental amount remaining as it has been, at \$1.00 per year. The lease with Family Connections expired on December 31, 2021. The City entered into a Lease with the Early Childhood Enrichment Center, Inc. (ECEC) effective January 1, 2021, for a 2 year period ending December 31, 2022, with the rental amount as it was under Family Connections, at \$1.00 per year. The City pays for capital repairs and improvements costing over \$1,000, and provides a subsidy of \$104,000 for the year 2021. The City approved a subsidy of \$72,800 for the year 2022. On December 2, 2021, the City notified ECEC that the City would agree to renew the lease for the year 2023, with the amount of any subsidy to be decided at the end of 2022.

3558 Lee Road: The City entered into a lease of this property with the Shaker Heights Development Corporation (SHDC) on July 1, 2016, and the lease has been extended until December 31, 2028. The SHDC is a Community Improvement Corporation under Ohio law as such it serves as the agent of the City for economic development purposes. Rental for the initial term is \$1.00. The City has paid for various improvements to the property. The City pays for capital expenses over a cap that increases over the duration of the Lease. The City also pays the property taxes and assessments for the property.

Former Malvern School Building: The City purchased this property in 1992 from the Shaker Heights Municipal School District. The building was then sold to Hanna Perkins School, but the City retained the land. Hanna Perkins School and the City then signed a ground lease on the land for a period of 50 years beginning October 1, 2002, with an annual base rent of \$100 per lease year. There is an option for the lessee to renew for an additional 50-year term. This ground lease is recorded with the Cuyahoga County Fiscal Office.

Cell Phone Tower: The City entered into a Site Lease Agreement for the rental of the cell phone tower in the Shaker Heights City Hall parking lot with New Cingular Wireless PCS, LLC and this agreement calls for five-year terms that renew automatically, through 2028. The lease was amended on September 17, 2012 to reflect an increase in rent effective as of April 1, 2012 due to the addition of a second cell site on the same tower leased by New Cingular. In 2015, the lease was extended for an additional 18 years expiring in 2046 with rent increases scheduled at 5 year increments. In 2021, the City received \$42,050 in rent.

Duck Creek Energy: The City entered into an Oil and Gas Lease with Duck Creek Energy on April 12, 2010, that continues so long as oil or gas continue to be produced, but the lease expires July 1, 2030. Prior to drilling, Lessee paid the City a spud fee of \$20,000. Other compensation includes royalties in the amount of 12.5% of the gross proceeds of all oil and gas produced. In-kind benefits to the City per the lease include a certain amount of free gas to Thornton Park per year. No receivable is recorded as the amount to be received in the future cannot be determined as of December 31, 2021. In 2021, the City received \$0 in the general fund related to the oil and gas produced.

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Officer Corner and Farnsleigh Parking Lot: In 2021, the City entered into two leases for City-owned properties, the Officer Corner and the Farnsleigh Parking Lot, with the owner of the Van Aken Shopping Center, Van Aken Shopping Center, LTD (VASC). These leases are a formality only, entered for the purpose of giving VASC leasehold control over properties for which VASC already has options with the City for the purpose of purchasing and developing the properties. The leasehold interests were necessary for VASC to be able to apply for certain financing for the construction of an apartment building on the Farnsleigh Lot.

Office Corner: The City entered into an Office Corner Lease Agreement between the City and VASC on October 21, 2021. The parcel is bounded by Chagrin Boulevard, Warrensville Center Road, Meade Road and Tuttle Road, and is also known as parcel no. 736-10-011. The rent amount is \$100 per calendar year. VASC already had and continues to have a License Agreement with the City by which VASC manages and maintains this property for the duration of its option with the City to purchase and develop the lot.

Farnsleigh Lot: The City entered into a Lease agreement between the City and VASC on October 26, 2021. The City defines the Farnsleigh Lot as the City-owned parcel adjacent to Farnsleigh Road, and known as parcel no. 736-10-001. The rent amount is \$100 per year. The lease provides for the City to retain control over and responsibility for the maintenance of the parking lot until such time as VASC exercises its option to purchase the lot for development.

The following lists the components of the net investment in the operating leases as of December 31, 2021:

Year Ending December 31,	General Fund
2022	\$ 40,551
2023	40,550
2024	40,550
2025	40,550
2026 - 2030	226,900
2031 - 2035	259,809
2036 - 2040	298,091
2041 - 2045	342,805
2046	70,398
	<u>\$ 1,360,204</u>

NOTE 16 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During 2021, the City carried the following insurance coverage:

- Public entity broad form liability insurance which included law enforcement, public officials, and emergency medical liability insurance.
- Excess insurance for automobile liability with no retention limit.
- Liability insurance for all City-owned vehicles and physical damage insurance for all units. Any vehicle valued below \$50,001 are self-insured by the City.
- Catastrophic loss coverage for the City’s vehicle fleet (provided for all vehicles valued \$50,000 and under for catastrophic loss).
- Commercial insurance for property and inland marine. This coverage also included valuable papers and records and computer equipment.
- Commercial crime and public employee dishonesty insurance

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

The City accounts for its general liability and property insurance premiums in the self-insurance fund (an internal service fund). At December 31, 2021, the general and property liabilities balance is zero. The amount of the liability, if any, cannot be reasonably estimated at this time. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. There were no reductions of coverage in 2021 when compared to the prior year.

Historically, under the Ohio Workers' Compensation System for public employer taxing districts, a city could be fully insured against worker compensation claims. The city paid a premium determined by the "base rate" as modified by the "experience factor." On September 1, 2008, the City elected to provide worker's compensation coverage through a partially self-insured program. The City is accounting for the worker's compensation self-insurance through the self-insurance fund (an internal service fund). Compensable Benefits LLC is the City's third-party administrator. The retention point for excess insurance is \$500,000, which is through Midwest Employers Casualty Corporation. The insurance will cover the City for each incident that goes beyond \$500,000.

On January 1, 2012 the City began providing medical and dental insurance to its employees through a self-insurance plan. The City pays a monthly administrative premium, including a stop-loss fee, for the self-insurance plan. The City contracts with a third-party administrator to direct this program. During 2021, self-insurance was in effect for claims up to \$120,000 per covered individual. Any claims exceeding this threshold are covered by a stop-loss insurance policy.

At December 31, 2021, \$651,443 has been accrued for self-insurance claims. The claims liability reported in the self-insurance fund is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This represents estimates to be paid for property and casualty, workers' compensation, and hospitalization unpaid claims costs, including an estimate of costs relating to incurred but not yet reported claims based on the current information available.

A reconciliation of changes in the balances of claims liabilities during the fiscal years 2021 and 2020 were as follows:

	Property and Casualty		Workers' Compensation		Hospitalization	
	2021	2020	2021	2020	2021	2020
Beginning of the Year Liability	\$ -	\$ -	\$ 148,799	\$ 152,159	\$ 570,711	\$ 354,575
Current Year Claims and						
Changes in Estimates	(35,031)	(76,184)	(178,356)	(149,021)	(4,424,377)	(2,828,836)
Claim Payments	35,031	76,184	228,407	145,661	4,306,259	3,044,972
End of the Year Liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,850</u>	<u>\$ 148,799</u>	<u>\$ 452,593</u>	<u>\$ 570,711</u>

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 17 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of December 31, 2021, the City’s construction commitments were as follows:

	<u>Contractual Commitment</u>	<u>Expended</u>	<u>Remaining Commitment</u>
2021 Street Resurfacing Project	\$ 1,421,976	\$ 1,399,262	\$ 22,714
PD North & Shaker Towne Center Lots	367,182	312,897	54,285
Warrensville Center Street Resurfacing	1,566,083	1,485,647	80,436
VAD Culvert	386,921	23,129	363,792
Chagrin Blvd. Resurfacing	172,519	150,415	22,104
Horseshoe Lake Dam Stabilization	56,155	53,852	2,303
Lomond/Lynnfield SSO	268,329	249,153	19,176
2021 Sewer Lateral Project	900,147	333,685	566,462
	<u>\$ 5,139,312</u>	<u>\$ 4,008,040</u>	<u>\$ 1,131,272</u>

Based on timing of when contracts are encumbered, contractual commitments identified above may or may not be included in the following outstanding encumbrance commitments disclosed in this note.

Other significant commitments include the encumbrances outstanding at year-end. The amount of the encumbrances expected to be honored upon performance by the corresponding vendor in the next year were as follows:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 2,360,576
Capital Projects Fund	3,986,845
Nonmajor Governmental Funds	<u>3,271,017</u>
	<u>\$ 9,618,438</u>

NOTE 18 – CLAIMS AND JUDGMENTS

The City is a defendant in a lawsuit. The amount of the liability, if any, cannot be reasonably estimated at this time. However, it is in the opinion of management that such lawsuit will not have a material adverse effect on the financial condition of the City.

The City has received federal and state grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grants. However, it is the opinion of management that any such disallowances would be immaterial.

NOTE 19 – SOLID WASTE TRANSFER STATION

The City operates a solid waste transfer station at 15600 Chagrin Boulevard. The transfer station is used by residents and businesses to dispose of solid waste which is then transported to a commercial landfill outside the City.

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

In accordance with Ohio Environmental Protection Agency regulations promulgated in the Ohio Administrative Code, the City annually provides the required financial assurance through the local government financial test for final closure of the transfer station. Since the initiation of said regulations, the City has completed the local government financial test and met the required financial assurances.

As of December 31, 2021, management's estimate of the final closure cost of the transfer station is \$89,683. When using the local government financial test mechanism, the Ohio Environmental Protection Agency does not require a liability to be recognized provided the City meets the requirements of the financial test. Further, the City has no plans to close or move the facility. Therefore, no liability is recognized (actual or contingent) in the accompanying financial statements, for the cost to perform and complete transfer station closure activities.

NOTE 20 – GASB 83, CERTAIN ASSET RETIREMENT OBLIGATIONS

The Bureau of Underground Storage Tank Regulations (BUSTR) regulates petroleum and hazardous substances stored in underground storage tanks. These regulations are included in Ohio Administrative Code (OAC) Section 1301-7-9 and require a City classified as an "owner" or "operator," to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination.

The City has four USTs actively in use. In accordance with OAC Section 1301-7-9, and applicable accounting standards, the City believes an asset retirement obligation (ARO) to be present, however, while the City is familiar with the requirements, the cost to satisfy these requirements is not reasonably estimable at this time and therefore an ARO is not recognized in the City's financial statements.

NOTE 21 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

NOTE 22 – SUBSEQUENT EVENT

In May of 2022, the City issued \$8,000,000 of limited tax general obligation bonds at an interest rate of 3.25 percent to 5 percent. \$4,000,000 of the issuance will be used to retire the Various Purpose Notes, Series 2021 that mature on May 26, 2022. The remaining proceeds will be used for sewer system improvement projects throughout the City.

City of Shaker Heights
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Eight Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
City's Proportion of the Net Pension Liability	0.088104%	0.090950%	0.091784%	0.099099%
City's Proportionate Share of the Net Pension Liability	\$ 13,046,284	\$ 17,976,884	\$ 25,137,777	\$ 15,546,785
City's Covered Payroll	\$ 12,408,950	\$ 12,796,607	\$ 12,399,114	\$ 13,088,757
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.14%	140.48%	202.74%	118.78%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%
<i>Ohio Police and Fire Pension Fund (OP&F)</i>				
City's Proportion of the Net Pension Liability	0.454462%	0.425080%	0.449692%	0.458334%
City's Proportionate Share of the Net Pension Liability	\$ 30,981,048	\$ 28,635,680	\$ 36,706,749	\$ 28,130,033
City's Covered Payroll	\$ 10,557,217	\$ 10,104,828	\$ 10,201,281	\$ 10,032,051
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	293.46%	283.39%	359.82%	280.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%	70.91%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	0.1026318%	0.1015110%	0.1024820%	0.1024820%
\$	23,305,942	\$ 17,582,985	\$ 12,360,475	\$ 12,081,293
\$	13,267,258	\$ 12,631,533	\$ 12,564,683	\$ 12,185,785
	175.67%	139.20%	98.37%	99.14%
	77.25%	81.08%	86.45%	86.36%
	0.4608265%	0.4799290%	0.4993868%	0.4993868%
\$	29,208,373	\$ 30,874,169	\$ 25,870,319	\$ 24,321,704
\$	9,969,898	\$ 9,785,692	\$ 9,926,202	\$ 9,919,601
	292.97%	315.50%	260.63%	245.19%
	68.36%	66.77%	72.20%	73.00%

See accompanying notes to the required supplementary information.

City of Shaker Heights
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - Pension
Last Ten Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 1,779,784	\$ 1,737,253	\$ 1,791,525	\$ 1,735,876
Contributions in Relation to the Contractually Required Contribution	<u>(1,779,784)</u>	<u>(1,737,253)</u>	<u>(1,791,525)</u>	<u>(1,735,876)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 12,712,743	\$ 12,408,950	\$ 12,796,607	\$ 12,399,114
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
<i>Ohio Police and Fire Pension Fund (OP&F)</i>				
Contractually Required Contribution	\$ 2,416,566	\$ 2,232,908	\$ 2,135,257	\$ 2,153,207
Contributions in Relation to the Contractually Required Contribution	<u>(2,416,566)</u>	<u>(2,232,908)</u>	<u>(2,135,257)</u>	<u>(2,153,207)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 11,435,313	\$ 10,557,217	\$ 10,104,828	\$ 10,201,281
Contributions as a Percentage of Covered Payroll	21.13%	21.15%	21.13%	21.11%

(n/a) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 1,701,538	\$ 1,592,071	\$ 1,515,784	\$ 1,507,762	\$ 1,584,152	n/a
<u>(1,701,538)</u>	<u>(1,592,071)</u>	<u>(1,515,784)</u>	<u>(1,507,762)</u>	<u>(1,584,152)</u>	n/a
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	n/a
\$ 13,088,757	\$ 13,267,258	\$ 12,631,533	\$ 12,564,683	\$ 12,185,785	n/a
13.00%	12.00%	12.00%	12.00%	13.00%	n/a
\$ 2,119,149	\$ 2,098,399	\$ 2,058,882	\$ 2,089,901	\$ 1,757,814	\$ 1,447,978
<u>(2,119,149)</u>	<u>(2,098,399)</u>	<u>(2,058,882)</u>	<u>(2,089,901)</u>	<u>(1,757,814)</u>	<u>(1,447,978)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,032,051	\$ 9,969,898	\$ 9,785,692	\$ 9,926,202	\$ 9,919,601	\$ 9,860,569
21.12%	21.05%	21.04%	21.05%	17.72%	14.68%

See accompanying notes to the required supplementary information.

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City of Shaker Heights
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)
Last Five Years (1)

	<u>2021</u>		<u>2020</u>		<u>2019</u>		<u>2018</u>		<u>2017</u>
Ohio Public Employees' Retirement System (OPERS)									
City's Proportion of the Net OPEB Liability (Asset)	0.085760%		0.088882%		0.089549%		0.097906%		0.104400%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,527,883)	\$	12,276,913	\$	11,675,076	\$	10,631,839	\$	10,544,755
City's Covered Payroll	\$ 12,408,950	\$	12,796,607	\$	12,399,114	\$	13,088,757	\$	13,267,258
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-12.31%		95.94%		94.16%		81.23%		79.48%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%		47.80%		46.33%		54.14%		54.04%
Ohio Police and Fire Pension Fund (OP&F)									
City's Proportion of the Net OPEB Liability	0.454462%		0.425080%		0.449692%		0.458334%		0.460827%
City's Proportionate Share of the Net OPEB Liability	\$ 4,815,093	\$	4,198,828	\$	4,095,135	\$	25,968,579	\$	21,874,398
City's Covered Payroll	\$ 10,557,217	\$	10,104,828	\$	10,201,281	\$	10,032,051	\$	9,969,898
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	45.61%		41.55%		40.14%		258.86%		219.40%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.42%		47.08%		46.57%		14.13%		14.13%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

City of Shaker Heights
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - OPEB
Last Ten Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (1)	\$ 12,712,743	\$ 12,408,950	\$ 12,796,607	\$ 12,399,114
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
<i>Ohio Police and Fire Pension Fund (OP&F)</i>				
Contractually Required Contribution	\$ 57,177	\$ 52,786	\$ 50,524	\$ 51,006
Contributions in Relation to the Contractually Required Contribution	<u>(57,177)</u>	<u>(52,786)</u>	<u>(50,524)</u>	<u>(51,006)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 11,435,313	\$ 10,557,217	\$ 10,104,828	\$ 10,201,281
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

(n/a) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 130,888	\$ 265,345	n/a	n/a	n/a	n/a
<u>(130,888)</u>	<u>(265,345)</u>	n/a	n/a	n/a	n/a
<u>\$ -</u>	<u>\$ -</u>	n/a	n/a	n/a	n/a
\$ 13,088,757	\$ 13,267,258	n/a	n/a	n/a	n/a
1.00%	2.00%	n/a	n/a	n/a	n/a
\$ 50,160	\$ 49,850	\$ 48,930	\$ 50,161	\$ 352,859	\$ 656,563
<u>(50,160)</u>	<u>(49,850)</u>	<u>(48,930)</u>	<u>(50,161)</u>	<u>(352,859)</u>	<u>(656,563)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,032,051	\$ 9,969,898	\$ 9,785,692	\$ 9,926,202	\$ 9,919,601	\$ 9,860,569
0.50%	0.50%	0.50%	0.50%	3.56%	6.66%

See accompanying notes to the required supplementary information.

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions – OPERS

Discount Rate:

Calendar year 2021	6.90 percent
Calendar year 2020	7.20 percent
Calendar year 2019	7.20 percent
Calendar year 2018	7.50 percent
Calendar year 2017	8.00 percent

Calendar year 2017 reflects an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Wage inflation rate from 3.75 percent to 3.25 percent
- Price inflation from 3.00 percent to 2.50 percent

Changes in Benefit Terms – OPERS

In October 2019, the OPERS Board adopted a change in COLA for post-January 7, 2013 retirees, changing it from three percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 then 2.15 percent simple.

Changes in Assumptions – OP&F

For 2018, the single discount rate changed from 8.25 percent to 8.00 percent.

Changes in Benefit Terms – OP&F

No significant changes in benefit terms.

NOTE 2 - NET OPEB LIABILITY

Changes in Assumptions - OPERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Discount Rate:

Calendar year 2021	6.00 percent
Calendar year 2020	3.16 percent
Calendar year 2019	3.96 percent
Calendar year 2018	3.85 percent
Calendar year 2017	4.23 percent

City of Shaker Heights
Cuyahoga County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

Municipal Bond Rate:

Calendar year 2021	2.00 percent
Calendar year 2020	2.75 percent
Calendar year 2019	3.71 percent
Calendar year 2018	3.31 percent

Health Care Cost Trend Rate:

Calendar year 2021	8.50 percent
Calendar year 2020	10.50 percent
Calendar year 2019	10.00 percent
Calendar year 2018	7.50 percent

For calendar year 2019, the investment rate of return decreased from 6.50 percent to 6.00 percent.

Changes in Benefit Terms – OPERS

For calendar year 2021, the cost of living adjustments decreased from 3.00 percent simple to 2.20 percent simple

Changes in Assumptions – OP&F

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Discount Rate:

Calendar year 2021	2.96 percent
Calendar year 2020	3.56 percent
Calendar year 2019	4.66 percent
Calendar year 2018	3.24 percent
Calendar year 2017	3.79 percent

Municipal Bond Rate:

Calendar year 2021	2.12 percent
Calendar year 2020	2.75 percent
Calendar year 2019	4.13 percent
Calendar year 2018	3.16 percent

Changes in Benefit Terms – OP&F

Beginning January 1, 2019 OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

**COMBINING STATEMENTS FOR
NONMAJOR GOVERNMENTAL FUNDS
AND
INDIVIDUAL FUND SCHEDULES FOR
GOVERNMENTAL FUNDS**

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City of Shaker Heights
Cuyahoga County, Ohio
Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Street Maintenance and Repair Fund

One of two funds legally required by the Ohio Revised Code (the other being the state highway fund) to account for revenue from the state gasoline tax and motor vehicle registration fees. The Revised Code requires that 92.5% of these revenues be used for the maintenance and repair of streets within the City.

State Highway Fund

One of two funds legally required by the Ohio Revised Code (the other being the street maintenance and repair fund) to account for revenue from the state gasoline tax and motor vehicle registration fees. The Revised Code requires that 7.5% of these revenues be used exclusively for the maintenance and repair of state highways within the City.

Sewer Maintenance Fund

To account for funds derived from a surcharge levied upon all users of the sewer system within the City. This surcharge pays for sewer system maintenance, replacement and repair. The surcharge is levied in addition to the treatment and disposal rates set by the Northeast Ohio Regional Sewer District.

Police Pension Fund

To account for the payment of current and accrued police pension liability to the Police and Fireman's Disability and Pension Fund of Ohio. The Ohio Revised Code requires that the City levy .3 mills of property tax annually for the partial payment of this liability. The remaining liability is financed by a transfer primarily from the City's general fund.

Fire Pension Fund

To account for the payment of current and accrued fire pension liability to the Police and Firemen's Disability and Pension Fund of Ohio. The Ohio Revised Code requires that the City levy .3 mills of property tax annually for the partial payment of this liability. The remaining liability is financed by a transfer primarily from the City's general fund.

Indigent Driver/Alcohol Treatment Fund

To account for reinstatement fees collected by the State Bureau of Motor Vehicles and \$1.50 per traffic case paid in connection with driving under the influence offenses. Ohio Revised Code Section 4511.191(L) provides that payments are to be made only upon order of the Municipal Court Judge for alcohol and other drug treatment costs for indigent drivers.

Court Computer Legal Research Fund

To account for revenues from court costs assessed under the authority of Ohio Revised Code Section 1901.261(A) by the Municipal Court on the filing of each cause of action or appeal for the purposes of computerizing the court and to make available computerized legal research services.

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statements – Nonmajor Funds

Non-Major Special Revenue Funds (Continued)

Clerk’s Computerization Fund

To account for revenues from court costs assessed under the authority of Ohio Revised Code Section 1901.261(B) by the Municipal Court on the filing of each cause of action or appeal, certificate of judgment or modification of judgment for the purpose of procuring and maintaining computer systems for the office of the clerk of the Municipal Court.

Housing Grant (Neighborhood Revitalization) Fund

To account for monies received from grants from various sources to be used to provide funding for housing within the City.

Fair Housing Grant Fund

To account for monies received from the Department of Housing and Urban Development. The funds are to be used to monitor fair housing practices within the City.

Law Enforcement Grant Fund

To account for grants received by the Shaker Heights Police Department whose primary purpose is to reduce the amounts and effects of external harm to individuals and property.

Court Alternate Dispute Resolution Fund

To account for the collection and use of an additional court cost imposed by the Shaker Heights Municipal Court, under the authority of Ohio Revised Code Section 1901.26, on each civil and small claims case to fund alternate dispute resolution programming and materials.

Court Special Projects Fund

To account for revenues from court costs assessed under the authority of Ohio Revised Code section 1901.26 (b)(1)(a) by the Municipal Court on the filing of each case for purposes of special projects of the Court as authorized by Ohio Revised Code section 1901.26 (b)(1)(a).

Ohio Court Security Project Fund

To account for a grant received from the State of Ohio to be used to upgrade court security by replacing door entry locks with a computerized keyless entry system. This also accounts for \$1.00 collected per criminal and traffic case collected which came into effect September 2003.

High Intensity Drug Trafficking Area Grant Fund (HIDTA)

The City previously was the grantee and acted as the fiscal agent for the federally funded Ohio HIDTA. The HIDTA Program functions as a coordination umbrella by forging partnerships among local, state, and federal law enforcement agencies in designated areas to combine resources and efforts in order to reduce drug trafficking and distribution.

Housing and Nuisance Abatement Fund

To account for funds received from the levy of special assessments against nuisance properties and charges for services from nuisance properties for the maintenance of such properties.

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statements – Nonmajor Funds

Non-Major Special Revenue Funds (Continued)

Indigent Driver Interlock Device Fund

To account for funds received from court costs that are collected on each DUI offense. The fund was created with the purpose of funding interlock and SCRAM (Secure Continuous Remote Alcohol Monitoring) for indigent drivers. In addition, the court receives monthly checks from the Bureau of Motor Vehicles for reinstatement fees collected.

Street Lighting Assessment Fund

To account for funds received from the levy of special assessments against property with frontage on public streets for the legally restricted purpose of paying the cost of street lighting with the City.

Tree Maintenance Assessment Fund

To account for funds received from the levy of special assessments against property with frontage on public streets for the legally restricted purpose of paying the cost of tree care on the City's public right-of-way.

Local Coronavirus Relief Fund

To account for federal emergency relief grants distributed as part of the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act.

Local Fiscal Recovery Fund

To provide eligible local governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, and more equitable economy as the country recovers.

CRA Fee Fund

To account for annual fees received from property owners that have a Community Reinvestment Area (CRA) agreement with the City.

Municipal Improvement TIF Fund

To account for moneys received for payments in lieu of taxes for the Warrensville Center Road Wendy's property. These funds will be distributed to the Shaker Heights School District in accordance with a tax increment financing agreement with the Shaker Heights School District and the balance of these moneys will be distributed to the owner/developer of the Wendy's project pursuant to a Development and Use Agreement between the City and Wendy's Inc.

Law Enforcement Trust Fund

To account for the proceeds of property deemed contraband by the courts and ordered forfeited to the City. The Ohio Revised Code permits these funds to be expended only for the cost of protracted or complex investigations or prosecutions, to provide reasonable technical training or expertise or other such law enforcement purposes as determined by Council. The fund may not be used to meet operating costs of the City that are not related to law enforcement.

Obstruction Permit Deposit Fund

To account for the receipt of refundable deposits required of individuals to insure that obstructions or openings in public property created during construction are returned to pre-construction condition.

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statements – Nonmajor Funds

Non-Major Special Revenue Funds (Continued)

Excavation Permit Deposit Fund

To account for the receipt of refundable deposits required of individuals who wish to excavate and/or haul material over public property. The deposit is to guarantee that the public property will be cleaned and restored to its original condition and that the excavation, if any, will be properly guarded in accordance with applicable provisions of the City Code.

Shaker Cuyahoga Credit Enhancement Fund

To account for the purposes of the agreement with Cuyahoga County for the City County SBA loan program. Funding from the City and County to fund forgivable loans is deposited into the fund. Loan payments are made from the fund for credit enhanced SBA loans to local businesses that meet the qualifications of the City County loan program.

Shaker Plaza and Van Aken Urban Redevelopment Tax Increment Equivalent Fund

To account for moneys received from Cuyahoga County from payments in lieu of taxes for the Shaker Plaza and Van Aken property. These funds will be distributed to the Shaker Heights School District in accordance with a tax increment financing agreement with the Shaker Heights School District and the balance of these moneys will be distributed to the owner/developer of the Shaker Plaza and developer of the Van Aken District project pursuant to a Development and Use Agreement between the City and Van Aken Shopping Center, LLC.

Point of Sale Escrow Fund

To account for the escrow funds held by the City for residential housing violations found during the Point of Sale Inspection process. These funds are distributed to the depositor once all violations have been corrected, less an administrative fee to the City.

Central Services Operation Fund

To provide a central cost center for work for other governmental agencies, utilities, and individuals that is not considered to be a normal City function and is billable back to the responsible party. Included in this fund is the maintenance of the rapid transit tracks for the Greater Cleveland Regional Transit Authority, street openings and closings, public property damage repaid, sidewalk repair and replacement and other miscellaneous activities. Due to the implementation of GASB Statement No. 54, this fund was combined with the general fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a legally adopted budget.

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statements – Nonmajor Funds

Non-Major Debt Service Funds

Debt Service Administration Fund

To account for the accumulation of resources for, and the payment of, all general long-term debt principal and interest except for urban renewal debt.

Urban Renewal Debt Service Fund

To account for the accumulation of resources for, and the payment of, urban renewal debt issued pursuant to Ohio Revised Code Section 725 to finance improvements secured by a general obligation pledge of the City and repaid with revenue from semi-annual tax increment payments including the Sussex Area revitalization project and the Shaker Towne Centre Community Development District revitalization project.

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 12,163,323	\$ 3,477,570	\$ 15,640,893
Accounts Receivable	442,651	-	442,651
Intergovernmental Receivable	764,020	-	764,020
Taxes Receivable	469,268	-	469,268
Revenue in Lieu of Taxes Receivable	2,579,494	1,102,684	3,682,178
Special Assessments Receivable	2,817,467	-	2,817,467
Loans Receivable	190,034	-	190,034
Interfund Receivable	99,986	-	99,986
<i>Total Assets</i>	<u>\$ 19,526,243</u>	<u>\$ 4,580,254</u>	<u>\$ 24,106,497</u>
Liabilities			
Accounts Payable	\$ 314,897	\$ -	\$ 314,897
Accrued Wages and Benefits	511,243	-	511,243
Retainage Payable	12,968	-	12,968
Interfund Payable	99,986	-	99,986
Unearned Revenue	1,415,553	-	1,415,553
Notes Payable	-	1,200,000	1,200,000
<i>Total Liabilities</i>	<u>2,354,647</u>	<u>1,200,000</u>	<u>3,554,647</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	432,870	-	432,870
Revenue in Lieu of Taxes	2,579,494	1,102,684	3,682,178
Unavailable Revenue	3,541,214	-	3,541,214
<i>Total Deferred Inflows of Resources</i>	<u>6,553,578</u>	<u>1,102,684</u>	<u>7,656,262</u>
Fund Balances			
Restricted	9,520,381	-	9,520,381
Committed	1,174,490	2,277,570	3,452,060
Unassigned	(76,853)	-	(76,853)
<i>Total Fund Balances</i>	<u>10,618,018</u>	<u>2,277,570</u>	<u>12,895,588</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 19,526,243</u>	<u>\$ 4,580,254</u>	<u>\$ 24,106,497</u>

**City of Shaker Heights
Cuyahoga County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Nonmajor Governmental Funds
For the Year Ended December 31, 2021*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$ 432,844	\$ -	\$ 432,844
Special Assessments	1,329,344	-	1,329,344
Charges for Services	1,466,562	-	1,466,562
Fines and Forfeitures	442,237	-	442,237
Intergovernmental	1,779,473	-	1,779,473
Investment Earnings	13,250	-	13,250
Revenue in Lieu of Taxes	1,888,647	945,650	2,834,297
Residential Point of Sale Escrow	2,637,844	-	2,637,844
Other Revenues	9,781	-	9,781
<i>Total Revenues</i>	<u>9,999,982</u>	<u>945,650</u>	<u>10,945,632</u>
Expenditures			
Current:			
General Government:			
Legislative and Executive	22,881	23,425	46,306
Judicial System	143,372	-	143,372
Security of Persons and Property:			
Police	1,156,885	-	1,156,885
Fire	1,303,945	-	1,303,945
Other	725,787	-	725,787
Housing and Community Development	4,580,293	-	4,580,293
Sanitation and Sewer Services	1,215,244	-	1,215,244
Transportation	142,416	-	142,416
Street Maintenance and Repair	1,099,949	-	1,099,949
Debt Service:			
Principal Retirement	96,120	2,919,494	3,015,614
Interest and Fiscal Charges	4,026	519,030	523,056
<i>Total Expenditures</i>	<u>10,490,918</u>	<u>3,461,949</u>	<u>13,952,867</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(490,936)</u>	<u>(2,516,299)</u>	<u>(3,007,235)</u>
Other Financing Sources (Uses)			
Transfers In	2,285,446	2,462,494	4,747,940
Transfers Out	(277,813)	-	(277,813)
<i>Total Other Financing Sources (Uses)</i>	<u>2,007,633</u>	<u>2,462,494</u>	<u>4,470,127</u>
<i>Net Change in Fund Balance</i>	1,516,697	(53,805)	1,462,892
<i>Fund Balance Beginning of Year</i>	<u>9,101,321</u>	<u>2,331,375</u>	<u>11,432,696</u>
<i>Fund Balance End of Year</i>	<u>\$ 10,618,018</u>	<u>\$ 2,277,570</u>	<u>\$ 12,895,588</u>

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Street Maintenance and Repair Fund	State Highway Fund	Sewer Maintenance Fund	Police Pension Fund	Fire Pension Fund
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 909,093	\$ 246,553	\$ 853,707	\$ 1,222,577	\$ 800,248
Accounts Receivable	-	-	425,797	-	-
Intergovernmental Receivable	636,538	43,835	-	15,164	15,164
Taxes Receivable	-	-	-	234,634	234,634
Revenue in Lieu of Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 1,545,631</u>	<u>\$ 290,388</u>	<u>\$ 1,279,504</u>	<u>\$ 1,472,375</u>	<u>\$ 1,050,046</u>
Liabilities					
Accounts Payable	\$ 10,185	\$ -	\$ 55,786	\$ -	\$ -
Accrued Wages and Benefits	27,340	-	15,111	208,640	247,942
Retainage Payable	-	-	-	-	-
Interfund Payable	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>37,525</u>	<u>-</u>	<u>70,897</u>	<u>208,640</u>	<u>247,942</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	216,435	216,435
Revenue in Lieu of Taxes	-	-	-	-	-
Unavailable Revenue	411,074	28,653	190,189	33,363	33,363
<i>Total Deferred Inflows of Resources</i>	<u>411,074</u>	<u>28,653</u>	<u>190,189</u>	<u>249,798</u>	<u>249,798</u>
Fund Balance					
Restricted	1,097,032	261,735	-	1,013,937	552,306
Committed	-	-	1,018,418	-	-
Unassigned	-	-	-	-	-
<i>Total Fund Balance</i>	<u>1,097,032</u>	<u>261,735</u>	<u>1,018,418</u>	<u>1,013,937</u>	<u>552,306</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 1,545,631</u>	<u>\$ 290,388</u>	<u>\$ 1,279,504</u>	<u>\$ 1,472,375</u>	<u>\$ 1,050,046</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Indigent Driver/Alcohol Treatment Fund	Court Computer Legal Research Fund	Clerk's Computerization Fund	Housing Grant Fund	Fair Housing Grant Fund
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 108,039	\$ 163,329	\$ 631,270	\$ 65,589	\$ 35,496
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	5,666	1,941	5,987	-	28,900
Taxes Receivable	-	-	-	-	-
Revenue in Lieu of Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 113,705</u>	<u>\$ 165,270</u>	<u>\$ 637,257</u>	<u>\$ 65,589</u>	<u>\$ 64,396</u>
Liabilities					
Accounts Payable	\$ -	\$ 2,919	\$ 684	\$ -	\$ -
Accrued Wages and Benefits	-	1,132	-	-	-
Retainage Payable	-	-	-	-	-
Interfund Payable	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>4,051</u>	<u>684</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Revenue in Lieu of Taxes	-	-	-	-	-
Unavailable Revenue	4,600	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>4,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance					
Restricted	109,105	161,219	636,573	65,589	64,396
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total Fund Balance</i>	<u>109,105</u>	<u>161,219</u>	<u>636,573</u>	<u>65,589</u>	<u>64,396</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 113,705</u>	<u>\$ 165,270</u>	<u>\$ 637,257</u>	<u>\$ 65,589</u>	<u>\$ 64,396</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Law Enforcement Grant Fund	Court Alternate Dispute Resolution Fund	Court Special Projects Fund	Ohio Court Security Project Fund	HIDTA Grant Fund
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 27,746	\$ 96,883	\$ 800	\$ 56,399	\$ 23,133
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	2,189	1,685	549	-
Taxes Receivable	-	-	-	-	-
Revenue in Lieu of Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 27,746</u>	<u>\$ 99,072</u>	<u>\$ 2,485</u>	<u>\$ 56,948</u>	<u>\$ 23,133</u>
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	818	-	-	-
Retainage Payable	-	-	-	-	-
Interfund Payable	-	-	-	-	99,986
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>818</u>	<u>-</u>	<u>-</u>	<u>99,986</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Revenue in Lieu of Taxes	-	-	-	-	-
Unavailable Revenue	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance					
Restricted	27,746	98,254	2,485	56,948	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	(76,853)
<i>Total Fund Balance</i>	<u>27,746</u>	<u>98,254</u>	<u>2,485</u>	<u>56,948</u>	<u>(76,853)</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 27,746</u>	<u>\$ 99,072</u>	<u>\$ 2,485</u>	<u>\$ 56,948</u>	<u>\$ 23,133</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Housing and Nuisance Abatement Fund	Indigent Driver Interlock Device Fund	Street Lighting Assessment Fund	Tree Maintenance Assessment Fund	Local Coronavirus Relief Fund
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 156,647	\$ 37,526	\$ 538,691	\$ 243,331	\$ -
Accounts Receivable	16,854	-	-	-	-
Intergovernmental Receivable	-	751	-	-	5,651
Taxes Receivable	-	-	-	-	-
Revenue in Lieu of Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	1,015,369	-	658,116	1,143,982	-
Loans Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 1,188,870</u>	<u>\$ 38,277</u>	<u>\$ 1,196,807</u>	<u>\$ 1,387,313</u>	<u>\$ 5,651</u>
Liabilities					
Accounts Payable	\$ 575	\$ -	\$ 60,624	\$ 48,384	\$ -
Accrued Wages and Benefits	-	-	-	10,260	-
Retainage Payable	-	-	-	12,968	-
Interfund Payable	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>575</u>	<u>-</u>	<u>60,624</u>	<u>71,612</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Revenue in Lieu of Taxes	-	-	-	-	-
Unavailable Revenue	1,032,223	-	658,116	1,143,982	5,651
<i>Total Deferred Inflows of Resources</i>	<u>1,032,223</u>	<u>-</u>	<u>658,116</u>	<u>1,143,982</u>	<u>5,651</u>
Fund Balance					
Restricted	-	38,277	478,067	171,719	-
Committed	156,072	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total Fund Balance</i>	<u>156,072</u>	<u>38,277</u>	<u>478,067</u>	<u>171,719</u>	<u>-</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,188,870</u>	<u>\$ 38,277</u>	<u>\$ 1,196,807</u>	<u>\$ 1,387,313</u>	<u>\$ 5,651</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Local Fiscal Recovery Fund	CRA Fee Fund	Municipal Improvement TIF Fund	Law Enforcement Trust Fund	Obstruction Permit Deposit Fund
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 1,415,553	\$ 3,016	\$ 2,368	\$ 1,059,719	\$ 78,820
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Revenue in Lieu of Taxes Receivable	-	-	26,288	-	-
Special Assessments Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	99,986	-
<i>Total Assets</i>	<u>\$ 1,415,553</u>	<u>\$ 3,016</u>	<u>\$ 28,656</u>	<u>\$ 1,159,705</u>	<u>\$ 78,820</u>
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ 6,920	\$ -
Accrued Wages and Benefits	-	-	-	-	-
Retainage Payable	-	-	-	-	-
Interfund Payable	-	-	-	-	-
Unearned Revenue	1,415,553	-	-	-	-
<i>Total Liabilities</i>	<u>1,415,553</u>	<u>-</u>	<u>-</u>	<u>6,920</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Revenue in Lieu of Taxes	-	-	26,288	-	-
Unavailable Revenue	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>26,288</u>	<u>-</u>	<u>-</u>
Fund Balance					
Restricted	-	3,016	2,368	1,152,785	78,820
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total Fund Balance</i>	<u>-</u>	<u>3,016</u>	<u>2,368</u>	<u>1,152,785</u>	<u>78,820</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,415,553</u>	<u>\$ 3,016</u>	<u>\$ 28,656</u>	<u>\$ 1,159,705</u>	<u>\$ 78,820</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Excavation Permit Deposit Fund	Shaker- Cuyahoga Credit Enhancement Fund	Shaker Plaza and Van Aken Urban RTIEF Fund	Point of Sale Escrow Fund	Totals
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 7,495	\$ 343,654	\$ -	\$ 3,035,641	\$ 12,163,323
Accounts Receivable	-	-	-	-	442,651
Intergovernmental Receivable	-	-	-	-	764,020
Taxes Receivable	-	-	-	-	469,268
Revenue in Lieu of Taxes Receivable	-	-	2,553,206	-	2,579,494
Special Assessments Receivable	-	-	-	-	2,817,467
Loans Receivable	-	190,034	-	-	190,034
Interfund Receivable	-	-	-	-	99,986
<i>Total Assets</i>	<u>\$ 7,495</u>	<u>\$ 533,688</u>	<u>\$ 2,553,206</u>	<u>\$ 3,035,641</u>	<u>\$ 19,526,243</u>
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ 128,820	\$ 314,897
Accrued Wages and Benefits	-	-	-	-	511,243
Retainage Payable	-	-	-	-	12,968
Interfund Payable	-	-	-	-	99,986
Unearned Revenue	-	-	-	-	1,415,553
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,820</u>	<u>2,354,647</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	432,870
Revenue in Lieu of Taxes	-	-	2,553,206	-	2,579,494
Unavailable Revenue	-	-	-	-	3,541,214
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>2,553,206</u>	<u>-</u>	<u>6,553,578</u>
Fund Balance					
Restricted	7,495	533,688	-	2,906,821	9,520,381
Committed	-	-	-	-	1,174,490
Unassigned	-	-	-	-	(76,853)
<i>Total Fund Balance</i>	<u>7,495</u>	<u>533,688</u>	<u>-</u>	<u>2,906,821</u>	<u>10,618,018</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 7,495</u>	<u>\$ 533,688</u>	<u>\$ 2,553,206</u>	<u>\$ 3,035,641</u>	<u>\$ 19,526,243</u>

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	Street Maintenance and Repair Fund	State Highway Fund	Sewer Maintenance Fund	Police Pension Fund	Fire Pension Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ 216,422	\$ 216,422
Special Assessments	-	-	-	-	-
Charges for Services	-	-	1,458,443	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	1,434,093	99,884	6,000	30,298	30,298
Investment Earnings	2,448	693	3,006	-	-
Revenue in Lieu of Taxes	-	-	-	-	-
Residential Point of Sale Escrow	-	-	-	-	-
Other Revenues	-	-	-	-	-
Total Revenues	1,436,541	100,577	1,467,449	246,720	246,720
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial System	-	-	-	-	-
Security of Persons and Property:					
Police	-	-	-	1,142,906	-
Fire	-	-	-	-	1,303,945
Other	-	-	-	-	-
Housing and Community Development					
Sanitation and Sewer Services	-	-	1,215,244	-	-
Transportation	142,416	-	-	-	-
Street Maintenance and Repair	1,053,447	46,502	-	-	-
Debt Service:					
Principal Retirement	-	-	96,120	-	-
Interest and Fiscal Charges	-	-	4,026	-	-
Total Expenditures	1,195,863	46,502	1,315,390	1,142,906	1,303,945
Excess of Revenues Over (Under) Expenditures	240,678	54,075	152,059	(896,186)	(1,057,225)
Other Financing Sources (Uses)					
Transfers In	-	-	-	1,023,282	997,164
Transfers Out	-	-	(277,813)	-	-
Total Other Financing Sources (Uses)	-	-	(277,813)	1,023,282	997,164
Net Change in Fund Balance	240,678	54,075	(125,754)	127,096	(60,061)
Fund Balance Beginning of Year	856,354	207,660	1,144,172	886,841	612,367
Fund Balance End of Year	\$ 1,097,032	\$ 261,735	\$ 1,018,418	\$ 1,013,937	\$ 552,306

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	Indigent Driver/Alcohol Treatment Fund	Court Computer Legal Research Fund	Clerk's Computerization Fund	Housing Grant Fund	Fair Housing Grant Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	20,864	26,721	83,898	-	-
Intergovernmental	-	-	-	-	28,900
Investment Earnings	313	525	1,907	207	159
Revenue in Lieu of Taxes	-	-	-	-	-
Residential Point of Sale Escrow	-	-	-	-	-
Other Revenues	-	-	-	-	-
<i>Total Revenues</i>	<u>21,177</u>	<u>27,246</u>	<u>85,805</u>	<u>207</u>	<u>29,059</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	22,881
Judicial System	3,741	40,459	54,081	-	-
Security of Persons and Property:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Other	-	-	-	-	-
Housing and Community Development					
Sanitation and Sewer Services	-	-	-	-	-
Transportation	-	-	-	-	-
Street Maintenance and Repair	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>3,741</u>	<u>40,459</u>	<u>54,081</u>	<u>-</u>	<u>22,881</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	17,436	(13,213)	31,724	207	6,178
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	17,436	(13,213)	31,724	207	6,178
<i>Fund Balance Beginning of Year</i>	<u>91,669</u>	<u>174,432</u>	<u>604,849</u>	<u>65,382</u>	<u>58,218</u>
<i>Fund Balance End of Year</i>	<u>\$ 109,105</u>	<u>\$ 161,219</u>	<u>\$ 636,573</u>	<u>\$ 65,589</u>	<u>\$ 64,396</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	Law Enforcement Grant Fund	Court Alternate Dispute Resolution Fund	Court Special Projects Fund	Ohio Court Security Project Fund	HIDTA Grant Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	26,524	2,485	7,849	-
Intergovernmental	-	-	-	-	-
Investment Earnings	87	314	-	169	-
Revenue in Lieu of Taxes	-	-	-	-	-
Residential Point of Sale Escrow	-	-	-	-	-
Other Revenues	-	-	-	-	-
<i>Total Revenues</i>	<u>87</u>	<u>26,838</u>	<u>2,485</u>	<u>8,018</u>	<u>-</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial System	-	30,115	-	4,002	-
Security of Persons and Property:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Other	-	-	-	-	-
Housing and Community Development					
Sanitation and Sewer Services	-	-	-	-	-
Transportation	-	-	-	-	-
Street Maintenance and Repair	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>-</u>	<u>30,115</u>	<u>-</u>	<u>4,002</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	87	(3,277)	2,485	4,016	-
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	87	(3,277)	2,485	4,016	-
<i>Fund Balance Beginning of Year</i>	<u>27,659</u>	<u>101,531</u>	<u>-</u>	<u>52,932</u>	<u>(76,853)</u>
<i>Fund Balance End of Year</i>	<u>\$ 27,746</u>	<u>\$ 98,254</u>	<u>\$ 2,485</u>	<u>\$ 56,948</u>	<u>\$ (76,853)</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	Housing and Nuisance Abatement Fund	Indigent Driver Interlock Device Fund	Street Lighting Assessment Fund	Tree Maintenance Assessment Fund	Local Coronavirus Relief Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	574,150	755,194	-
Charges for Services	8,119	-	-	-	-
Fines and Forfeitures	-	19,329	-	-	-
Intergovernmental	-	-	-	-	-
Investment Earnings	526	102	-	-	-
Revenue in Lieu of Taxes	-	-	-	-	-
Residential Point of Sale Escrow	-	-	-	-	-
Other Revenues	-	-	-	-	-
<i>Total Revenues</i>	<u>8,645</u>	<u>19,431</u>	<u>574,150</u>	<u>755,194</u>	<u>-</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial System	-	10,974	-	-	-
Security of Persons and Property:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Other	-	-	725,787	-	-
Housing and Community Development	27,510	-	-	808,805	-
Sanitation and Sewer Services	-	-	-	-	-
Transportation	-	-	-	-	-
Street Maintenance and Repair	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>27,510</u>	<u>10,974</u>	<u>725,787</u>	<u>808,805</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(18,865)	8,457	(151,637)	(53,611)	-
Other Financing Sources (Uses)					
Transfers In	-	-	265,000	-	-
Transfers Out	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>265,000</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(18,865)	8,457	113,363	(53,611)	-
<i>Fund Balance Beginning of Year</i>	<u>174,937</u>	<u>29,820</u>	<u>364,704</u>	<u>225,330</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 156,072</u>	<u>\$ 38,277</u>	<u>\$ 478,067</u>	<u>\$ 171,719</u>	<u>\$ -</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	Local Fiscal Recovery Fund	CRA Fee Fund	Municipal Improvement TIF Fund	Law Enforcement Trust Fund	Obstruction Permit Deposit Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	254,567	-
Intergovernmental	-	-	-	-	-
Investment Earnings	-	10	-	2,784	-
Revenue in Lieu of Taxes	-	-	21,628	-	-
Residential Point of Sale Escrow	-	-	-	-	-
Other Revenues	-	-	-	1,421	6,110
<i>Total Revenues</i>	<u>-</u>	<u>10</u>	<u>21,628</u>	<u>258,772</u>	<u>6,110</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial System	-	-	-	-	-
Security of Persons and Property:					
Police	-	-	-	13,979	-
Fire	-	-	-	-	-
Other	-	-	-	-	-
Housing and Community Development	-	-	19,260	-	-
Sanitation and Sewer Services	-	-	-	-	-
Transportation	-	-	-	-	-
Street Maintenance and Repair	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>19,260</u>	<u>13,979</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	-	10	2,368	244,793	6,110
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	-	10	2,368	244,793	6,110
<i>Fund Balance Beginning of Year</i>	<u>-</u>	<u>3,006</u>	<u>-</u>	<u>907,992</u>	<u>72,710</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ 3,016</u>	<u>\$ 2,368</u>	<u>\$ 1,152,785</u>	<u>\$ 78,820</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	Excavation Permit Deposit Fund	Shaker- Cuyahoga Credit Enhancement Fund	Shaker Plaza and Van Aken Urban RTIEF Fund	Point of Sale Escrow Fund	Totals
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 432,844
Special Assessments	-	-	-	-	1,329,344
Charges for Services	-	-	-	-	1,466,562
Fines and Forfeitures	-	-	-	-	442,237
Intergovernmental	-	150,000	-	-	1,779,473
Investment Earnings	-	-	-	-	13,250
Revenue in Lieu of Taxes	-	-	1,867,019	-	1,888,647
Residential Point of Sale Escrow	-	-	-	2,637,844	2,637,844
Other Revenues	2,250	-	-	-	9,781
<i>Total Revenues</i>	<u>2,250</u>	<u>150,000</u>	<u>1,867,019</u>	<u>2,637,844</u>	<u>9,999,982</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	22,881
Judicial System	-	-	-	-	143,372
Security of Persons and Property:					
Police	-	-	-	-	1,156,885
Fire	-	-	-	-	1,303,945
Other	-	-	-	-	725,787
Housing and Community Development	5,780	-	1,687,402	2,031,536	4,580,293
Sanitation and Sewer Services	-	-	-	-	1,215,244
Transportation	-	-	-	-	142,416
Street Maintenance and Repair	-	-	-	-	1,099,949
Debt Service:					
Principal Retirement	-	-	-	-	96,120
Interest and Fiscal Charges	-	-	-	-	4,026
<i>Total Expenditures</i>	<u>5,780</u>	<u>-</u>	<u>1,687,402</u>	<u>2,031,536</u>	<u>10,490,918</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,530)	150,000	179,617	606,308	(490,936)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	2,285,446
Transfers Out	-	-	-	-	(277,813)
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,007,633</u>
<i>Net Change in Fund Balance</i>	(3,530)	150,000	179,617	606,308	1,516,697
<i>Fund Balance Beginning of Year</i>	11,025	383,688	(179,617)	2,300,513	9,101,321
<i>Fund Balance End of Year</i>	<u>\$ 7,495</u>	<u>\$ 533,688</u>	<u>\$ -</u>	<u>\$ 2,906,821</u>	<u>\$ 10,618,018</u>

City of Shaker Heights
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2021

	Debt Service Administration Fund	Urban Renewal Debt Service Fund	Totals
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 2,178,571	\$ 1,298,999	\$ 3,477,570
Revenue in Lieu of Taxes Receivable	-	1,102,684	1,102,684
<i>Total Assets</i>	<u>\$ 2,178,571</u>	<u>\$ 2,401,683</u>	<u>\$ 4,580,254</u>
Liabilities and Fund Balance			
Liabilities			
Notes Payable	\$ 1,200,000	-	\$ 1,200,000
<i>Total Liabilities</i>	<u>1,200,000</u>	<u>-</u>	<u>1,200,000</u>
Deferred Inflows of Resources			
Revenue in Lieu of Taxes	-	1,102,684	1,102,684
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>1,102,684</u>	<u>1,102,684</u>
Fund Balance			
Committed	978,571	1,298,999	2,277,570
<i>Total Fund Balance</i>	<u>978,571</u>	<u>1,298,999</u>	<u>2,277,570</u>
<i>Total Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 2,178,571</u>	<u>\$ 2,401,683</u>	<u>\$ 4,580,254</u>

**City of Shaker Heights
Cuyahoga County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2021*

	Debt Service Administration Fund	Urban Renewal Debt Service Fund	Total
Revenues			
Revenue in Lieu of Taxes	\$ -	\$ 945,650	\$ 945,650
Expenditures			
Current:			
General Government:			
Legislative and Executive	23,425	-	23,425
Debt Service:			
Principal Retirement	1,871,694	1,047,800	2,919,494
Interest and Fiscal Charges	302,875	216,155	519,030
<i>Total Expenditures</i>	<u>2,197,994</u>	<u>1,263,955</u>	<u>3,461,949</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,197,994)	(318,305)	(2,516,299)
Other Financing Sources (Uses)			
Transfers In	2,462,494	-	2,462,494
<i>Net Change in Fund Balance</i>	264,500	(318,305)	(53,805)
<i>Fund Balance Beginning of Year</i>	<u>714,071</u>	<u>1,617,304</u>	<u>2,331,375</u>
<i>Fund Balance End of Year</i>	<u>\$ 978,571</u>	<u>\$ 1,298,999</u>	<u>\$ 2,277,570</u>

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**GOVERNMENTAL FUNDS INDIVIDUAL FUND
SCHEDULES OF REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL**

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2021*

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 6,700,000	\$ 6,700,000	\$ 6,709,399	\$ 9,399
Municipal Income Taxes	34,500,000	34,500,000	39,172,820	4,672,820
Other Local Taxes	82,600	82,600	78,847	(3,753)
Charges for Services	4,357,073	4,357,073	3,950,204	(406,869)
Fees, Licenses and Permits	1,150,000	1,150,000	1,193,648	43,648
Fines and Forfeitures	510,000	510,000	540,718	30,718
Intergovernmental	1,771,700	1,880,466	2,022,709	142,243
Investment Earnings	500,000	500,000	237,003	(262,997)
Other Revenues	916,766	1,738,315	2,640,816	902,501
Total Revenues	50,488,139	51,418,454	56,546,164	5,127,710
Expenditures:				
General Government:				
Legislative and Executive:				
Mayor's Office:				
Personal Services	213,728	216,728	215,397	1,331
Other	35,075	32,075	21,936	10,139
Total Mayor's Office	248,803	248,803	237,333	11,470
Council:				
Personal Services	142,658	144,658	143,821	837
Other	15,083	15,083	12,842	2,241
Total Council	157,741	159,741	156,663	3,078
Chief Administrative Officer:				
Personal Services	383,928	314,928	307,423	7,505
Other	38,979	38,979	23,540	15,439
Total Chief Administrative Officer	422,907	353,907	330,963	22,944
Information Technology:				
Personal Services	454,278	434,278	427,593	6,685
Other	140,597	140,597	107,124	33,473
Total Information Technology	594,875	574,875	534,717	40,158
Contract Charges and Statutory Expenses:				
Personal Services	62,000	62,000	60,436	1,564
Other	2,530,908	2,530,908	2,297,705	233,203
Total Contract Charges and Statutory Expenses	2,592,908	2,592,908	2,358,141	234,767
Legal Administration:				
Personal Services	636,541	638,541	636,423	2,118
Other	143,225	156,225	151,566	4,659
Total Legal Administration	779,766	794,766	787,989	6,777
Finance:				
Personal Services	675,098	690,098	682,393	7,705
Other	206,960	206,960	200,678	6,282
Total Finance	882,058	897,058	883,071	13,987
Human Resources:				
Personal Services	304,311	297,311	290,531	6,780
Other	241,537	240,086	191,526	48,560
Total Human Resources	545,848	537,397	482,057	55,340
Total Legislative and Executive	6,224,906	6,159,455	5,770,934	388,521

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Current:				
Judicial System:				
Personal Services	\$ 2,199,226	\$ 2,199,226	\$ 2,062,082	\$ 137,144
Other	102,463	152,463	117,810	34,653
Total Judicial System	<u>2,301,689</u>	<u>2,351,689</u>	<u>2,179,892</u>	<u>171,797</u>
Total General Government	<u>8,526,595</u>	<u>8,511,144</u>	<u>7,950,826</u>	<u>560,318</u>
Security of Persons and Property:				
Police:				
Personal Services	9,020,530	8,520,530	8,349,624	170,906
Other	1,842,566	1,842,566	1,665,728	176,838
Total Police	<u>10,863,096</u>	<u>10,363,096</u>	<u>10,015,352</u>	<u>347,744</u>
Fire:				
Personal Services	6,374,073	6,974,073	6,885,902	88,171
Other	674,307	677,073	670,152	6,921
Total Fire	<u>7,048,380</u>	<u>7,651,146</u>	<u>7,556,054</u>	<u>95,092</u>
Personal Services	-	-	-	-
Other	77,000	77,000	68,796	8,204
Total Other	<u>77,000</u>	<u>77,000</u>	<u>68,796</u>	<u>8,204</u>
Total Security of Persons and Property	<u>17,988,476</u>	<u>18,091,242</u>	<u>17,640,202</u>	<u>451,040</u>
Leisure Time Activities:				
Culture and Recreation:				
Personal Services	1,257,979	1,257,979	945,307	312,672
Other	734,624	734,624	615,828	118,796
Total Culture and Recreation	<u>1,992,603</u>	<u>1,992,603</u>	<u>1,561,135</u>	<u>431,468</u>
Parks and Public Land Maintenance:				
Personal Services	739,607	611,807	571,061	40,746
Other	458,222	487,722	487,543	179
Total Parks and Public Land Maintenance	<u>1,197,829</u>	<u>1,099,529</u>	<u>1,058,604</u>	<u>40,925</u>
Total Leisure Time Activities:	<u>3,190,432</u>	<u>3,092,132</u>	<u>2,619,739</u>	<u>472,393</u>
Building & Housing Inspection:				
Personal Services	1,419,568	1,499,568	1,480,960	18,608
Other	166,610	126,610	111,165	15,445
Total Building & Housing Inspection	<u>1,586,178</u>	<u>1,626,178</u>	<u>1,592,125</u>	<u>34,053</u>
Planning and Development:				
Personal Services	550,159	568,159	563,157	5,002
Other	81,820	63,820	40,333	23,487
Total Planning and Development	<u>631,979</u>	<u>631,979</u>	<u>603,490</u>	<u>28,489</u>
Neighborhood Revitalization:				
Personal Services	160,998	217,998	216,673	1,325
Other	63,303	63,303	50,080	13,223
Total Neighborhood Revitalization	<u>224,301</u>	<u>281,301</u>	<u>266,753</u>	<u>14,548</u>
Economic Development:				
Personal Services	320,995	325,995	323,621	2,374
Other	762,533	1,330,533	709,954	620,579
Total Economic Development	<u>1,083,528</u>	<u>1,656,528</u>	<u>1,033,575</u>	<u>622,953</u>

(continued)

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2021*

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Community Life:				
Personal Services	\$ 774,909	\$ 874,909	\$ 862,626	\$ 12,283
Other	323,291	303,291	280,426	22,865
Total Community Life	<u>1,098,200</u>	<u>1,178,200</u>	<u>1,143,052</u>	<u>35,148</u>
Communications and Marketing:				
Personal Services	365,162	400,162	396,490	3,672
Other	471,745	436,745	401,949	34,796
Total Communications and Outreach	<u>836,907</u>	<u>836,907</u>	<u>798,439</u>	<u>38,468</u>
Tree Maintenance and Leaf Collection:				
Personal Services	289,257	334,332	334,313	19
Other	201,132	303,207	303,171	36
Total Tree Maintenance and Leaf Collection	<u>490,389</u>	<u>637,539</u>	<u>637,484</u>	<u>55</u>
Total Housing and Community Development	<u>5,951,482</u>	<u>6,848,632</u>	<u>6,074,918</u>	<u>773,714</u>
Sanitation and Sewer Services:				
Other	49,000	49,000	500	48,500
Refuse Collection and Disposal:				
Personal Services	1,339,130	1,342,630	1,342,574	56
Other	915,059	1,029,359	1,029,336	23
Total Refuse Collection and Disposal	<u>2,254,189</u>	<u>2,371,989</u>	<u>2,371,910</u>	<u>79</u>
Solid Waste Recycling:				
Personal Services	83,328	107,528	107,522	6
Other	113,020	184,620	184,567	53
Total Solid Waste Recycling	<u>196,348</u>	<u>292,148</u>	<u>292,089</u>	<u>59</u>
Brush Collection and Disposal:				
Personal Services	414,953	515,053	515,038	15
Other	322,879	322,879	272,981	49,898
Total Brush Collection and Disposal	<u>737,832</u>	<u>837,932</u>	<u>788,019</u>	<u>49,913</u>
Total Sanitation and Sewer Services	<u>3,237,369</u>	<u>3,551,069</u>	<u>3,452,518</u>	<u>98,551</u>
Street Maintenance and Repair:				
Personal Services	392,878	243,678	243,606	72
Other	726,900	646,200	602,107	44,093
Total Street Maintenance and Repair	<u>1,119,778</u>	<u>889,878</u>	<u>845,713</u>	<u>44,165</u>
Public Works - Other:				
Public Works Administration:				
Personal Services	782,100	737,025	707,767	29,258
Other	78,983	94,083	94,032	51
Total Public Works Administration	<u>861,083</u>	<u>831,108</u>	<u>801,799</u>	<u>29,309</u>
Public Building Maintenance:				
Personal Services	876,417	828,617	696,984	131,633
Other	991,747	825,872	771,462	54,410
Total Public Building Maintenance	<u>1,868,164</u>	<u>1,654,489</u>	<u>1,468,446</u>	<u>186,043</u>
Total Public Works - Other	<u>2,729,247</u>	<u>2,485,597</u>	<u>2,270,245</u>	<u>215,352</u>
Total Expenditures	<u>42,743,379</u>	<u>43,469,694</u>	<u>40,854,161</u>	<u>2,615,533</u>
Excess of Revenues Over (Under) Expenditures	<u>7,744,760</u>	<u>7,948,760</u>	<u>15,692,003</u>	<u>7,743,243</u>

(continued)

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2021*

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Advances - In	\$ 320,000	\$ 320,000	\$ 200,000	\$ (120,000)
Advances - Out	-	(240,000)	(185,000)	55,000
Transfers In	13,000	13,000	-	(13,000)
Transfers - Out	(7,891,827)	(13,020,327)	(13,020,327)	-
Total Other Financing Sources (Uses)	<u>(7,558,827)</u>	<u>(12,927,327)</u>	<u>(13,005,327)</u>	<u>(78,000)</u>
Net Change in Fund Balance	185,933	(4,978,567)	2,686,676	7,665,243
Beginning Cash Fund Balance	27,113,726	27,113,726	27,113,726	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(617,745)	(617,745)	(617,745)	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(1,208,665)</u>	<u>(1,208,665)</u>	<u>(1,208,665)</u>	<u>-</u>
Ending Unreserved Cash Fund Balance	<u>\$ 25,473,249</u>	<u>\$ 20,308,749</u>	27,973,992	<u>\$ 7,665,243</u>
Reserved for Encumbrances - All Budget Years			<u>2,853,786</u>	
Total Cash Fund Balance - December 31			<u>\$ 30,827,778</u>	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Central Services Operations Fund
For the Year Ended December 31, 2021*

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 823,700	\$ 823,700	\$ 628,284	\$ (195,416)
Other Revenues	6,800	6,800	6,154	(646)
Total Revenue	<u>830,500</u>	<u>830,500</u>	<u>634,438</u>	<u>(196,062)</u>
Expenditures:				
Current:				
Public Works - Other	954,233	954,233	597,432	356,801
General Government:				
Legislative and Executive	7,500	7,500	4,112	3,388
Total Expenditures	<u>961,733</u>	<u>961,733</u>	<u>601,544</u>	<u>360,189</u>
Net Change in Fund Balance	(131,233)	(131,233)	32,894	164,127
Beginning Cash Fund Balance	771,433	771,433	771,433	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(21,879)	(21,879)	(21,879)	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(20,918)</u>	<u>(20,918)</u>	<u>(20,918)</u>	<u>-</u>
Ending Unreserved Cash Fund Balance	<u>\$ 597,403</u>	<u>\$ 597,403</u>	761,530	<u>\$ 164,127</u>
Reserved for Encumbrances - All Budget Years			<u>113,269</u>	
Total Cash Fund Balance - December 31			<u>\$ 874,799</u>	

City of Shaker Heights
Cuyahoga County, Ohio

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
27th Pay Reserve Balance Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):			
Transfers - In	\$ 1,114,200	\$ 1,114,200	\$ -
Net Change in Fund Balance	1,114,200	1,114,200	-
Beginning Cash Fund Balance	371,400	371,400	-
Ending Unreserved Cash Fund Balance	\$ 1,485,600	\$ 1,485,600	\$ -

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Unclaimed Monies Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Other Revenues	\$ 8,000	\$ 133,557	\$ 125,557
Expenditures:			
Current:			
Finance Department	130,000	97,975	32,025
Net Change in Fund Balance	(122,000)	35,582	157,582
Beginning Cash Fund Balance	200,731	200,731	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(60,673)	(60,673)	-
Ending Unreserved Cash Fund Balance	<u>\$ 18,058</u>	175,640	<u>\$ 157,582</u>
Reserved for Encumbrances - All Budget Years		<u>141,723</u>	
Total Cash Fund Balance - December 31		<u>\$ 317,363</u>	

City of Shaker Heights
Cuyahoga County, Ohio

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Flexsave Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$ 130,000	\$ 192	\$ (129,808)
Expenditures:			
Current:			
General Government:			
Legislative and Executive	130,000	11,595	118,405
Net Change in Fund Balance	-	(11,403)	(11,403)
Beginning Cash Fund Balance	37,217	37,217	-
Ending Unreserved Cash Fund Balance	\$ 37,217	\$ 25,814	\$ (11,403)

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
State Levied Shared Taxes	\$ 1,154,900	\$ 1,223,441	\$ 68,541
Intergovernmental	163,200	201,275	38,075
Investment Earnings	5,000	2,447	(2,553)
Other Revenues	-	29	29
Total Revenues	<u>1,323,100</u>	<u>1,427,192</u>	<u>104,092</u>
Expenditures:			
Current:			
Police	159,637	146,382	13,255
Street Maintenance and Repair	1,594,799	1,053,518	541,281
Total Expenditures	<u>1,754,436</u>	<u>1,199,900</u>	<u>554,536</u>
 Excess of Revenues Over (Under) Expenditures	 (431,336)	 227,292	 658,628
 Net Change in Fund Balance	 (431,336)	 227,292	 658,628
 Beginning Cash Fund Balance	 676,073	 676,073	 -
 Prior Year's Reserve For Encumbrances Outstanding At December 31	 (25,162)	 (25,162)	 -
 Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	 (22,592)	 (22,592)	 -
 Ending Unreserved Cash Fund Balance	 <u>\$ 196,983</u>	 855,611	 <u>\$ 658,628</u>
 Reserved for Encumbrances - All Budget Years		<u>53,482</u>	
 Total Cash Fund Balance - December 31		<u>\$ 909,093</u>	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
State Highway Maintenance Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
State Levied Shared Taxes	\$ 93,600	\$ 99,199	\$ 5,599
Investment Earnings	2,500	694	(1,806)
Total Revenues	<u>96,100</u>	<u>99,893</u>	<u>3,793</u>
Expenditures:			
Current:			
Street Maintenance and Repair	<u>175,870</u>	<u>55,847</u>	<u>120,023</u>
Net Change in Fund Balance	(79,770)	44,046	123,816
Beginning Cash Fund Balance	<u>199,198</u>	<u>199,198</u>	<u>-</u>
Ending Unreserved Cash Fund Balance	<u>\$ 119,428</u>	243,244	<u>\$ 123,816</u>
Reserved for Encumbrances - All Budget Years		<u>3,309</u>	
Total Cash Fund Balance - December 31		<u>\$ 246,553</u>	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Sewer Maintenance Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 1,243,700	\$ 1,408,176	\$ 164,476
Investment Earnings	65,500	3,005	(62,495)
Other Revenues	5,500	6,000	500
Total Revenues	1,314,700	1,417,181	102,481
Expenditures:			
Current:			
Sanitation and Sewer Services	1,757,184	1,462,131	295,053
Excess of Revenues Over (Under) Expenditures	(442,484)	(44,950)	397,534
Other Financing Sources (Uses):			
Transfers - Out	(277,813)	(277,813)	-
Net Change in Fund Balance	(720,297)	(322,763)	397,534
Beginning Cash Fund Balance	1,201,217	1,201,217	-
Prior Year's Reserve For Encumbrances			
Outstanding At December 31	(2,100)	(2,100)	-
Current Year Cash Expenditures Against Prior			
Year's Cash Fund Balance Reserved			
For Encumbrance	(153,096)	(153,096)	-
Ending Unreserved Cash Fund Balance	\$ 325,724	723,258	\$ 397,534
Reserved for Encumbrances - All Budget Years		130,449	
Total Cash Fund Balance - December 31		\$ 853,707	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 247,607	\$ 246,721	\$ (886)
Expenditures:			
Current:			
Security of Persons and Property - Police	1,255,878	1,199,302	56,576
Excess of Revenues Over (Under) Expenditures	(1,008,271)	(952,581)	55,690
Other Financing Sources (Uses):			
Transfers - In	1,023,282	1,023,282	-
Net Change in Fund Balance	15,011	70,701	55,690
Beginning Cash Fund Balance	1,151,876	1,151,876	-
Total Cash Fund Balance - December 31	\$ 1,166,887	\$ 1,222,577	\$ 55,690

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 247,607	\$ 246,721	\$ (886)
Expenditures:			
Current:			
Security of Persons and Property - Fire	1,311,713	1,301,517	10,196
Excess of Revenues Over (Under) Expenditures	(1,064,106)	(1,054,796)	9,310
Other Financing Sources (Uses):			
Transfers - In	997,164	997,164	-
Net Change in Fund Balance	(66,942)	(57,632)	9,310
Beginning Cash Fund Balance	857,880	857,880	-
Total Cash Fund Balance - December 31	\$ 790,938	\$ 800,248	\$ 9,310

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Indigent Driver Alcohol Treatment Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 12,800	\$ 20,623	\$ 7,823
Investment Earnings	1,200	313	(887)
Total Revenues	<u>14,000</u>	<u>20,936</u>	<u>6,936</u>
Expenditures:			
Current:			
General Government:			
Judicial System	<u>45,358</u>	<u>8,078</u>	<u>37,280</u>
Net Change in Fund Balance	(31,358)	12,858	44,216
Beginning Cash Fund Balance	97,358	97,358	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(7,297)</u>	<u>(7,297)</u>	<u>-</u>
Ending Unreserved Cash Fund Balance	<u>\$ 58,703</u>	102,919	<u>\$ 44,216</u>
Reserved for Encumbrances - All Budget Years		<u>5,120</u>	
Total Cash Fund Balance - December 31		<u>\$ 108,039</u>	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Court Computer Legal Research Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 27,400	\$ 26,560	\$ (840)
Investment Earnings	2,400	525	(1,875)
Total Revenues	<u>29,800</u>	<u>27,085</u>	<u>(2,715)</u>
Expenditures:			
Current:			
General Government:			
Judicial System	<u>71,526</u>	<u>42,764</u>	<u>28,762</u>
Net Change in Fund Balance	(41,726)	(15,679)	26,047
Beginning Cash Fund Balance	173,899	173,899	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(616)</u>	<u>(616)</u>	<u>-</u>
Ending Unreserved Cash Fund Balance	<u>\$ 131,557</u>	157,604	<u>\$ 26,047</u>
Reserved for Encumbrances - All Budget Years		<u>5,725</u>	
Total Cash Fund Balance - December 31		<u>\$ 163,329</u>	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Clerk's Computerization Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 85,488	\$ 83,379	\$ (2,109)
Investment Earnings	8,400	1,907	(6,493)
Total Revenues	<u>93,888</u>	<u>85,286</u>	<u>(8,602)</u>
Expenditures:			
Current:			
General Government:			
Judicial System	<u>234,855</u>	<u>56,552</u>	<u>178,303</u>
Net Change in Fund Balance	(140,967)	28,734	169,701
Beginning Cash Fund Balance	602,705	602,705	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(1,690)	(1,690)	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(10,787)</u>	<u>(10,787)</u>	<u>-</u>
Ending Unreserved Cash Fund Balance	<u>\$ 449,261</u>	618,962	<u>\$ 169,701</u>
Reserved for Encumbrances - All Budget Years		<u>12,308</u>	
Total Cash Fund Balance - December 31		<u>\$ 631,270</u>	

City of Shaker Heights
Cuyahoga County, Ohio

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Housing Grant Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$ -	\$ 207	\$ 207
Net Change in Fund Balance	-	207	207
Beginning Cash Fund Balance	65,382	65,382	-
Total Cash Fund Balance - December 31	\$ 65,382	\$ 65,589	\$ 207

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Fair Housing Grant Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 37,850	\$ -	\$ (37,850)
Investment Earnings	700	159	(541)
Total Revenues	<u>38,550</u>	<u>159</u>	<u>(38,391)</u>
Expenditures:			
Current:			
General Government:			
Legislative and Executive	<u>35,756</u>	<u>14,481</u>	<u>21,275</u>
Net Change in Fund Balance	2,794	(14,322)	(17,116)
Beginning Cash Fund Balance	58,218	58,218	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(8,400)</u>	<u>(8,400)</u>	<u>-</u>
Total Cash Fund Balance - December 31	<u>\$ 52,612</u>	<u>\$ 35,496</u>	<u>\$ (17,116)</u>

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Law Enforcement Grants Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 6,000	\$ -	\$ (6,000)
Charges for Services	1,200	-	(1,200)
Investment Earnings	300	87	(213)
Total Revenues	7,500	87	(7,413)
Expenditures:			
Current:			
Security of Persons and Property - Police	13,624	-	13,624
Net Change in Fund Balance	(6,124)	87	6,211
Beginning Cash Fund Balance	27,659	27,659	-
Total Cash Fund Balance - December 31	\$ 21,535	\$ 27,746	\$ 6,211

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Court Alternate Dispute Resolution Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 25,500	\$ 26,380	\$ 880
Investment Earnings	1,200	315	(885)
Total Revenues	<u>26,700</u>	<u>26,695</u>	<u>(5)</u>
Expenditures:			
Current:			
General Government:			
Judicial System	<u>34,088</u>	<u>30,011</u>	<u>4,077</u>
Net Change in Fund Balance	(7,388)	(3,316)	4,072
Beginning Cash Fund Balance	<u>100,199</u>	<u>100,199</u>	<u>-</u>
Total Cash Fund Balance - December 31	<u>\$ 92,811</u>	<u>\$ 96,883</u>	<u>\$ 4,072</u>

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Court Special Projects Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ -	\$ 800	\$ 800
Net Change in Fund Balance	-	800	800
Beginning Cash Fund Balance	-	-	-
Total Cash Fund Balance - December 31	\$ -	\$ 800	\$ 800

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Ohio Court Security Grant Project Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 8,000	\$ 7,803	\$ (197)
Investment Earnings	500	170	(330)
Total Revenues	<u>8,500</u>	<u>7,973</u>	<u>(527)</u>
Expenditures:			
Current:			
General Government:			
Judicial System	<u>54,608</u>	<u>5,003</u>	<u>49,605</u>
Net Change in Fund Balance	(46,108)	2,970	49,078
Beginning Cash Fund Balance	<u>52,429</u>	52,429	<u>-</u>
Reserved for Encumbrances - All Budget Years		<u>1,000</u>	
Total Cash Fund Balance - December 31	<u>\$ 6,321</u>	<u>\$ 56,399</u>	<u>\$ 50,078</u>

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
High Intensity Drug Trafficking Area Grant Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Beginning Cash Fund Balance	\$ 23,133	\$ 23,133	\$ -
Total Cash Fund Balance - December 31	<u>\$ 23,133</u>	<u>\$ 23,133</u>	<u>\$ -</u>

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Housing and Nuisance Abatement Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 25,000	8,121	\$ (16,879)
Investment Earnings	2,000	526	(1,474)
Total Revenues	<u>27,000</u>	<u>8,647</u>	<u>(18,353)</u>
Expenditures:			
Current:			
Housing and Community Development	<u>100,000</u>	<u>25,817</u>	<u>74,183</u>
Net Change in Fund Balance	(73,000)	(17,170)	55,830
Beginning Cash Fund Balance	174,937	174,937	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(575)	(575)	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(7,290)</u>	<u>(7,290)</u>	<u>-</u>
Ending Unreserved Cash Fund Balance	<u>\$ 94,072</u>	149,902	<u>\$ 55,830</u>
Reserved for Encumbrances - All Budget Years		<u>6,745</u>	
Total Cash Fund Balance - December 31		<u>\$ 156,647</u>	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Indigent Driver Interlock Device Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 14,750	19,705	\$ 4,955
Investment Earnings	200	102	(98)
Total Revenues	<u>14,950</u>	<u>19,807</u>	<u>4,857</u>
Expenditures:			
Current:			
General Government:			
Judicial System	<u>15,758</u>	<u>12,957</u>	<u>2,801</u>
Net Change in Fund Balance	(808)	6,850	7,658
Beginning Cash Fund Balance	28,694	28,694	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(142)</u>	<u>(142)</u>	<u>-</u>
Total Cash Fund Balance - December 31	<u>\$ 27,744</u>	35,402	<u>\$ 7,658</u>
Reserved for Encumbrances - All Budget Years		<u>2,124</u>	
Total Cash Fund Balance - December 31		<u>\$ 37,526</u>	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Street Lighting Special Assessment Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 576,500	\$ 574,150	\$ (2,350)
Expenditures:			
Current:			
Security of Persons and Property - Other	820,372	817,688	2,684
Excess of Revenues Over (Under) Expenditures	(243,872)	(243,538)	334
Other Financing Sources (Uses):			
Transfers - In	265,000	265,000	-
Net Change in Fund Balance	21,128	21,462	334
Beginning Cash Fund Balance	424,945	424,945	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	(119,895)	(119,895)	-
Ending Unreserved Cash Fund Balance	\$ 326,178	326,512	\$ 334
Reserved for Encumbrances - All Budget Years		212,179	
Total Cash Fund Balance - December 31		\$ 538,691	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Tree Maintenance Special Assessment Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 758,600	\$ 755,194	\$ (3,406)
Expenditures:			
Current:			
Housing and Community Development	793,289	771,350	21,939
Excess of Revenues Over (Under) Expenditures	(34,689)	(16,156)	18,533
Net Change in Fund Balance	(34,689)	(16,156)	18,533
Beginning Cash Fund Balance, Restated	291,825	291,825	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	(158,199)	(158,199)	-
Ending Unreserved Cash Fund Balance	\$ 98,937	117,470	\$ 18,533
Reserved for Encumbrances - All Budget Years		125,861	
Total Cash Fund Balance - December 31		\$ 243,331	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Local Fiscal Recovery Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ -	\$ 1,415,553	\$ 1,415,553
Net Change in Fund Balance	-	1,415,553	1,415,553
Beginning Cash Fund Balance	-	-	-
Ending Unreserved Cash Fund Balance	\$ -	\$ 1,415,553	\$ 1,415,553

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
CRA Fee Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 1,000	\$ -	\$ (1,000)
Investment Earnings	-	10	10
Total Revenue	<u>1,000</u>	<u>10</u>	<u>(990)</u>
Expenditures:			
Current:			
Housing and Community Development	<u>3,000</u>	-	<u>3,000</u>
Net Change in Fund Balance	(2,000)	10	2,010
Beginning Cash Fund Balance	<u>3,006</u>	<u>3,006</u>	-
Ending Unreserved Cash Fund Balance	<u>\$ 1,006</u>	3,016	<u>\$ 2,010</u>
Total Cash Fund Balance - December 31		<u>\$ 3,016</u>	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Municipal Improvement TIF Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Revenue in Lieu of Taxes	\$ 19,260	\$ 21,628	\$ 2,368
Expenditures:			
Current:			
General Government:			
Legislative and Executive	19,260	19,260	-
Net Change in Fund Balance	-	2,368	2,368
Beginning Cash Fund Balance	-	-	-
Ending Unreserved Cash Fund Balance	\$ -	2,368	\$ 2,368
Total Cash Fund Balance - December 31		\$ 2,368	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ -	\$ 1,421	\$ 1,421
Fines and Forfeitures	-	254,568	254,568
Investment Earnings	-	2,784	2,784
Total Revenues	-	258,773	258,773
Expenditures:			
Current:			
Security of Persons and Property - Police	283,930	12,501	271,429
Net Change in Fund Balance	(283,930)	246,272	530,202
Beginning Cash Fund Balance	808,006	808,006	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance			
	(931)	(931)	-
Ending Unreserved Cash Fund Balance	\$ 523,145	1,053,347	\$ 530,202
Reserved for Encumbrances - All Budget Years		6,372	
Total Cash Fund Balance - December 31		\$ 1,059,719	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Obstruction Permit Deposit Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 72,710	\$ 6,110	\$ (66,600)
Expenditures:			
Current:			
Housing and Community Development	72,000	-	72,000
Net Change in Fund Balance	710	6,110	5,400
Beginning Cash Fund Balance	72,710	72,710	-
Ending Unreserved Cash Fund Balance	<u>\$ 73,420</u>	78,820	<u>\$ 5,400</u>
Total Cash Fund Balance - December 31		<u>\$ 78,820</u>	

City of Shaker Heights
Cuyahoga County, Ohio
*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Excavation Permit Deposit Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 11,025	\$ 2,250	\$ (8,775)
Expenditures:			
Current:			
Housing and Community Development	11,000	5,780	5,220
Net Change in Fund Balance	25	(3,530)	(3,555)
Beginning Cash Fund Balance	11,025	11,025	-
Ending Unreserved Cash Fund Balance	<u>\$ 11,050</u>	7,495	<u>\$ (3,555)</u>
Total Cash Fund Balance - December 31		<u>\$ 7,495</u>	

City of Shaker Heights
Cuyahoga County, Ohio
*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual*
Shaker Cuyahoga Credit Enhancement Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 193,654	\$ 150,000	\$ (43,654)
Expenditures:			
Current:			
Economic Development	143,654	-	143,654
Net Change in Fund Balance	50,000	150,000	100,000
Beginning Cash Fund Balance	193,654	193,654	-
Ending Unreserved Cash Fund Balance	<u>\$ 243,654</u>	343,654	<u>\$ 100,000</u>
Total Cash Fund Balance - December 31		<u>\$ 343,654</u>	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Shaker Plaza TIF/Van Aken District TIF Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Revenue in Lieu of Taxes	\$ 1,917,021	\$ 1,867,019	\$ (50,002)
Expenditures:			
Current:			
General Government:			
Legislative and Executive	1,917,021	1,867,019	50,002
Net Change in Fund Balance	-	-	-
Beginning Cash Fund Balance	-	-	-
Total Cash Fund Balance - December 31	\$ -	\$ -	\$ -

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Point of Sale Escrow Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Other Revenues	\$ 4,653,822	\$ 2,637,844	\$ (2,015,978)
Expenditures:			
Current:			
Housing and Community Development	3,053,822	2,658,380	395,442
Net Change in Fund Balance	1,600,000	(20,536)	(1,620,536)
Beginning Cash Fund Balance	2,326,332	2,326,332	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(1,274,896)	(1,274,896)	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	(1,029,319)	(1,029,319)	-
Ending Unreserved Cash Fund Balance	\$ 1,622,117	1,581	\$ (1,620,536)
Reserved for Encumbrances - All Budget Years		3,034,060	
Total Cash Fund Balance - December 31		\$ 3,035,641	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Debt Service Administration Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Expenditures:			
Current:			
General Government:			
Legislative and Executive	47,925	26,425	21,500
Debt Service:			
Principal Retirements	2,071,694	2,071,694	-
Interest and Fiscal Charges	302,875	302,875	-
Total Expenditures	<u>2,422,494</u>	<u>2,400,994</u>	<u>21,500</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,422,494)</u>	<u>(2,400,994)</u>	<u>21,500</u>
Other Financing Sources (Uses):			
Issuance of Notes Payable	1,160,000	1,200,000	40,000
Transfers - In	2,462,494	2,462,494	-
Total Other Financing Sources (Uses)	<u>3,622,494</u>	<u>3,662,494</u>	<u>40,000</u>
Net Change in Fund Balance	1,200,000	1,261,500	61,500
Beginning Cash Fund Balance	<u>914,071</u>	<u>914,071</u>	<u>-</u>
Ending Cash Fund Balance	<u>\$ 2,114,071</u>	2,175,571	<u>\$ 61,500</u>
Reserved for Encumbrances - All Budget Years		<u>3,000</u>	
Total Cash Fund Balance - December 31		<u>\$ 2,178,571</u>	

**City of Shaker Heights
Cuyahoga County, Ohio**

*Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Urban Renewal Debt Service Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Revenue in Lieu of Taxes	\$ 900,000	\$ 945,650	\$ 45,650
Expenditures:			
Current:			
General Government:			
Legislative and Executive	626	-	626
Debt Service:			
Principal Retirements	1,047,800	1,047,800	-
Interest and Fiscal Charges	216,155	216,155	-
Total Expenditures	1,264,581	1,263,955	626
Excess of Revenues Over(Under) Expenditures	(364,581)	(318,305)	46,276
Net Change in Fund Balance	(364,581)	(318,305)	46,276
Beginning Cash Fund Balance	1,617,304	1,617,304	-
Total Cash Fund Balance - December 31	\$ 1,252,723	\$ 1,298,999	\$ 46,276

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenses, Encumbrances and Changes in Fund Equity -
Budget (Non-GAAP Budgetary Basis) and Actual
Central Purchasing Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 1,282,501	\$ 752,880	\$ (529,621)
Expenses:			
Contractual Services	33,890	14,953	18,937
Materials and Supplies	853,624	713,941	139,683
Total Expenses	887,514	728,894	158,620
Operating Income (Loss)	394,987	23,986	(371,001)
Other Financing Sources (Uses):			
Transfers Out	(200,000)	(200,000)	-
Advances - In	200,000	170,000	(30,000)
Total Other Financing Sources (Uses)	-	(30,000)	(30,000)
Net Change in Fund Equity	394,987	(6,014)	(401,001)
Beginning Cash Fund Equity	146,395	146,395	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	(124,913)	(124,913)	-
Ending Unreserved Cash Fund Equity	\$ 416,469	15,468	\$ (401,001)
Reserved for Encumbrances - All Budget Years		66,684	
Total Cash Fund Balance - December 31		\$ 82,152	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenses, Encumbrances and Changes in Fund Equity -
Budget (Non-GAAP Budgetary Basis) and Actual
Copier Management Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 80,893	\$ 26,566	\$ (54,327)
Expenses:			
Contractual Services	46,000	33,800	12,200
Operating Income (Loss)	34,893	(7,234)	(42,127)
Other Financing Sources (Uses):			
Transfers Out	(20,000)	-	20,000
Advances - In	20,000	5,000	(15,000)
Net Change in Fund Equity	34,893	(2,234)	(37,127)
Beginning Cash Fund Equity	10,254	10,254	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	(5,146)	(5,146)	-
Ending Unreserved Cash Fund Equity	\$ 40,001	2,874	\$ (37,127)
Reserved for Encumbrances - All Budget Years		10,047	
Total Cash Fund Balance - December 31		\$ 12,921	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenses, Encumbrances and Changes in Fund Equity -
Budget (Non-GAAP Budgetary Basis) and Actual
Municipal Garage Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 1,546,313	\$ 1,122,049	\$ (424,264)
Expenses:			
Personal Services	1,106,838	812,267	294,571
Travel and Education	2,402	580	1,822
Contractual Services	330,730	307,558	23,172
Materials and Supplies	78,643	60,583	18,060
Total Expenditures	<u>1,518,613</u>	<u>1,180,988</u>	<u>337,625</u>
Operating Income (Loss)	27,700	(58,939)	(761,889)
Other Financing Sources (Uses)			
Advances Out	(20,000)	-	20,000
Advances In	<u>20,000</u>	<u>10,000</u>	<u>(10,000)</u>
Net Change in Fund Equity	27,700	(48,939)	(76,639)
Beginning Cash Fund Equity	147,628	147,628	-
Prior Year's Reserve For Encumbrances Outstanding At December 31	(10)	(10)	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(96,071)</u>	<u>(96,071)</u>	<u>-</u>
Ending Unreserved Cash Fund Equity	<u>\$ 79,247</u>	2,608	<u>\$ (76,639)</u>
Reserved for Encumbrances - All Budget Years		<u>147,345</u>	
Total Cash Fund Equity - December 31		<u>\$ 149,953</u>	

City of Shaker Heights
Cuyahoga County, Ohio
Schedule of Revenues, Expenses, Encumbrances and Changes in Fund Equity -
Budget (Non-GAAP Budgetary Basis) and Actual
Self-Insurance Fund
For the Year Ended December 31, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 5,870,093	\$ 5,074,735	\$ (795,358)
Expenses:			
Personal Services	76,304	73,024	3,280
Travel and Education	588	-	588
Contractual Services	5,989,294	5,747,335	241,959
Materials and Supplies	-	136	(136)
Total Expenditures	<u>6,066,186</u>	<u>5,820,495</u>	<u>245,691</u>
Operating Income (Loss)	(196,093)	(745,760)	(549,667)
Other Financing Sources (Uses):			
Transfers - in	<u>436,000</u>	<u>436,000</u>	<u>-</u>
Net Change in Fund Equity	239,907	(309,760)	(549,667)
Beginning Cash Fund Equity	5,068,858	5,068,858	-
Current Year Cash Expenditures Against Prior Year's Cash Fund Balance Reserved For Encumbrance	<u>(591,075)</u>	<u>(591,075)</u>	<u>-</u>
Ending Unreserved Cash Fund Equity	<u>\$ 4,717,690</u>	4,168,023	<u>\$ (549,667)</u>
Reserved for Encumbrances - All Budget Years		<u>760,086</u>	
Total Cash Fund Equity - December 31		<u>\$ 4,928,109</u>	

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City of Shaker Heights
Cuyahoga County, Ohio
Combining Statements – Internal Service Funds

Internal Service Funds

These funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost-reimbursement basis.

Central Purchasing Fund

To provide a central cost center to account for the purchasing of office supplies, road materials, sidewalk materials, fuel, fire hydrants, and other miscellaneous supplies to be charged back to the individual City departments as the supplies are drawn.

Copier Management Fund

To provide a central cost center to account for the cost of copying performed by City departments.

Municipal Garage Fund

To provide a central cost center to account for the cost of repairing and maintaining the City's fleet of vehicles and heavy equipment. Operating costs are charged back to City departments based upon the number of vehicles and equipment maintained and upon the department's actual utilization of the garage.

Self-Insurance Fund

To account for monies charged to the governmental funds of the City by the self-insurance reserve fund. Since 1986 the City has directly assumed the risk of loss from general liability claims. The self-insurance reserve fund was created by Council to provide for a loss reserve for the administration of the self-insurance activity and to account for the workers' compensation and hospitalization claims. The self-insurance reserve fund is not available to fund the general operations of the City.

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Fund Net Position
Nonmajor Internal Service Funds
December 31, 2021

	Central Purchasing Fund	Copier Management Fund	Municipal Garage Fund	Self- Insurance Fund	Totals
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$ 82,152	\$ 12,921	\$ 149,953	\$ 4,928,109	\$ 5,173,135
Materials and Supplies Inventory	337,615	-	-	-	337,615
<i>Total Current Assets</i>	<u>419,767</u>	<u>12,921</u>	<u>149,953</u>	<u>4,928,109</u>	<u>5,510,750</u>
<i>Non-Current Assets:</i>					
Net OPEB Asset	-	-	61,115	6,112	67,227
<i>Total Assets</i>	<u>419,767</u>	<u>12,921</u>	<u>211,068</u>	<u>4,934,221</u>	<u>5,577,977</u>
Deferred Outflows of Resources					
Pension	-	-	112,411	11,277	123,688
OPEB	-	-	56,648	5,686	62,334
<i>Total Deferred Outflows of Resources</i>	<u>-</u>	<u>-</u>	<u>169,059</u>	<u>16,963</u>	<u>186,022</u>
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	34,223	3,229	27,035	43,964	108,451
Accrued Wages and Benefits	-	-	35,372	-	35,372
Interfund Payable	170,000	5,000	10,000	-	185,000
Compensated Absences Payable	-	-	9,136	-	9,136
Claims Payable	-	-	-	499,650	499,650
<i>Total Current Liabilities</i>	<u>204,223</u>	<u>8,229</u>	<u>81,543</u>	<u>543,614</u>	<u>837,609</u>
<i>Long-Term Liabilities:</i>					
Claims Payable - Net of Current Portion	-	-	-	151,793	151,793
Compensated Absences Payable - Net of Current Portion	-	-	158,731	-	158,731
Net Pension Liability	-	-	521,851	52,185	574,036
<i>Total Long-Term Liabilities</i>	<u>-</u>	<u>-</u>	<u>680,582</u>	<u>203,978</u>	<u>884,560</u>
<i>Total Liabilities</i>	<u>204,223</u>	<u>8,229</u>	<u>762,125</u>	<u>747,592</u>	<u>1,722,169</u>
Deferred Inflows of Resources					
Pension	-	-	366,161	24,147	390,308
OPEB	-	-	272,617	19,968	292,585
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>638,778</u>	<u>44,115</u>	<u>682,893</u>
Net Position					
Unrestricted	<u>\$ 215,544</u>	<u>\$ 4,692</u>	<u>\$ (1,020,776)</u>	<u>\$ 4,159,477</u>	<u>\$ 3,358,937</u>

City of Shaker Heights
Cuyahoga County, Ohio
*Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Nonmajor Internal Service Funds
For the Year Ended December 31, 2021*

	Central Purchasing Fund	Copier Management Fund	Municipal Garage Fund	Self- Insurance Fund	Totals
Operating Revenues					
Charges for Services	\$ 752,880	\$ 26,566	\$ 1,122,049	\$ 5,074,734	\$ 6,976,229
<i>Total Operating Revenues</i>	<u>752,880</u>	<u>26,566</u>	<u>1,122,049</u>	<u>5,074,734</u>	<u>6,976,229</u>
Operating Expenses					
Personal Services	-	-	335,412	19,941	355,353
Contractual Services	17,964	30,085	243,117	5,442,427	5,733,593
Materials and Supplies	650,512	-	72,051	136	722,699
<i>Total Operating Expenses</i>	<u>668,476</u>	<u>30,085</u>	<u>650,580</u>	<u>5,462,504</u>	<u>6,811,645</u>
Operating Income (Loss)	84,404	(3,519)	471,469	(387,770)	164,584
Transfers In	-	-	-	436,000	436,000
<i>Change in Net Position</i>	84,404	(3,519)	471,469	48,230	600,584
<i>Net Position Beginning of Year</i>	<u>131,140</u>	<u>8,211</u>	<u>(1,492,245)</u>	<u>4,111,247</u>	<u>2,758,353</u>
<i>Net Position End of Year</i>	<u>\$ 215,544</u>	<u>\$ 4,692</u>	<u>\$ (1,020,776)</u>	<u>\$ 4,159,477</u>	<u>\$ 3,358,937</u>

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Cash Flows
Nonmajor Internal Service Funds
For the Year Ended December 31, 2021

	Central Purchasing Fund	Copier Management Fund	Municipal Garage Fund	Self- Insurance Fund	Total Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash Received from Internal Services	\$ 752,880	\$ 26,566	\$ 1,122,049	\$ 5,074,734	\$ 6,976,229
Cash Payments for Goods and Services	(18,997)	(28,899)	(252,482)	(5,578,323)	(5,878,701)
Cash Payments to Employees	-	-	(813,123)	(73,024)	(886,147)
Cash Payments to Suppliers	(768,126)	-	(64,119)	(136)	(832,381)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(34,243)</u>	<u>(2,333)</u>	<u>(7,675)</u>	<u>(576,749)</u>	<u>(621,000)</u>
Cash Flows from Noncapital Financing Activities					
Advances In	170,000	5,000	10,000	-	185,000
Advances Out	(200,000)	-	-	-	(200,000)
Transfers In	-	-	-	436,000	436,000
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>(30,000)</u>	<u>5,000</u>	<u>10,000</u>	<u>436,000</u>	<u>421,000</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>(64,243)</u>	<u>2,667</u>	<u>2,325</u>	<u>(140,749)</u>	<u>(200,000)</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>146,395</u>	<u>10,254</u>	<u>147,628</u>	<u>5,068,858</u>	<u>5,373,135</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 82,152</u>	<u>\$ 12,921</u>	<u>\$ 149,953</u>	<u>\$ 4,928,109</u>	<u>\$ 5,173,135</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$ 84,404	\$ (3,519)	\$ 471,469	\$ (387,770)	\$ 164,584
Adjustments:					
(Increase) Decrease in Assets and Deferred Outflows:					
Materials and Supplies Inventory	(74,546)	-	-	-	(74,546)
Net OPEB Asset	-	-	(61,115)	(6,112)	(67,227)
Deferred Outflows - Pension/OPEB	-	-	243,666	20,039	263,705
Increase (Decrease) in Liabilities and Deferred Inflows:					
Accounts Payable	(44,101)	1,186	(1,380)	(67,829)	(112,124)
Accrued Wages and Benefits	-	-	3,428	-	3,428
Claims Payable	-	-	-	(68,067)	(68,067)
Compensated Absences Payable	-	-	(4,692)	-	(4,692)
Deferred Inflows - Pension/OPEB	-	-	331,788	1,821	333,609
Net Pension Liability	-	-	(376,993)	(19,723)	(396,716)
Net OPEB Liability	-	-	(613,846)	(49,108)	(662,954)
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ (34,243)</u>	<u>\$ (2,333)</u>	<u>\$ (7,675)</u>	<u>\$ (576,749)</u>	<u>\$ (621,000)</u>

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statements – Custodial Funds

Custodial Funds

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

Public Art Deposit Fund

To encourage public art throughout the City and to allow residents to make donations in honor of services rendered by various City departments.

Recreation Scholarship Fund

To account for funds solicited to be used for the purpose of providing financial aid and/or services to assist disadvantaged youth who otherwise could not afford to participate in various Recreation Department programs. The scholarship program is a non-profit corporation established under the authority of section 501(c) of the Internal Revenue Service Code.

Family Connections of Northeast Ohio Fund, formerly the Shaker Family Resource Center Fund

To account for assets held by the City as fiscal agent for the Shaker Family Resource Center, Inc. The purpose of this non-profit corporation is to enhance the quality of life for families with young children in the Shaker Heights City School District by providing educational, social, and recreational and support programs and services.

Board of Building Standards Fund

To account for state mandated fees collected by the City's Building Department relating to the acceptance, review and approval of building plans and specifications. An amount equal to 3% of fees imposed must be remitted on a monthly basis to the State of Ohio Department of Industrial Relations.

Heights-Hillcrest Technical Rescue Team Fund

To account for assets held by the City for the Heights-Hillcrest Technical Rescue Team (HHTRT).

Cleveland Waterline Projects Fund

The City transferred ownership and replacement responsibilities of its waterlines to the City of Cleveland in 2007. The City also entered into an agreement with the Cleveland Division of Water under which the City would manage and design the projects of which the Division of Water would pay for. This fund is to account for funds received from the Cleveland Division of Water to be expensed for the design and construction of such projects.

Shaker Heights Development Corporation Fund

To account for the purposes of the Community Improvement Corporation, also known as the Shaker Heights Development Corporation which includes seeking corporate and other private sponsorships and contributions and foundation, federal and state grants to be used for economic development in the City.

Municipal Court Fund

To account for assets received and disbursed by the Shaker Heights Municipal Court as agent or custodian related to civil and criminal court matters.

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**City of Shaker Heights
Cuyahoga County, Ohio**

*Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021*

	Public Art Trust Fund	Recreation Scholarship Fund	Family Connections Fund	Board of Building Standards Fund	Heights-Hillcrest Rescue Team Technical (HHTRT) Fund
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 506	\$ 19,553	\$ -	\$ 9,607	\$ 122,524
Cash in Segregated Accounts	-	-	-	-	-
Loans Receivable	-	-	-	-	-
<i>Total Assets</i>	<u>506</u>	<u>19,553</u>	<u>-</u>	<u>9,607</u>	<u>122,524</u>
Liabilities					
Accounts Payable	-	-	-	707	3,273
Intergovernmental Payable	-	-	-	8,900	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,607</u>	<u>3,273</u>
Net Position					
Restricted for Individuals, Organizations and Other Governments	<u>\$ 506</u>	<u>\$ 19,553</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,251</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021

	Cleveland Waterline Projects Fund	Shaker Heights Development Corporation Fund	Municipal Court Fund	Totals
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 307,618	\$ 311,961	\$ -	\$ 771,769
Cash in Segregated Accounts	-	402,742	193,809	596,551
Loans Receivable	-	16,412	-	16,412
<i>Total Assets</i>	<u>307,618</u>	<u>731,115</u>	<u>193,809</u>	<u>1,384,732</u>
Liabilities				
Accounts Payable	85,805	-	-	89,785
Intergovernmental Payable	-	-	193,809	202,709
<i>Total Liabilities</i>	<u>85,805</u>	<u>-</u>	<u>193,809</u>	<u>292,494</u>
Net Position				
Restricted for Individuals, Organizations and Other Governments	<u>\$ 221,813</u>	<u>\$ 731,115</u>	<u>\$ -</u>	<u>\$ 1,092,238</u>

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021

	Public Art Trust Fund	Recreation Scholarship Fund	Family Connections Fund	Board of Building Standards Fund	Heights-Hillcrest Rescue Team Technical (HHTRT) Fund
Additions					
Contributions and Donations	\$ 2,850	\$ 4,535	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Amounts Received as Fiscal Agent	-	-	-	-	94,503
Licenses, Permits & Fees for Other Governments	-	-	-	-	-
Fines & Forfeitures for Other Governments	-	-	-	5,942	-
Amounts Received for Others	-	-	774,145	-	-
<i>Total Additions</i>	<u>2,850</u>	<u>4,535</u>	<u>774,145</u>	<u>5,942</u>	<u>94,503</u>
Deductions					
Distributions as Fiscal Agent	-	-	-	-	79,043
Licenses, Permits & Fee Distributions to Other Governments	-	-	-	5,942	-
Fines & Forfeitures Distributions to Other Governments	-	-	-	-	-
Other Distributions	2,700	1,905	774,145	-	-
<i>Total Deductions</i>	<u>2,700</u>	<u>1,905</u>	<u>774,145</u>	<u>5,942</u>	<u>79,043</u>
<i>Change in Net Position</i>	150	2,630	-	-	15,460
<i>Net Position Beginning of Year</i>	<u>356</u>	<u>16,923</u>	<u>-</u>	<u>-</u>	<u>103,791</u>
<i>Net Position End of Year</i>	<u>\$ 506</u>	<u>\$ 19,553</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,251</u>

(continued)

City of Shaker Heights
Cuyahoga County, Ohio
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021

	Cleveland Waterline Projects Fund	Shaker Heights Development Corporation Fund	Municipal Court Fund	Totals
Additions				
Contributions and Donations	\$ -	\$ -	\$ -	\$ 7,385
Intergovernmental	758,358	-	-	758,358
Amounts Received as Fiscal Agent	-	143,197	-	237,700
Licenses, Permits & Fees for Other Governments	-	-	291,011	291,011
Fines & Forfeitures for Other Governments	-	-	312,107	318,049
Amounts Received for Others	-	-	-	774,145
<i>Total Additions</i>	<u>758,358</u>	<u>143,197</u>	<u>603,118</u>	<u>2,386,648</u>
Deductions				
Distributions as Fiscal Agent	-	100,789	-	179,832
Licenses, Permits & Fee Distributions to Other Governments	-	-	289,320	295,262
Fines & Forfeitures Distributions to Other Governments	-	-	313,798	313,798
Other Distributions	699,159	-	-	1,477,909
<i>Total Deductions</i>	<u>699,159</u>	<u>100,789</u>	<u>603,118</u>	<u>2,266,801</u>
<i>Change in Net Position</i>	59,199	42,408	-	119,847
<i>Net Position Beginning of Year</i>	<u>162,614</u>	<u>688,707</u>	<u>-</u>	<u>972,391</u>
<i>Net Position End of Year</i>	<u>\$ 221,813</u>	<u>\$ 731,115</u>	<u>\$ -</u>	<u>\$ 1,092,238</u>

**STATISTICAL
SECTION**

Statistical Section

This part of the City of Shaker Heights's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 - S9
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and municipal income tax.	S10 - S17
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S18 - S23
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S25 - S27
Operating Information These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S28 - S35

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant fiscal year.

With the implementation of GASB 75 in 2018, the calculation of pension expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

City of Shaker Heights
Cuyahoga County, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2021	2020	2019	Restated 2018	Restated 2017
Governmental Activities					
Net Investment in Capital Assets	\$ 79,718,816	\$ 82,272,947	\$ 79,129,710	\$ 76,894,481	\$ 70,763,174
Restricted:					
Capital Projects	1,888,346	1,395,696	1,596,426	3,988,068	3,737,425
Debt Service	-	-	-	-	-
Streets	1,705,504	1,334,137	1,454,864	1,091,166	1,040,808
Public Safety	3,949,683	3,528,920	3,162,843	2,670,608	2,755,095
Judicial Services	1,107,461	1,055,233	1,028,027	953,547	899,365
Tree Maintenance	1,241,538	1,019,831	1,013,729	1,129,546	1,046,737
Other	5,229,423	4,028,166	3,697,723	124,058	193,215
Unrestricted	13,168,973	(8,428,723)	(7,849,482)	(31,724,412)	(25,196,167)
<i>Total Governmental Activities Net Position</i>	<u>\$ 108,009,744</u>	<u>\$ 86,206,207</u>	<u>\$ 83,233,840</u>	<u>\$ 55,127,062</u>	<u>\$ 55,239,652</u>

In 2013, the City implemented GASB 65, which resulted in bond issuance costs to be expenses in the year incurred. Prior year information has been adjusted for the implementation of the Statement.

Note: Restricted for tree maintenance has been separately displayed starting in 2014. It was previously included in Unrestricted.

The City reported the impact of GASB Statement No. 75 beginning in 2017.

The City implemented GASB Statement No. 84 in 2019, resulting in a reclassification of certain funds as of January 1, 2019.

Source: City Financial Records

	2016	2015	Restated 2014	2013	2012
\$	74,476,459	\$ 69,897,453	\$ 67,676,056	\$ 66,942,897	\$ 64,688,653
	768,122	11,284,974	12,231,909	11,678,193	11,050,910
	-	1,269,277	1,170,127	699,569	788,674
	835,057	719,628	930,033	1,109,236	613,312
	2,974,436	2,990,023	2,447,391	2,396,924	2,247,417
	862,725	805,341	763,332	759,162	724,055
	972,982	774,319	794,291	-	-
	201,832	151,572	134,469	155,184	25,124
	8,909,483	(959,568)	(4,364,283)	28,656,421	22,894,998
\$	<u>90,001,096</u>	<u>\$ 86,933,019</u>	<u>\$ 81,783,325</u>	<u>\$ 112,397,586</u>	<u>\$ 103,033,143</u>

City of Shaker Heights
Cuyahoga County, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2021	2020	2019	2018	2017
Program Revenues					
Governmental Activities:					
Charges for Services:					
Security of Persons and Property	\$ 1,528,950	\$ 1,208,821	\$ 1,307,823	\$ 1,290,140	\$ 1,315,283
Public Health Services	-	-	-	-	40,809
Leisure Time Activities	812,305	420,205	1,817,683	1,772,222	1,777,428
Housing and Community Development	2,953,417	3,983,974	2,686,298	2,796,781	3,023,773
Sanitation and Sewer Services	1,488,558	1,232,259	1,014,195	960,294	1,121,311
Street Maintenance and Repair	-	50,666	-	30,000	30,000
Public Works - Other	542,339	172,444	874,518	599,546	441,511
General Government	2,665,531	2,543,790	3,018,024	2,661,146	2,642,497
Operating Grants and Contributions:					
Security of Persons and Property	63,337	1,376,623	31,632	88,389	1,221,014
Public Health Services	-	-	-	-	30,166
Leisure Time Activities	-	-	-	-	-
Housing and Community Development	43,951	270,370	2,664,500	88,939	85,262
Sanitation and Sewer Services	9,006	18,353	74,579	59,408	27,033
Street Maintenance and Repair	1,593,607	1,455,942	1,350,706	1,045,954	1,074,557
Public Works - Other	-	190,573	-	-	45,739
General Government	38,257	461,203	52,185	15,211	91,512
Capital Grants and Contributions:					
Security of Persons and Property	-	-	-	-	-
Public Health Services	-	-	-	-	-
Housing and Community Development	150,000	-	-	300,000	-
Sanitation and Sewer Services	165,915	350,415	547,808	988,156	45,180
Street Maintenance and Repair	1,921,480	695,340	2,222,553	1,171,929	1,801,572
Public Works - Other	-	-	-	-	-
General Government	-	-	-	-	-
<i>Total Governmental Activities Program Revenues</i>	<u>13,976,653</u>	<u>14,430,978</u>	<u>17,662,504</u>	<u>13,868,115</u>	<u>14,814,647</u>
Expenses					
Governmental Activities:					
Security of Persons and Property	19,590,041	21,946,348	2,160,338	23,619,320	23,159,705
Public Health and Welfare	-	-	-	-	393,522
Leisure Time Activities	1,805,790	2,854,606	5,172,978	5,075,744	4,960,888
Housing and Community Development	7,279,982	10,087,220	9,621,662	7,080,052	12,709,824
Sanitation and Sewer Services	3,330,183	5,326,517	8,092,293	5,116,508	5,614,744
Transportation	414,661	472,234	484,758	451,245	454,926
Street Maintenance and Repair	3,274,328	4,059,339	3,277,254	3,556,492	3,830,430
Public Works - Other	1,966,493	3,306,949	3,629,354	3,600,214	2,768,174
General Government	5,089,698	8,632,435	9,068,383	9,910,331	8,825,164
Interest and Fiscal Charges	581,977	1,590,830	807,406	816,124	1,103,848
<i>Total Governmental Activities Expenses</i>	<u>43,333,153</u>	<u>58,276,478</u>	<u>42,314,426</u>	<u>59,226,030</u>	<u>63,821,225</u>
Net (Expense)/Revenue					
Governmental Activities	<u>(29,356,500)</u>	<u>(43,845,500)</u>	<u>(24,651,922)</u>	<u>(45,357,915)</u>	<u>(49,006,578)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities					
Property Taxes	7,153,641	7,095,855	7,276,246	6,609,808	6,683,358
Income and Other Taxes	41,607,797	34,399,919	37,478,995	34,163,469	35,855,348
Grants, Entitlements and Estate Taxes	2,365,132	2,104,557	2,118,741	1,871,156	1,798,481
Revenue in Lieu of Taxes	5,472,141	2,440,756	1,296,896	1,612,192	885,610
Investment Earnings	(87,830)	541,610	1,177,814	703,493	259,455
Miscellaneous Income	303,782	206,909	481,681	285,207	433,610
Gain on Sale of Capital Assets	1,210,075	28,261	-	-	-
<i>Total Governmental Activities</i>	<u>58,024,738</u>	<u>46,817,867</u>	<u>49,830,373</u>	<u>45,245,325</u>	<u>45,915,862</u>
Change in Net Position					
Governmental Activities	<u>\$ 28,668,238</u>	<u>\$ 2,972,367</u>	<u>\$ 25,178,451</u>	<u>\$ (112,590)</u>	<u>\$ (3,090,716)</u>

In 2013, the City implemented GASB 65, which resulted in the bond issuance costs to be expenses in the year incurred. Prior year information has been adjusted for the implementation of the Statement.

In 2015, gasoline tax and motor vehicle license fees were reclassified from general revenues - grants, entitlements and estate taxes to program revenues - operating grants and contributions offset against street maintenance and repair.

In 2017, certain expenses have been categorized as Transportation expense that were previously included in Street Maintenance and Repair.

Source: City Financial Records

	2016	2015	2014	2013	2012
\$	1,323,855	\$ 1,390,008	\$ 1,612,394	\$ 1,541,393	\$ 1,412,424
	63,910	64,469	47,160	45,760	77,494
	1,725,480	1,784,639	1,888,776	1,765,547	1,803,925
	2,719,958	2,730,614	2,976,704	2,504,699	733,415
	1,130,083	1,051,180	1,092,872	1,108,678	1,144,334
	-	113	147	-	1,804
	820,334	727,391	658,313	748,217	567,532
	2,922,213	2,839,390	2,488,869	2,690,130	2,399,937
	3,533,657	4,132,929	3,934,416	3,827,620	3,744,393
	44,650	33,119	36,711	59,981	35,562
	3,628	15,807	-	-	-
	132,072	52,615	40,719	637,217	161,430
	6,034	308	-	16,277	-
	1,218,647	1,114,270	-	-	-
	4,741	-	-	-	45,000
	16,787	72,597	17,000	42,294	26,794
	-	-	-	2,500	2,489
	-	-	-	-	-
	-	-	-	5,252	283,790
	-	-	-	-	-
	376,504	3,067,984	-	-	-
	-	-	-	-	-
	-	-	-	-	150,000
	16,042,553	19,077,433	14,794,081	14,995,565	12,590,323
	25,248,646	23,192,181	23,341,934	22,898,446	22,958,313
	440,827	418,461	420,084	378,658	579,141
	4,191,330	3,913,273	3,993,567	4,166,858	3,980,612
	5,318,429	6,149,090	5,658,971	5,473,863	5,947,226
	5,002,530	4,097,422	5,314,960	4,964,310	4,781,961
	-	-	-	-	-
	3,197,767	6,553,316	3,462,608	2,504,237	2,896,453
	3,034,027	2,343,649	2,474,210	2,092,510	2,496,087
	7,788,922	7,554,498	7,309,823	7,455,094	7,362,601
	690,169	643,523	658,444	671,152	713,001
	54,912,647	54,865,413	52,634,601	50,605,128	51,715,395
	(38,870,094)	(35,787,980)	(37,840,520)	(35,609,563)	(39,125,072)
	6,712,702	6,312,482	6,212,760	6,402,845	6,760,102
	31,986,981	31,707,723	29,236,804	33,202,434	23,274,622
	1,847,342	2,541,876	4,244,813	5,221,684	6,711,782
	914,230	-	-	-	-
	273,406	6,863	58,812	26,440	39,437
	203,510	368,730	219,399	120,603	220,238
	-	-	-	-	-
	41,938,171	40,937,674	39,972,588	44,974,006	37,006,181
\$	3,068,077	\$ 5,149,694	\$ 2,132,068	\$ 9,364,443	\$ (2,118,891)

City of Shaker Heights
Cuyahoga County, Ohio
Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2021	2020	Restated 2019	2018	2017
General Fund					
Nonspendable	\$ 596,083	\$ 447,669	\$ 557,858	\$ 168,626	\$ 149,075
Committed	1,683,826	438,170	238,984	43,218	147,403
Assigned	9,280,581	7,907,360	7,094,814	7,147,740	8,949,057
Unassigned	28,408,960	23,926,558	25,540,311	21,987,308	19,789,323
Total General Fund	<u>39,969,450</u>	<u>32,719,757</u>	<u>33,431,967</u>	<u>29,346,892</u>	<u>29,034,858</u>
All Other Governmental Funds					
Nonspendable	-	190,034	190,034	-	-
Restricted	11,937,594	9,696,021	9,282,368	8,380,700	8,168,850
Committed	21,033,713	18,714,272	16,337,173	11,909,377	14,957,973
Unassigned	(76,853)	(256,470)	(76,853)	(76,853)	(89,818)
Total All Other Governmental Funds	<u>32,894,454</u>	<u>28,343,857</u>	<u>25,732,722</u>	<u>20,213,224</u>	<u>23,037,005</u>
Total Governmental Funds	<u>\$ 72,863,904</u>	<u>\$ 61,063,614</u>	<u>\$ 59,164,689</u>	<u>\$ 49,560,116</u>	<u>\$ 52,071,863</u>

Note: The City implemented GASB Statement No. 84 in 2019, resulting in reclassification of certain funds as of January 1, 2019.

2016	2015	2014	2013	2012
\$ 174,420	\$ 162,467	\$ 145,338	\$ 79,771	\$ 195,565
173,541	61,746	86,712	197,711	292,726
6,496,316	7,797,286	6,318,448	8,162,882	12,451,743
21,674,733	17,485,238	16,818,500	11,712,915	6,836,659
<u>28,519,010</u>	<u>25,506,737</u>	<u>23,368,998</u>	<u>20,153,279</u>	<u>19,776,693</u>
-	-	-	-	-
4,254,420	4,784,536	3,881,400	4,236,402	3,783,070
13,094,542	12,427,440	14,584,343	14,331,748	13,791,986
(36,093)	(402,506)	(155,539)	(89,848)	(374,370)
<u>17,312,869</u>	<u>16,809,470</u>	<u>18,310,204</u>	<u>18,478,302</u>	<u>17,200,686</u>
<u>\$ 45,831,879</u>	<u>\$ 42,316,207</u>	<u>\$ 41,679,202</u>	<u>\$ 38,631,581</u>	<u>\$ 36,977,379</u>

City of Shaker Heights
Cuyahoga County, Ohio
Changes in Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2021	2020	2019	2018	2017
Revenues					
Property taxes	\$ 7,142,243	\$ 7,150,377	\$ 7,221,588	\$ 6,692,659	\$ 6,610,146
Municipal Income Taxes	42,551,636	33,358,871	36,703,070	33,992,625	34,727,459
Other Local Taxes	74,233	96,192	81,938	28,488	49,673
Special Assessments	1,466,014	1,432,524	1,473,664	1,505,918	1,483,978
Charges for Services	4,250,689	3,648,304	5,096,704	5,005,249	5,071,968
Fees, Licenses and Permits	1,214,308	1,111,867	1,081,045	1,248,634	1,279,985
Fines and Forfeitures	2,745,024	2,408,381	2,983,621	2,700,396	2,639,889
Intergovernmental	6,203,906	6,970,679	6,064,360	4,914,974	6,377,564
Investment Earnings	(74,580)	583,758	1,344,922	761,197	299,282
Revenue in Lieu of Taxes	2,834,297	2,440,756	1,296,896	1,612,192	885,610
Residential Point of Sale Escrow (2)	2,637,844	1,549,802	2,662,038	-	-
Other Revenue	312,848	206,909	413,585	282,144	457,323
Total Revenues	71,358,462	60,958,420	66,423,431	58,744,476	59,882,877
Expenditures					
Current:					
Security of Persons and Property	21,623,609	20,674,130	20,276,110	20,467,284	21,473,178
Public Health and Welfare (1)	-	-	-	-	370,229
Leisure Time Activities	2,878,781	2,738,137	4,544,872	4,358,088	4,054,952
Housing and Community Development	10,478,856	10,132,953	10,016,565	8,966,963	12,791,052
Sanitation and Sewer Services	6,237,511	7,703,659	7,950,425	7,210,250	5,073,507
Transportation	142,416	136,612	140,857	121,896	125,578
Street Maintenance and Repair	5,598,561	5,299,640	3,670,077	4,383,426	6,821,025
Public Works - Other	2,493,073	2,604,864	2,769,774	2,824,520	2,695,514
General Government	9,244,506	9,014,989	8,351,698	8,984,178	7,887,027
Debt Service:					
Principal Retirement	5,246,270	3,376,815	3,396,369	3,784,726	1,574,483
Interest and Fiscal Charges	611,608	679,765	825,417	843,002	964,584
Total Expenditures	64,555,191	62,361,564	61,942,164	61,944,333	63,831,129
<i>Excess of Revenues Over (Under) Expenditures</i>	6,803,271	(1,403,144)	4,481,267	(3,199,857)	(3,948,252)
Other Financing Sources (Uses)					
Transfers In	11,747,940	11,457,986	11,227,351	9,801,067	10,884,859
Transfers Out	(12,183,940)	(11,893,986)	(11,227,351)	(10,746,067)	(11,830,399)
Issuance of General Obligation Bonds	-	8,650,000	-	-	3,195,000
Issuance of Non-Tax Revenue Bonds	-	-	-	-	4,960,000
Issuance of Notes Payable	4,000,000	3,200,000	1,400,000	1,600,000	2,000,000
Inception of Capital Leases	-	402,837	-	-	256,250
Inception of Lease Purchases	-	-	703,319	-	-
Proceeds from Sale of Capital Assets	1,433,019	43,915	69,660	15,470	146,087
Issuance of Refunding Bonds	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	(8,587,923)	-	-	-
Premium on Debt Issuance	-	29,240	22,000	17,640	576,439
Total Other Financing Sources (Uses)	4,997,019	3,302,069	2,194,979	688,110	10,188,236
Net Change in Fund Balances	\$ 11,800,290	\$ 1,898,925	\$ 6,676,246	\$ (2,511,747)	\$ 6,239,984
Debt Service as a Percentage of Noncapital Expenditures	10.31%	7.41%	7.38%	8.60%	0.00%

(1) Public health services are received from Cuyahoga County Board of Health effective January 1, 2018.

(2) Due to the implementation of GASB Statement No. 84, the Point of Sale Escrow fund is now reported as a special revenue fund as of January, 1, 2019.

	2016	2015	2014	2013	2012
\$	6,657,936	\$ 6,318,907	\$ 6,435,800	\$ 6,350,984	\$ 6,754,730
	34,284,348	32,322,789	31,341,737	28,058,616	22,230,968
	73,283	47,244	65,231	78,817	48,432
	1,470,966	1,492,221	1,485,323	1,489,288	1,476,080
	7,131,974	6,850,563	6,648,614	6,659,388	7,106,179
	1,113,953	1,272,257	1,186,841	1,023,505	684,178
	888,108	570,441	813,715	1,018,393	914,175
	7,399,711	10,022,274	8,319,959	10,295,949	11,348,788
	293,713	2,500	63,187	40,290	61,853
	914,230	-	-	-	-
	-	-	-	-	-
	222,481	343,664	319,100	225,324	286,778
	<u>60,450,703</u>	<u>59,242,860</u>	<u>56,679,507</u>	<u>55,240,554</u>	<u>50,912,161</u>
	23,856,995	22,357,798	23,536,042	23,148,941	21,899,899
	414,282	414,237	421,555	401,993	559,412
	3,717,057	3,764,184	3,574,222	3,853,301	3,508,357
	6,138,513	6,217,708	5,645,429	7,030,086	6,106,375
	5,349,697	4,799,429	4,805,347	4,631,355	4,359,148
	-	-	-	-	-
	4,444,233	7,425,932	3,876,660	3,268,737	3,609,356
	2,690,969	2,856,532	2,826,772	2,680,815	2,557,354
	7,392,746	7,704,541	7,332,496	7,197,757	6,895,735
	2,339,616	2,576,173	2,784,346	3,209,712	3,582,069
	649,977	628,358	636,275	641,869	718,493
	<u>56,994,085</u>	<u>58,744,892</u>	<u>55,439,144</u>	<u>56,064,566</u>	<u>53,796,198</u>
	3,456,618	497,968	1,240,363	(824,012)	(2,884,037)
	9,615,110	8,743,637	7,536,702	8,156,438	4,671,495
	(10,560,650)	(9,661,637)	(7,536,702)	(8,156,438)	(4,671,495)
	-	-	-	-	-
	-	-	-	-	-
	-	1,025,000	1,230,000	1,955,000	15,370,000
	940,000	-	540,000	488,389	-
	-	-	-	-	-
	18,767	29,759	29,534	34,825	51,569
	3,501,300	-	-	-	-
	(3,455,473)	-	-	-	(13,744,754)
	-	2,278	7,724	-	464,383
	<u>59,054</u>	<u>139,037</u>	<u>1,807,258</u>	<u>2,478,214</u>	<u>2,141,198</u>
\$	<u>3,515,672</u>	<u>\$ 637,005</u>	<u>\$ 3,047,621</u>	<u>\$ 1,654,202</u>	<u>\$ (742,839)</u>
	5.82%	6.29%	6.51%	7.52%	8.09%

**City of Shaker Heights
Cuyahoga County, Ohio**

*Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years*

Tax Year/ Collection Year	Real Property			Public Utility	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial Industrial/PU			
2021/2022	\$ 788,243,320	\$ 72,721,440	\$ 2,459,899,314	\$ 18,833,780	\$ 22,157,388
2020/2021	\$ 745,968,300	\$ 68,780,880	\$ 2,327,854,800	\$ 17,765,450	\$ 20,900,529
2019/2020	748,826,210	67,509,760	2,332,388,486	16,479,990	19,388,224
2018/2019	748,447,170	68,054,960	2,332,863,229	15,376,380	18,089,859
2017/2018	697,621,010	60,131,660	2,165,007,629	14,608,960	17,187,012
2016/2017	702,364,870	61,086,600	2,181,289,914	13,585,020	15,982,376
2015/2016	703,768,590	61,360,410	2,186,082,857	12,856,760	15,125,600
2014/2015	667,543,300	60,600,020	2,080,409,486	12,608,470	14,833,494
2013/2014	672,548,880	65,420,350	2,108,483,514	12,043,740	14,169,106
2012/2013	673,206,300	65,937,850	2,111,840,429	11,032,190	12,979,047

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 24 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

(1) Tax rates are per \$1,000 of assessed value.

Source: Cuyahoga County Fiscal Officer

Total Direct Rate (1)	Total		
	Assessed Value	Estimated Actual Value	Ratio
9.90	\$ 879,798,540	\$ 2,482,056,702	35.45%
9.90	\$ 832,514,630	\$ 2,348,755,329	35.44%
9.90	832,815,960	2,351,776,710	35.41%
9.90	831,878,510	2,350,953,088	35.38%
9.90	772,361,630	2,182,194,641	35.39%
9.90	777,036,490	2,197,272,290	35.36%
9.90	777,985,760	2,201,208,457	35.34%
9.90	740,751,790	2,095,242,980	35.35%
9.90	750,012,970	2,122,652,620	35.33%
9.90	750,176,340	2,124,819,476	35.31%

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

	2021	2020	2019	2018	2017
Unvoted Millage					
Operating	\$ 3.80	\$ 3.80	\$ 3.80	\$ 3.80	\$ 3.80
Fire Pension	0.30	0.30	0.30	0.30	0.30
Police Pension	0.30	0.30	0.30	0.30	0.30
<i>Total Unvoted Millage</i>	<u>\$ 4.40</u>	<u>\$ 4.40</u>	<u>\$ 4.40</u>	<u>\$ 4.40</u>	<u>\$ 4.40</u>
Charter Millage					
1976 Charter/Current Expense	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
1976 Charter/Current expense	3.00	3.00	3.00	3.00	3.00
<i>Total Charter Millage</i>	<u>\$ 5.50</u>	<u>\$ 5.50</u>	<u>\$ 5.50</u>	<u>\$ 5.50</u>	<u>\$ 5.50</u>
Total Millage	<u>\$ 9.90</u>	<u>\$ 9.90</u>	<u>\$ 9.90</u>	<u>\$ 9.90</u>	<u>\$ 9.90</u>
Overlapping Rates by Taxing District					
Shaker Heights City School District Voted Millage	\$ 189.18	\$ 189.18	\$ 189.18	\$ 190.48	\$ 190.48
Effective Millage Rates					
Residential/Agricultural Real	86.87	91.81	91.33	92.55	99.06
Commercial/Industrial and Public Utility	106.37	113.31	115.53	115.89	132.23
Tangible/Public Utility Personal	189.18	189.18	189.18	190.48	190.48
Cuyahoga County Voted Millage	22.63	22.63	21.83	21.43	21.43
Effective Millage Rates					
Residential/Agricultural Real	18.45	21.11	19.89	19.49	21.20
Commercial/Industrial and Public Utility	20.68	21.64	20.55	19.92	21.35
Tangible/Public Utility Personal	22.63	22.63	21.83	21.43	21.43
Shaker Heights Public Library Voted Millage	5.90	5.90	5.90	5.90	4.00
Effective Millage Rates					
Residential/Agricultural Real	5.04	5.36	5.33	5.32	3.84
Commercial/Industrial and Public Utility	4.72	5.05	5.16	5.11	4.00
Tangible/Public Utility Personal	5.90	5.90	5.90	5.90	4.00

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

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

Cuyahoga County millage for 2021 includes voted rate of 14.85 mills for County government, 2.75 mills for Cleveland Metroparks, 4.9 mills for Cuyahoga Community College and 0.13 mills for the Cleveland Cuyahoga Port Authority.

Source: Ohio Department of Taxation

2016	2015	2014	2013	2012
\$ 3.80	\$ 3.80	\$ 3.80	\$ 3.80	\$ 3.80
0.30	0.30	0.30	0.30	0.30
0.30	0.30	0.30	0.30	0.30
\$ 4.40	\$ 4.40	\$ 4.40	\$ 4.40	\$ 4.40
\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
3.00	3.00	3.00	3.00	3.00
\$ 5.50	\$ 5.50	\$ 5.50	\$ 5.50	\$ 5.50
\$ 9.90	\$ 9.90	\$ 9.90	\$ 9.90	\$ 9.90

\$ 186.73	\$ 186.73	\$ 186.83	\$ 179.93	\$ 180.13
94.72	94.56	99.07	91.73	91.80
127.93	127.86	126.99	117.12	116.21
186.73	186.73	186.83	179.93	180.13
20.93	20.93	20.93	20.03	18.30
20.65	20.64	20.90	20.00	18.28
20.86	20.92	20.90	19.80	17.96
20.93	20.93	20.93	20.03	18.30
4.00	4.00	4.00	4.00	4.00
3.81	4.00	4.00	4.00	4.00
4.00	4.00	4.00	4.00	4.00
4.00	4.00	4.00	4.00	4.00

City of Shaker Heights
Cuyahoga County, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2021	\$ 11,762,213	\$ 10,496,114	89.24%	\$ 300,696	\$ 10,796,810
2020	11,114,312	10,300,090	92.67%	294,959	10,595,049
2019	10,332,333	9,173,015	88.78%	327,770	9,500,785
2018	9,662,995	9,307,222	96.32%	396,261	9,703,483
2017	9,271,284	8,101,835	87.39%	283,655	8,385,490
2016	9,067,125	8,285,107	91.38%	257,796	8,542,903
2015	8,186,675	7,766,018	94.86%	289,463	8,055,481
2014	8,113,207	7,682,072	94.69%	301,800	7,983,872
2013	8,198,891	7,472,109	91.14%	277,981	7,750,090
2012	9,080,731	8,531,384	93.95%	329,361	8,860,745

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

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

Source: Cuyahoga County Fiscal Officer

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
91.79%	\$ 750,553	6.38%
95.33%	736,304	6.62%
91.95%	804,461	7.79%
100.42%	736,137	7.62%
90.45%	839,702	9.06%
94.22%	748,183	8.25%
98.40%	679,726	8.30%
98.41%	686,510	8.46%
94.53%	1,096,196	13.37%
97.58%	1,031,611	11.36%

City of Shaker Heights
Cuyahoga County, Ohio
Principal Taxpayers - Real Estate Tax
2021 and 2012

2021		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Van Aken District	\$ 12,331,300	1.43%
The Cleveland Electric Illuminating Company	11,494,720	1.34%
MW Centers Shaker LLC ETAL	4,065,010	0.47%
American Transmission System	3,992,410	0.46%
Montlack Realty Company	3,746,130	0.44%
Oliver Family LTD	3,538,680	0.41%
East Ohio Gas Company	3,346,650	0.39%
Shaker Plaza 1 LTD	2,520,010	0.29%
Gator Properties	2,442,060	0.28%
E2G Properties LLC	2,132,840	0.25%
Total	<u>\$ 49,609,810</u>	<u>5.76%</u>
Total Assessed Valuation	<u>\$ 860,964,760</u>	

2012		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
The Cleveland Electric Illuminating Company	\$ 8,737,180	1.16%
EIG Shaker Towne Center	3,411,460	0.45%
University Hospitals	3,357,130	0.45%
Oliver Family LTD	2,428,870	0.32%
Tower East Operating Assoc.	2,348,290	0.31%
Residence at Avalon Station	2,181,350	0.29%
East Ohio Gas Company	1,781,840	0.24%
Shaker Plaza LTD	1,695,790	0.23%
Deborah Salzberg, Tr.	1,309,810	0.17%
Gator Shaker Heights, LLC	1,304,630	0.17%
Total	<u>\$ 28,556,350</u>	<u>3.81%</u>
Total Assessed Valuation	<u>\$ 750,176,340</u>	

(1) Assessed valuation for tax year, excluding public utility.

Source: Cuyahoga County Fiscal Officer

City of Shaker Heights
Cuyahoga County, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year (1)	Tax Rate (2)	Total Tax Collected (3)	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2021	2.25%	\$ 39,162,004	\$ 13,837,227	35.33%	\$ 1,180,655	3.01%	\$ 23,460,183	59.91%
2020	2.25%	34,503,393	\$ 12,504,399	36.24%	698,389	2.02%	21,024,200	60.93%
2019	2.25%	36,717,999	12,313,532	33.54%	1,085,555	2.96%	22,056,851	60.07%
2018	2.25%	33,721,082	11,590,078	34.37%	787,251	2.33%	20,891,196	61.95%
2017	2.25%	34,237,225	11,001,664	32.13%	756,538	2.21%	21,987,696	64.22%
2016	2.25%	32,809,264	10,319,267	31.45%	1,048,112	3.19%	21,441,885	65.35%
2015	2.25%	31,486,020	9,546,540	30.32%	985,269	3.13%	20,954,211	66.55%
2014	2.25%	29,826,789	9,071,388	30.41%	937,163	3.14%	19,818,238	66.44%
2013	2.25%	27,542,351	8,997,092	32.67%	943,745	3.43%	17,601,514	63.91%
2012	2.25%	21,082,579	6,523,594	30.94%	640,527	3.04%	13,918,457	66.02%

The City is prohibited by statute from presenting information regarding individual taxpayers.

(1) Collections presented on a cash basis.

(2) 1.75% effective April 1, 1981; 2.25% effective October 1, 2012.

(3) Does not include electrical utility municipal income tax collected by the State.

Source: Regional Income Tax Agency

City of Shaker Heights
Cuyahoga County, Ohio
Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years

Year	Governmental Activities						Total Debt	Percentage of Personal Income (1)	Per Capita
	General Obligation Bonds (2)	Bond Anticipation Notes (3)	OPWC Loans	Non-Tax Revenue Bonds (2)	Capital Leases Payable	Lease Purchases (4)			
2021	\$ 13,990,227	\$ 4,000,000	\$ 1,717,969	\$ 4,609,442	\$ 344,910	\$ 866,961	\$ 25,529,509	1.42%	\$ 867
2020	15,208,182	3,200,000	2,039,663	4,817,405	402,837	1,135,810	25,668,087	1.53%	902
2019	16,074,568	1,400,000	2,361,357	5,015,368	-	1,398,331	26,249,624	1.59%	923
2018	17,128,242	1,600,000	2,683,051	5,208,331	974,387	-	27,594,011	1.75%	970
2017	17,732,900	2,000,000	3,004,745	4,960,000	1,273,119	-	28,970,764	1.94%	1,018
2016	15,749,588	-	3,326,439	-	1,406,258	-	20,482,285	1.45%	720
2015	16,394,866	-	3,648,133	-	659,179	-	20,702,178	1.47%	728
2014	17,206,108	1,230,000	3,990,015	-	883,470	-	23,309,593	1.65%	819
2013	18,007,350	1,570,000	4,352,085	-	425,746	-	24,355,181	1.81%	856
2012	18,378,592	1,910,000	4,714,154	-	-	-	25,002,746	1.86%	879

(1) Population and Personal Income data are presented on page S26.

(2) Beginning in 2018, premiums are included.

(3) Refer to Note 22 for details on Bond Anticipation Note.

(4) Beginning in 2019, lease purchases are presented separately due to GASB 88.

City of Shaker Heights
Cuyahoga County, Ohio
*Ratio of General Obligation Bonded Debt to Assessed
Value and Bonded Debt Per Capita
Last Ten Years*

Year	Population (1)	Assessed Value of Taxable Property (2)	Gross Bonded Debt (3)	Debt Service Funds Available (4)	Net Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Net Bonded Debt Per Capita
2021	29,439	\$ 879,798,540	17,990,227	\$ 3,477,568	14,512,659	1.65%	\$ 493
2020	28,448	832,514,630	18,408,182	2,531,375	15,876,807	1.91%	558
2019	28,448	832,815,960	17,474,568	2,747,518	14,727,050	1.77%	518
2018	28,448	831,878,510	18,728,242	3,106,510	15,621,732	1.88%	549
2017	28,448	772,361,630	19,732,900	843,399	18,889,501	2.45%	664
2016	28,448	777,036,490	15,749,588	718,095	15,031,493	1.93%	528
2015	28,448	777,985,760	16,394,866	1,294,726	15,100,140	1.94%	531
2014	28,448	740,751,790	18,436,108	1,170,127	17,265,981	2.33%	607
2013	28,448	750,012,970	19,577,350	699,569	18,877,781	2.52%	664
2012	28,448	750,176,340	20,288,592	1,049,459	19,239,133	2.56%	676

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

(2) Source: Cuyahoga County Fiscal Officer.

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

(4) Beginning in 2018, the net position for debt service is considered committed, but not restricted.

City of Shaker Heights
Cuyahoga County, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2021

Jurisdiction	Governmental Activities Debt Outstanding (1)	Percentage Applicable to City (2)	Amount Applicable to City
Direct			
City of Shaker Heights			
General Obligation Bonds	\$ 13,990,227	100.00%	\$ 13,990,227
OPWC Loans (3)	1,717,969	100.00%	1,717,969
Capital leases payable	344,910	100.00%	344,910
Lease Purchases	866,961	100.00%	866,961
Notes Payable (4)	4,000,000	100.00%	4,000,000
CCCPA Non-Tax Revenue Bonds	<u>4,609,442</u>	100.00%	<u>4,609,442</u>
<i>Total Direct Debt</i>	<u>\$ 25,529,509</u>		<u>\$ 25,529,509</u>
Overlapping			
Shaker Heights City School District			
General Obligation Bonds	31,000,000	94.49%	29,291,900
Cuyahoga County			
General Obligation Bonds	254,150,000	2.71%	6,887,465
Cuyahoga Community College			
Miscellaneous	<u>195,825,000</u>	2.71%	<u>5,306,858</u>
<i>Total Overlapping Debt</i>	<u>480,975,000</u>		<u>41,486,223</u>
Total	<u>\$ 506,504,509</u>		<u>\$ 67,015,732</u>

(1) Includes bond premium.

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

(3) The City has entered into an agreement with the Cleveland-Cuyahoga County Port Authority (CCCPA) and is liable for the debt incurred.

(4) See Note 22 for details on Bond Anticipation Note.

Source: Cuyahoga County Fiscal Officer

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City of Shaker Heights
Cuyahoga County, Ohio
Legal Debt Margin
Last Ten Years

	2021	2020	2019	2018	2017
Total Assessed Property Value	\$ 879,798,540	\$ 832,514,630	\$ 832,815,960	\$ 831,878,510	\$ 772,361,630
Overall Legal Debt Limit (10½ % of Assessed Valuation)	\$ 92,378,847	\$ 87,414,036	\$ 87,445,676	\$ 87,347,244	\$ 81,097,971
Debt Outstanding:					
General Obligation Bonds	13,912,900	15,125,700	15,708,300	16,733,600	17,732,900
Bond Anticipation Notes	4,000,000	3,400,000	1,600,000	1,800,000	2,000,000
OPWC Loans	1,717,969	2,039,663	4,817,405	2,683,051	3,004,746
Non-Tax Revenue Bonds	4,265,000	4,450,000	4,625,000	4,795,000	4,960,000
Total Gross Indebtedness	23,895,869	25,015,363	26,750,705	26,011,651	27,697,646
Less:					
OPWC Loans	(1,717,969)	(2,039,663)	(4,817,405)	(2,683,051)	(3,004,745)
TIF Urban Renewal Bonds	-	-	-	-	(175,000)
Permanent Urban Renewal Bonds	-	-	-	-	-
Urban Renewal Refunding Bonds	(11,067,900)	(12,115,700)	(12,533,300)	(13,398,600)	(14,062,900)
Non-Tax Revenue Bonds	(4,265,000)	(4,450,000)	(4,625,000)	(4,795,000)	(4,960,000)
Amount Available in Debt Service (1)	-	-	-	-	(843,399)
Total Net Debt Applicable to Debt Limit	6,845,000	6,410,000	4,775,000	5,135,000	4,651,602
Legal Debt Margin Within 10½ % Limitations	\$ 85,533,847	\$ 81,004,036	\$ 82,670,676	\$ 82,212,244	\$ 76,446,369
Legal Debt Margin as a Percentage of the Debt Limit	92.59%	92.67%	94.54%	94.12%	94.26%
Unvoted Debt Limitation (5½ % of Assessed Valuation)	\$ 48,388,920	\$ 45,788,305	\$ 45,804,878	\$ 45,753,318	\$ 42,479,890
Total Gross Indebtedness	23,895,869	25,015,363	26,750,705	26,011,651	27,697,646
Less:					
OPWC Loans	(1,717,969)	(2,039,663)	(4,817,405)	(2,683,051)	(3,004,745)
TIF Urban Renewal Bonds	-	-	-	-	(175,000)
Permanent Urban Renewal Bonds	-	-	-	-	-
Urban Renewal Refunding Bonds	(11,067,900)	(12,115,700)	(12,533,300)	(13,398,600)	(14,062,900)
Non-Tax Revenue Bonds	(4,265,000)	(4,450,000)	(4,625,000)	(4,795,000)	(4,960,000)
Amount Available in Debt Service (1)	-	-	-	-	(843,399)
Net Debt Within 5½ % Limitations	6,845,000	6,410,000	4,775,000	5,135,000	4,651,602
Unvoted Legal Debt Margin Within 5½ % Limitations	\$ 41,543,920	\$ 39,378,305	\$ 41,029,878	\$ 40,618,318	\$ 37,828,288
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	85.85%	86.00%	89.58%	88.78%	89.05%

(1) Net position restricted for debt service. The net position restricted for debt service for 2012 was restated in the 2013 financial report. Beginning in 2018, the net position for debt service is considered committed, but not restricted.

Source: City Financial Records and Cuyahoga County Fiscal Officer

2016	2015	2014	2013	2012
<u>\$ 777,036,490</u>	<u>\$ 777,985,760</u>	<u>\$ 740,751,790</u>	<u>\$ 750,012,970</u>	<u>\$ 750,176,340</u>
<u>\$ 81,588,831</u>	<u>\$ 81,688,505</u>	<u>\$ 77,778,938</u>	<u>\$ 78,751,362</u>	<u>\$ 78,768,516</u>
15,749,588	16,394,866	17,206,108	18,007,350	17,785,000
-	1,025,000	1,230,000	1,570,000	1,910,000
3,326,439	3,648,133	3,990,015	4,352,085	4,714,154
-	-	-	-	-
19,076,027	21,067,999	22,426,123	23,929,435	24,409,154
(3,326,439)	(3,648,133)	(3,990,015)	(4,352,085)	(4,714,154)
(345,000)	(3,705,000)	(3,865,000)	(4,020,000)	(4,170,000)
-	-	-	-	(450,000)
(15,079,588)	(11,845,000)	(12,445,000)	(13,040,000)	(13,165,000)
-	-	-	-	-
(325,000)	(1,294,726)	(1,620,559)	(699,569)	(788,674)
-	575,140	505,549	1,817,781	1,121,326
<u>\$ 81,588,831</u>	<u>\$ 81,113,365</u>	<u>\$ 77,273,389</u>	<u>\$ 76,933,581</u>	<u>\$ 77,647,190</u>
100.00%	99.30%	99.35%	97.69%	98.58%
<u>\$ 42,737,007</u>	<u>\$ 42,789,217</u>	<u>\$ 40,741,348</u>	<u>\$ 41,250,713</u>	<u>\$ 41,259,699</u>
19,076,027	21,067,999	22,426,123	23,929,435	24,409,154
(3,326,439)	(3,648,133)	(3,990,015)	(4,352,085)	(4,714,154)
(345,000)	(3,705,000)	(3,865,000)	(4,020,000)	(4,170,000)
-	-	-	-	(450,000)
(15,079,588)	(11,845,000)	(12,445,000)	(13,040,000)	(13,165,000)
-	-	-	-	-
(325,000)	(1,294,726)	(1,620,559)	(699,569)	(788,674)
-	575,140	505,549	1,817,781	1,121,326
<u>\$ 42,737,007</u>	<u>\$ 42,214,077</u>	<u>\$ 40,235,799</u>	<u>\$ 39,432,932</u>	<u>\$ 40,138,373</u>
100.00%	98.66%	98.76%	95.59%	97.28%

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City of Shaker Heights
Cuyahoga County, Ohio
Principal Employers
2021 and 2012

2021

<u>Employer</u>	<u>Nature of Business or Activity</u>	<u>Employees</u>	<u>Percentage of Total</u>
Shaker Heights City School District	Government Entity	1,360	29.4%
University Hospital Health System	Non Profit Organization	1,280	27.7%
City of Shaker Heights	Government Entity	455	9.8%
Hathaway Brown School	Private School	410	8.9%
University School (Shaker Heights Campus)	Private School	258	5.6%
Laurel School	Private School	253	5.5%
Centers for Dialysis Care	Medical Facility	186	4.0%
Cellular Technology Limited (CTL)	Biotech	151	3.3%
Heinens Inc.	Grocery Store	137	3.0%
Equity Engineering Group	Engineering	130	2.8%
Total		4,620	100%
Total Employment within the City of Shaker Heights, Ohio		(1)	

2012

<u>Employer</u>	<u>Nature of Business or Activity</u>	<u>Employees</u>	<u>Percentage of Total</u>
Shaker Heights City School District	Government Entity	1,440	34.0%
University Hospital Health System	Non Profit Organization	1,200	28.3%
City of Shaker Heights	Government Entity	493	11.7%
Hathaway Brown School	Private School	425	10.0%
Laurel School	Private School	275	6.5%
Centers for Dialysis Care	Medical Facility	177	4.2%
University School (Shaker Heights Campus)	Private School	149	3.5%
Equity Engineering Group	Engineering	77	1.8%
Total		4,236	100%
Total Employment within the City of Shaker Heights, Ohio		(1)	

(1) Information not available

Source: Regional Income Tax Agency (RITA)

City of Shaker Heights
Cuyahoga County, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (1)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Family Income (1)</u>	<u>Median Age (1)</u>	<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>
2021	29,439	\$ 1,794,513,123	\$ 60,957	\$ 123,906	40.4	69.90%
2020	28,448	\$ 1,677,578,560	58,970	120,290	40.0	66.60%
2019	28,448	1,648,732,288	57,956	115,041	40.1	65.90%
2018	28,448	1,580,684,672	55,564	114,957	40.3	64.70%
2017	28,448	1,491,841,568	52,441	107,938	41.0	64.90%
2016	28,448	1,412,443,200	49,650	105,063	40.9	64.60%
2015	28,448	1,412,443,200	49,650	105,063	40.9	64.60%
2014	28,448	1,412,443,200	49,650	105,063	40.9	64.60%
2013	28,448	1,390,196,864	48,868	105,063	40.9	64.60%
2012	28,448	1,345,675,744	47,303	105,063	40.9	64.60%

(1) Source: U. S. Census Bureau and the 2020 American Community Survey 5-year estimates.

(2) Source: Shaker Heights School District Annual Comprehensive Fiscal Report For the Fiscal Year Ended June 30, 2021.

(3) Source: Ohio Department of Job & Family Services - Ohio Labor Market Information (<http://ohiolmi.com>)
 *To be consistent with prior year reporting, the unemployment rate is as of February 2020, which was pre-COVID-19.

(4) Source: Cuyahoga County Fiscal Officer.

School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
4,672	4.50%	\$ 288,600	\$ 879,798,540
4,907	5.10%*	250,400	832,514,630
4,899	4.20%	231,800	832,815,960
4,955	4.80%	229,000	831,878,510
5,111	5.60%	257,930	777,036,490
5,260	5.40%	236,845	777,985,760
5,377	5.20%	242,498	740,751,790
5,343	6.40%	226,733	750,012,970
5,423	7.50%	252,267	750,012,970
5,446	7.30%	226,285	750,176,340

**City of Shaker Heights
Cuyahoga County, Ohio**

*Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years*

Function/Program	2021	2020	2019	2018	2017	2016
General Government:						
Council	3.5	3.5	3.5	3.5	3.5	3.5
Finance	7.0	6.0	5.5	6.0	7.0	8.0
Mayor	2.0	2.0	2.0	2.0	2.0	2.0
Law	5.5	6.0	5.0	5.0	5.5	5.0
Chief Administrative Officer	3.0	2.0	2.0	2.0	2.0	2.0
Service Administration - Public Works	7.0	11.0	10.0	10.0	10.0	10.0
Municipal Court	37.0	40.5	36.5	30.0	29.5	41.0
Human Resources	4.0	4.0	4.0	3.5	4.0	4.0
Information Technology	4.0	4.0	4.0	4.0	4.0	4.0
Security of Persons and Property:						
Police	58.0	68.5	61.5	66.5	61.5	61.0
Police - Crossing Guards	9.5	9.5	9.0	10.0	10.0	9.0
Police - Dispatch/Records/Watch Officer	15.0	15.0	13.5	13.5	22.5	17.0
Police - Jailers	0.0	0.0	0.0	0.0	0.0	2.0
Police - Administrative (1)	3.0	3.0	3.0	3.0	3.0	5.0
Police - HIDTA	0.0	0.0	0.0	0.0	0.0	12.5
Fire	45.5	50.5	49.5	48.5	48.0	48.0
Fire - Other	3.5	3.5	3.5	3.5	3.5	3.5
Security of Persons/Property - Other	1.0	1.0	1.0	1.0	1.0	1.0
Public Health Services (3):	0.0	0.0	0.0	0.0	4.0	6.5
Leisure Time Activities:						
Recreation	35.5	56.5	63.0	48.0	57.0	50.5
Park and Public Land Maintenance	6.0	9.0	9.0	10.0	6.0	9.0
Community Development:						
Building (4)	14.0	16.0	16.0	16.0	5.0	5.0
Housing (4)	0.0	0.0	0.0	0.0	9.0	10.0
Planning	8.0	9.5	8.5	6.5	7.0	8.0
Community Development - Other (2)	20.0	36.0	36.5	31.5	27.5	28.0
Street Maintenance and Repair:	6.0	7.0	7.0	7.0	6.0	7.0
Sanitation and Sewer Services:						
Refuse and Brush Collection	30.0	30.0	28.0	27.0	26.0	26.0
Sewer Maintenance	6.0	5.0	5.0	6.0	5.0	6.0
Public Works - Other:	19.0	24.0	24.0	23.0	27.5	27.5
Totals:	<u>353.0</u>	<u>423.0</u>	<u>410.5</u>	<u>387.0</u>	<u>397.0</u>	<u>422.0</u>

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

(1) Includes Chief of Police and Command Staff Personnel.

(2) Includes Community Life, Neighborhood Revitalization, Communications and Marketing, Shaker Family Center, Leaf Removal and Recycling and Shaker Heights Development Corporation.

(3) Public Health Services were contracted out to the Cuyahoga County Board of Health in 2018.

(4) In 2018, Building and Housing were combined into one department.

Source: Finance Department

2015	2014	2013	2012
3.5	3.5	3.5	3.5
8.0	7.0	7.0	7.5
2.0	2.0	2.0	2.0
5.0	5.5	5.5	5.0
2.0	2.0	2.0	2.0
10.0	10.0	11.0	10.0
41.5	42.0	30.5	45.0
4.0	5.0	5.0	6.0
4.0	4.0	4.0	3.0
59.0	64.0	64.0	58.0
8.5	8.0	9.0	8.5
15.0	16.0	19.0	15.5
2.0	3.0	3.0	3.0
5.5	4.0	4.0	8.5
13.0	11.0	10.5	10.0
49.0	48.0	46.0	48.0
3.5	3.5	3.5	3.5
1.0	1.0	1.0	1.0
7.0	6.0	5.0	10.5
48.5	53.0	41.5	55.5
11.0	11.0	11.0	11.0
4.0	3.0	4.0	4.0
10.0	10.0	9.0	9.0
8.5	9.0	8.5	10.0
30.0	34.0	27.5	19.0
7.0	7.0	9.0	11.0
22.0	21.0	19.0	20.0
5.0	6.0	6.0	4.0
25.5	24.5	25.5	21.0
<u>415.0</u>	<u>424.0</u>	<u>396.5</u>	<u>415.0</u>

City of Shaker Heights
Cuyahoga County, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2021	2020	2019	2018	2017
General Government					
<i>Council and Clerk</i>					
Number of Ordinances Passed	128	114	118	117	125
Number of Resolutions Passed	13	10	10	10	8
Number of Planning Commission docket items	31	26	21	20	9
Zoning Board of Appeals docket items	28	24	25	29	22
<i>Finance Department</i>					
Number of checks/vouchers issued	5,525	5,292	6,687	7,107	7,663
Amount of checks written	\$ 41,050,833	\$ 39,554,801	\$ 39,964,779	\$ 40,844,458	\$ 40,693,588
Interest earnings for fiscal year (cash basis)	\$ 228,437	\$ 509,385	\$ 1,042,551	\$ 802,729	\$ 387,687
Number of Receipts issued	3,824	4,440	6,185	7,071	7,318
Number of Journal Entries issued	959	887	1,194	1,113	954
Agency Ratings - S&P Global Ratings	AA+	AA+	AA+	AA+	AA+
General Fund Receipts (cash basis)	\$ 54,241,463	\$ 49,593,729	\$ 51,950,044	\$ 48,581,349	\$ 50,704,557
General Fund Expenditures (cash basis)	\$ 52,040,646	\$ 48,400,738	\$ 50,088,570	\$ 47,322,719	\$ 47,855,168
General Fund Cash Balances	\$ 23,938,925	\$ 21,699,407	\$ 20,608,243	\$ 18,649,141	\$ 17,364,346
<i>Municipal Court</i>					
Number of Civil Cases	1,600	1,295	1,812	1,926	1,938
Number of Criminal cases	8,544	6,686	12,075	10,352	10,508
<i>Vital Statistics (City no longer handles as of 12/31/2012)</i>					
Certificates Filed	0	0	0	0	0
Number of Births	0	0	0	0	0
Number of Deaths	0	0	0	0	0
Certificates Issued	0	0	0	0	0
Number of Births	0	0	0	0	0
Number of Deaths	0	0	0	0	0
Burial Permits Issued	0	0	0	0	0
<i>Civil Service</i>					
Number of police entry tests administered	1	0	1	0	1
Number of fire entry tests administered	1	0	0	0	1
Number of police promotional tests administered	0	0	0	2	0
Number of fire promotional tests administered	0	0	1	0	0
Number of hires of Police Officers from certified lists	9	6	0	8	9
Number of hires of Fire/Medics from certified lists	2	1	3	2	0
Number of promotions from police certified lists	0	0	3	4	0
Number of promotions from fire certified lists	0	1	0	0	0

	2016	2015	2014	2013	2012
	151	109	98	113	124
	8	9	11	14	12
	25	13	9	14	12
	27	23	13	21	30
	7,587	7,672	7,471	7,481	7,418
\$	34,391,018	\$ 35,763,950	\$ 31,523,347	\$ 34,097,409	\$ 29,620,172
\$	240,290	\$ 41,518	\$ 44,942	\$ 83,981	\$ 248,687
	7,938	7,772	8,013	8,635	8,842
	899	865	870	882	839
	AA+	AA+	AA+	AA+	AA+
\$	47,132,537	\$ 45,087,632	\$ 44,371,402	\$ 43,718,468	\$ 37,291,189
\$	46,926,777	\$ 43,666,249	\$ 41,789,230	\$ 41,277,825	\$ 39,360,880
\$	14,515,941	\$ 14,307,708	\$ 12,923,930	\$ 10,358,358	\$ 7,909,343
	1,775	1,684	1,539	1,355	1,697
	10,270	10,571	9,134	10,232	10,611
	0	0	0	0	81
	0	0	0	0	0
	0	0	0	0	81
	0	0	0	0	430
	0	0	0	0	0
	0	0	0	0	430
	0	0	0	0	280
	1	1	1	1	0
	0	0	1	0	0
	0	0	2	0	0
	0	2	0	0	0
	7	5	0	5	0
	0	4	5	0	0
	3	4	0	0	2
	0	4	0	1	3

City of Shaker Heights
Cuyahoga County, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2021	2020	2019	2018	2017
Security of Persons & Property					
<i>Police</i>					
Total Calls for Services	41,361	41,153	48,042	34,406	37,462
Number of traffic citations issued	8,760	5,671	10,172	10,517	9,518
Number of parking citations issued	3,050	3,482	3,694	2,917	2,616
Number of criminal arrests	444	324	700	723	945
Part I Offenses (major offenses)	272	285	353	371	386
DUI Arrests	137	90	139	149	112
Prisoners	353	265	558	744	740
Motor Vehicle Accidents	544	494	599	748	721
Property damage accidents	330	343	434	627	651
Fatalities from Motor Vehicle Accidents	3	-	2	-	1
Community Diversion Program Youths	10	1	5	9	21
Community Diversion Program - community service hours	-	-	30	63	80
<i>Fire</i>					
Total Fire Department Incidents	4,848	4,390	4,547	4,453	4,049
EMS Incidents (NFIRS 300's)	3,307	2,853	2,898	2,804	2,787
Fire Incidents (NFIRS 100's)	83	99	92	113	86
Other Incidents (NFIRS 200's, 400's - 900's)	1,458	1,438	1,557	1,536	1,226
Fires with Loss	22	27	5	11	5
Fires with Losses exceeding \$10K	14	14	2	7	4
Fire Losses \$	\$ 683,935	\$ 834,600	\$ 335,000	\$ 2,238,770	\$ 155,500
Fire Safety Inspections	1,196	1,435	1,300	1,153	1,999
Number of times Mutual Aid given for Fire and EMS	226	237	277	296	176
Number of times Mutual Aid received for Fire and EMS	107	77	75	98	107
Ambulance Billing Collections (net)	\$ 664,575	\$ 596,735	\$ 589,248	\$ 620,285	\$ 620,881
Leisure Time Activities					
<i>Recreation</i>					
Recreation Swimming pool receipts	\$ 128,913	\$ 1,695	\$ 175,791	\$ 180,945	\$ 182,691
Recreation Mens & Womens Leagues receipts	-	-	-	-	-
Recreation Children's Leagues receipts	16,905	14,078	18,454	20,659	18,804
Facilities rentals	116,297	85,538	136,157	137,264	141,931
Total Recreation Department receipts	<u>\$ 262,115</u>	<u>\$ 101,311</u>	<u>\$ 330,402</u>	<u>\$ 338,868</u>	<u>\$ 343,426</u>

	2016	2015	2014	2013	2012
	40,613	41,303	36,081	30,810	30,367
	9,503	9,975	8,987	10,232	9,879
	4,018	3,469	2,795	2,366	1,597
	1,260	912	1,968	1,015	1,070
	544	613	616	779	701
	105	105	97	142	94
	834	754	757	797	932
	627	653	842	730	787
	513	536	43	635	601
	-	1	-	-	-
	58	20	28	36	75
	64	37	152	186	529
	4,054	3,973	4,255	3,928	3,896
	2,538	2,481	2,471	2,462	2,317
	95	80	63	51	65
	1,421	1,412	1,721	1,415	1,514
	13	9	18	9	15
	8	8	6	5	8
\$	548,500	\$ 746,000	\$ 1,367,081	\$ 343,000	\$ 1,448,600
	2,083	2,175	2,585	2,557	2,359
	162	94	82	73	82
	164	98	93	49	63
\$	580,280	\$ 625,847	\$ 669,688	\$ 577,190	\$ 576,153
\$	204,868	\$ 199,023	\$ 165,588	\$ 190,497	\$ 211,874
	-	-	-	-	175
	28,166	18,557	20,787	49,804	23,337
	138,549	169,271	153,560	106,543	131,852
\$	371,583	\$ 386,851	\$ 339,935	\$ 346,844	\$ 367,238

City of Shaker Heights
Cuyahoga County, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2021	2020	2019	2018	2017
General Government					
Square Footage of City Hall	40,000	40,000	40,000	40,000	40,000
Administrative Vehicles	1	1	1	1	1
Inspection Vehicles	9	9	9	12	12
Police					
Stations	1	1	1	1	1
Square Footage of Building	29,425	29,425	29,425	29,425	29,425
Vehicles	39	39	40	40	40
Fire					
Stations	2	2	2	2	2
Square Footage of Building #1	21,000	21,000	21,000	21,000	21,000
Square Footage of Building #2	15,000	15,000	15,000	15,000	15,000
Vehicles	14	14	14	16	16
Recreation					
Number of Parks	4	4	4	4	4
Number of Pools	1	1	1	1	1
Number of Ice Rinks	1	1	1	1	1
Number of Tennis Courts	10	10	10	10	10
Number of Skateboarding Areas	1	1	1	1	1
Number of Baseball Diamonds	5	5	5	5	5
Number of Playgrounds	5	5	5	5	5
Number of Soccer Fields	3	3	3	3	3
Vehicles	5	6	6	6	6

2016	2015	2014	2013	2012
40,000	40,000	40,000	40,000	40,000
1	1	1	1	1
12	12	12	12	12
1	1	1	1	1
29,425	29,425	29,425	29,425	29,425
40	40	40	40	40
2	2	2	2	2
21,000	21,000	21,000	21,000	21,000
15,000	15,000	15,000	15,000	15,000
16	16	16	16	16
4	4	4	4	4
1	1	1	1	1
1	1	1	1	1
10	10	10	10	10
1	1	1	1	1
5	5	5	5	5
5	5	5	5	5
3	3	3	3	3
6	6	6	6	6

OHIO AUDITOR OF STATE KEITH FABER



CITY OF SHAKER HEIGHTS

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/30/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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