

# Cleveland Heights, Ohio

## Annual Comprehensive Financial Report



For the Year Ended December 31, 2020



OHIO AUDITOR OF STATE  
KEITH FABER



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Members of City Council  
City of Cleveland Heights  
40 Severance Circle  
Cleveland Heights, Ohio 44118

We have reviewed the *Independent Auditor's Report* of the City of Cleveland Heights, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2020 through December 31, 2020. 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 Cleveland Heights is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

December 15, 2021

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# Introductory Section

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**CITY OF CLEVELAND HEIGHTS, OHIO**

**ANNUAL COMPREHENSIVE**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

ISSUED BY THE DEPARTMENT OF FINANCE

Amy Himmelein, Director

**City of Cleveland Heights, Ohio**  
*Annual Comprehensive Financial Report*  
*For the Year Ended December 31, 2020*  
*Table of Contents*

	<i>Page</i>
<b>I. Introductory Section</b>	
Title Page .....	i
Table of Contents .....	ii
Letter of Transmittal .....	vi
List of Principal Officials.....	xiii
Organizational Chart - City.....	xiv
Organizational Chart - Department of Finance.....	xv
GFOA Certificate of Achievement .....	xvi
<b>II. Financial Section</b>	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position .....	15
Statement of Activities.....	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: General Fund.....	22
Statement of Fund Net Position - Proprietary Fund.....	23
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Fund.....	24
Statement of Cash Flows - Proprietary Fund.....	25
Statement of Fiduciary Net Position – Custodial Funds .....	27
Statement of Changes in Fiduciary Net Position – Custodial Funds .....	28
Notes to the Basic Financial Statements .....	29

Required Supplementary Information:

Schedule of the City’s Proportionate Share of the Net Pension Liability – Ohio Public Employees Retirement System – Traditional Plan – Last Seven Years.....	82
Schedule of the City’s Proportionate Share of the Net Pension Asset – Ohio Public Employees Retirement System – Combined Plan – Last Three Years .....	84
Schedule of the City’s Proportionate Share of the Net OPEB Liability – Ohio Public Employees Retirement System – OPEB Plan – Last Four Years .....	85
Schedule of the City’s Proportionate Share of the Net Pension Liability – Ohio Police and Fire Pension Fund – Last Seven Years.....	86
Schedule of the City’s Proportionate Share of the Net OPEB Liability – Ohio Police and Fire Pension Fund – Last Four Years.....	88
Schedule of City Contributions – Ohio Public Employees Retirement System – Last Eight Years .....	90
Schedule of City Contributions – Ohio Police and Fire Pension Fund – Last Ten Years .....	92
Notes to the Required Supplementary Information .....	94

Combining Statements and Individual Fund Statements and Schedules:

Combining Statements - Nonmajor Governmental Funds:

Fund Descriptions .....	98
Combining Balance Sheet - Nonmajor Governmental Funds.....	101
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	102
Combining Balance Sheet - Nonmajor Special Revenue Funds .....	103
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	108
Combining Balance Sheet - Nonmajor Capital Projects Funds .....	114
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds .....	116

Combining Statements - Fiduciary Funds:

Fund Descriptions .....	118
Combining Statement of Fiduciary Net Position - Custodial Funds.....	119
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds.....	120



Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balances/Fund Equity - Budget (Non-GAAP Basis) and Actual:

Major Funds:

General Fund .....	122
Sewer Fund.....	128

Nonmajor Funds:

Street Construction, Maintenance and Repair Fund.....	129
Foundation Grants Fund.....	130
Law Enforcement Trust Fund.....	131
Drug Law Enforcement Fund.....	132
Community Development Block Grant Fund.....	133
Community Development Block Grant Covid Relief Fund .....	135
Home Program Fund .....	136
Federal Emergency Management Agency (FEMA) Grant Fund.....	137
Cain Park Operating Fund.....	138
Public Right of Way Fund.....	139
Indigent Driver's Alcohol Treatment Fund.....	140
Municipal Court Clerk Computerization Fund.....	141
DUI Enforcement and Education Fund .....	142
Municipal Court Special Projects Fund.....	143
Lead Safe Cuyahoga Fund .....	144
Street Lighting Fund.....	145
Tree Fund .....	146
Police Pension Fund .....	147
Fire Pension Fund.....	148
Coronavirus Relief Fund .....	149
Parking Fund .....	150
Ambulance Services Fund.....	151
Office on Aging Donations Fund .....	152
Youth Recreation Donation Fund.....	153
Youth Advisory Commission Fund.....	154
Juvenile Diversion Program Fund.....	155
Fire Damage Deposits Fund.....	156
Earned Benefits Fund .....	157
General Bond Retirement Fund.....	158
Police Facility Improvement Fund .....	159
Recreation Facility Improvement Fund.....	160
Capital Improvements Fund .....	161
Energy Improvements Fund .....	162
Economic Development Fund .....	163
City Hall Maintenance Fund .....	164

**III. Statistical Section**

Contents .....	S1
Net Position by Component - Last Ten Years .....	S2
Changes in Net Position - Last Ten Years .....	S4
Fund Balances, Governmental Funds - Last Ten Years.....	S8
Changes in Fund Balances, Governmental Funds - Last Ten Years.....	S10

Property Tax Rates – Direct and Overlapping Governments - Last Ten Collection Years .....	S12
Assessed Valuation and Estimated True Values of Taxable Property - Last Ten Years .....	S14
Property Tax Levies and Collections – Last Ten Years.....	S16
Principal Taxpayers – 2020 and 2011.....	S17
Income Tax Revenue Base and Collections - Last Ten Years .....	S18
Ratio of General Obligation Bonded Debt to Estimated Actual Value and Bonded Debt Per Capita - Last Ten Years.....	S19
Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita - Last Ten Years .....	S20
Legal Debt Margin - Last Ten Years .....	S22
Computation of Direct and Overlapping Governmental Activities Debt.....	S24
Principal Employers - 2020 and 2011.....	S25
Demographic and Economic Statistics - Last Ten Years.....	S26
Full-Time Equivalent City Government Employees by Function/Program - Last Ten Years.....	S28
Operating Indicators by Function/Program - Last Ten Years .....	S30
Capital Asset Statistics by Function/Program - Last Ten Years .....	S34



November 29, 2021

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

The purpose of this letter is to acquaint you with the City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending December 31, 2020. The City, and more specifically the Department of Finance, assumes responsibility for the accuracy, completeness, fairness of presentation, and all disclosures contained within this report and believe the data included is accurate in all material respects. Further, it is our intention to present it in a manner that fairly sets forth the financial position of the City and results of operations as measured by its various activities.

Management's discussion and analysis may be referenced to gain a better understanding of the City's financial activities. The management discussion and analysis serve to introduce the City's basic financial statements and gives the reader, management's analysis and explanation of the City's financial position for 2020. This discussion follows the Independent Auditor's Report.

#### CITY ORGANIZATION

The City of Cleveland Heights, located in northeastern Ohio immediately east of Cleveland, is a residential community, which covers 8.11 square miles. The City's population according to the 2020 Federal Census is 45,312. The City, incorporated under Ohio law in February 1921, operates under its own charter, which was adopted in August 1921. The Charter provides that the City operate under the council/manager form of government. The City Manager, appointed by the seven members of City Council, is the chief Administrative Officer of the City.

The City Manager, under authority granted by the City Charter, has the power to appoint and to remove all administrative officers and employees. Her appointment of the Directors of Law, Finance and Planning requires the approval of a majority of the members of Council.

The City has ten major operating departments, including the following;

- Public Works Department that oversees various divisions including refuse, street maintenance and utilities;
- Public Safety that includes police, fire, building and housing;
- Community Services Department
- Parks and Recreation Department that oversees Cain Park;
- Planning and Development Department
- Finance Department that includes general accounting and treasury management as well as preparation of the Annual Comprehensive Financial Report.

On November 5, 2019, voters approved an amendment to the City's charter to revise the structure of its government into a mayor-council form of government. Under the amended charter, in November 2021 voters will directly elect a mayor as the City's chief executive. The mayor will take office on January 1,

2022, and appoint a City Administrator, with council approval, to run day-to-day operations. Until then, the City will continue under the council-manager form. After the mayor is elected, that office will have executive responsibilities for leading and managing the government, and Council will maintain its current legislative, policy-making, and fiscal responsibilities.

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

### ECONOMIC CONDITIONS

The City continues to benefit from its proximity to the major cultural, educational and medical facilities in northeastern Ohio. These facilities include the University Circle area comprised of Case Western Reserve University and its associated University Hospitals, Severance Hall for the Performing Arts which also serves as resident base to the internationally-acclaimed Cleveland Symphony Orchestra, and the Cleveland Clinic, a world-renowned medical research and treatment facility. In addition, the City is strategically located to facilitate efficient and quick access to the downtown Cleveland business district, sports facilities for the Cleveland Indians major league baseball team, the Cleveland Cavaliers professional basketball team, the Cleveland Browns professional football team, the Great Lakes Science Center, and the National Rock and Roll Hall of Fame.

While the City of Cleveland Heights has felt the effects of the same economic downturn that stalled the economy of the State of Ohio and the nation as a whole, the City is optimistic that more recent positive trends will continue in the areas of residential and commercial development. The City's housing market has stabilized and has seen property value increases in recent years. The City also has a variety of commercial districts primarily anchored by locally-owned small businesses, insulating the City from the impacts of the downsizing occurring in the national big box retail market. The City budgeted 2020 using the same conservative approach of the past few years. Revenues are being scrutinized for opportunities to create new revenue sources or to maximize the revenue from existing sources. Expenditures are being closely monitored at the department level as well as the City Manager level. City Council reviews the budget and financial status of the City on a regular basis.

### MAJOR INITIATIVES

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

Cain Park, the municipally-owned outdoor theatrical complex, is home to both the Alma Theater and the Dina Rees Evans Amphitheater. Concert, dance and theatrical performances are normally produced at Cain Park in addition to the Cain Park Arts Festival which is recognized as one of the best such events in the United States. Due to the COVID-19 pandemic during 2020 Cain Park did not host any events. Events have resumed in 2021 on a more limited basis and have been well attended.

During the 2020 operating budget process, the City also budgeted for capital improvements. The following projects were included in the 2020 capital improvement program:

- Transfer station improvements
- New Public Works fleet vehicles
- New Police vehicles

- New body worn cameras
- Upgrades to Police shooting range
- New Fire engine/pumper
- Service Garage floor repair and parking lot
- A water main replacement on Selwyn Road and Shannon Road
- Sewer replacement on Delamere Drive
- Infrastructure improvements at playgrounds and parks
- Completion of the \$2.8 million Mayfield Signalization program

Due to the COVID-19 pandemic many of these projects were deferred to future years.

The City is committed to advancing the 2017 Master Plan's economic and community development goals. Several initiatives were completed in 2020 and the work will continue into 2021. An \$80 million mixed-use development project in the Cedar-Fairmount district, one of the City's major commercial districts, broke ground in 2020. The City's new community wide community investment area (CRA) program has incentivized private investment into the housing stock through renovation and new construction with tax abatement. The City is working with three community development corporation partners to rehab homes acquired through tax foreclosure and resell those homes to new owner-occupants. The City also welcomed several new businesses to the community in 2020.

#### CITY UTILITIES

In 2016, City Council approved an agreement with the City of Cleveland to transition from a master meter community to a direct service community. Pursuant to this agreement, the City of Cleveland is to distribute water to City residents while maintaining and owning the water mains. This agreement went into effect on January 1, 2017 and remains active.

The City collects sewage through its own sewage system; the Northeast Ohio Regional Sewer District handles the treatment of sewage. To maintain its local sewer infrastructure, the City charges sewer fees based on water consumption. A five-year rate schedule with planned increases was adopted in 2017 and customers are collected on a quarterly basis. The quarterly bills contain a message section which allows the utilities division to communicate with its customers about the billing, as well as other City activities. For convenience, customers can pay online with a credit card or ACH debit from their checking account. Customers can also pay in person at City Hall. During 2020 the City approved contracts to continue an extensive study of the City's sewer infrastructure and a financial analysis of the funding for improvements to be made as a result of the study.

The Cleveland Electric Illuminating Company and the Dominion East Ohio Gas Company, both independent, publicly-owned utilities provide City residents with electricity and natural gas. The City had placed issues of government aggregation of electricity supplies and natural gas supplies on the ballots in 2000 and 2001, respectively. Both issues were approved by the voters. The City proceeded with the aggregation plans and has now offered its residents City-wide aggregation plans with special rates for the supply of electricity and natural gas. In 2018 the City joined NOPEC, a non-profit organization of over 220 local governments in Northeast Ohio working cooperatively together, to provide electric and gas aggregation savings for individuals and small businesses.

#### COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) Program is administered by the Planning and Development Department. In 2020, the City was awarded \$1.6 million in CDBG dollars which were allocated to an array of projects including housing preservation, commercial district improvements, youth programs, senior services and fair housing. These funds also continued the Geographic Information Systems

(GIS) program which has been instrumental in programs across all City departments. The City was also awarded \$1.1 million in CDBG dollars related to COVID in 2020. These funds were allocated to aid households with food and housing needs and provide support to small businesses.

### CITY SERVICES

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

In addition to the services above, the City continues to offer superior recreational facilities for its residents. The City operates a total of seven municipal parks, which include one swimming pool and a variety of sports, playground and picnic facilities. Other features of the Community Center are a Senior Activity Center, a field house, ice rinks and fitness center. A new roof was installed on the North Rink in 2017. The field house has two high school-size side-by-side courts with wooden floors, bleachers, scoreboards, glass backboards and the flexibility to accommodate basketball and volleyball as well as other programs. It also includes a four-lane elevated track with a rubberized surface and length of 180 yards. The fitness center features Nautilus exercise machines, aerobic, elliptical and step machines along with a variety of bikes. There is also a cardio theater system and an aerobics room. The Community Center also contains child care facilities and meeting and general recreation rooms.

The curbside recycling program continued to be successful due to the cooperation and commitment of the residents. Included in the recycling collection are newspapers, magazines and catalogs, mixed paper (including cereal and dry good boxes), corrugated cardboard, metal, glass and #1 and #2 plastic containers, special styrofoam and electronics. In addition, the City diverted most of its yard waste from the landfill to composting facilities. Cleveland Heights promotes the use of products made from recycled material whenever possible. In November 2020, City Council approved moving to an automated refuse collection method. It is anticipated this will be implemented by the end of 2021.

In keeping with its primarily residential character, the City operates an Urban Forestry Division which is funded mainly through an annual special assessment on all properties. This division handles all aspects of tree care to the City's trees including, pruning, removing, stump grinding, and planting. Work is prioritized and recorded through an online tree inventory database. The City received its 43rd Tree City USA Award, sponsored by the National Arbor Day Foundation in cooperation with the U.S. Forest Service, the U.S. Conference of Mayors, the National Association of State Foresters and the National League of Cities.

The annual street resurfacing program involves the milling of asphalt streets to a depth of two inches, making structural repairs as needed and repaving with new hot mix asphalt. The City also performs a surface treatment of streets which is most commonly referred to as "chip sealing." The process involves the application of hot coal tar to the road surface as a binder along with compacting finely crushed stone into the binder with large pavement rollers. When the tar fully cures, the surface is sprayed with a bituminous polymer fog seal to keep the stone in place and provide a uniform appearance. The primary funding source for the City's street resurfacing and surface treating programs comes from motor vehicle licensing fees and gasoline excise taxes collected by the State and remitted to the City on a monthly basis.

### COVID-19 PANDEMIC

The spread of the strain of coronavirus commonly known as COVID-19 began altering the behavior of businesses and people early in 2020 in a manner that had, and continues to have, negative effects on global, state and local economies and, in turn, on state and local governments and their revenues and expenses.

In response to the COVID-19 pandemic, the City actively monitored its revenue collections, and implemented certain mitigation and expense reduction measures, including but not necessarily limited to, (i) suspension of hiring, except for specific critical and pre-designated positions, (ii) deferring non-essential discretionary spending, (iii) limiting approvals of contracts and task orders to those that are essential to key capital projects and critical tasks, and (iv) laying off all part-time and seasonal employees. Examples of actions taken by the City were closing the community center and Cain park, and providing free parking.

The federal government also provided aid to local governments to help combat the negative effects of the pandemic via the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The City was awarded approximately \$4.2 million in 2020 CARES Act funding through the State. These funds were used to cover eligible expenses to prevent the spread of COVID-19, provide funding to the City's safety forces, reimburse small business owners for pandemic related expenses, and provide rental/mortgage relief to qualifying citizens.

As a result of the above mitigation efforts, CARES Act funding, and large workers compensation rebates from the State, the City's general fund fared well during 2020 seeing an increase of approximately \$5.6 million on a budgetary basis.

## FINANCIAL CONDITION

The City of Cleveland Heights has prepared these financial statements in accordance with GASB Statement 34, "*Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments*". GASB 34 created new basic financial statements for reporting on the City's financial activities as follows:

### Government-Wide Financial Statements

These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses.

### Fund Financial Statements

These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Fiduciary funds use the accrual basis of accounting.

### Statement of Budgetary Comparisons

These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The City maintains its legal level of budgetary control at the department level for personal services, capital outlay, other than personal services, and non-governmental expenditures for each fund. Management control is exercised at the department level (Public Safety, Public Health, Culture and Recreation, Community Development, Sanitation, Transportation, and General Government). The City Manager or Finance Director is authorized to transfer amounts between objects of expenditure within and between departments so long as the total appropriation for each department does not exceed that of the Council approved appropriation. The City's fully automated financial system maintains this budgetary control through its purchase order/encumbrance feature. The purchase order, required before making any purchase, creates the encumbrance against the current budget. No purchase order will be generated unless there is sufficient unobligated budget to accept the encumbrance without a budget overrun.

## INTERNAL ACCOUNTING AND REPORTING CONTROL

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

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

## INDEPENDENT AUDIT

The financial records, books of accounts, and transactions of the City of Cleveland Heights, Ohio, for the year ended December 31, 2020, have been audited by James G. Zupka, CPA, Inc. The auditor's unmodified opinion has been included in this report.

In addition, the City is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards* (Uniform Guidance). Based upon prior experience, management believes that no material weakness in internal controls exist or questioned costs, if any, will have an adverse material effect on the financial condition of the City.

## CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cleveland Heights, Ohio, for its annual financial report for the fiscal year ended December 31, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

A Certificate of Achievement is valid for a period of only one year. The City of Cleveland Heights, Ohio, has received a Certificate of Achievement for the last thirty-six (36) consecutive years (fiscal years ended December 31, 1984 through December 31, 2019). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.



## ACKNOWLEDGMENTS

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

## POSTSCRIPT

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

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

To maintain our housing stock at optimum value.

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

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

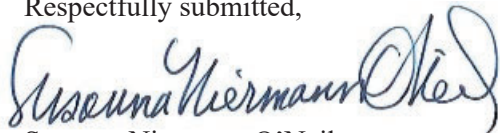
To actively engage in an on-going dialogue with neighborhood groups and residents so that changing needs of our community shape our services.

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

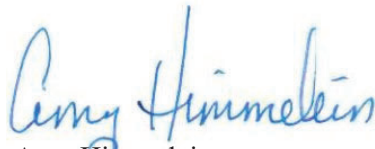
To assure a high return to our residents on every tax dollar.”

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

Respectfully submitted,



Susanna Niermann O'Neil  
City Manager



Amy Himmelein  
Director of Finance



# CITY OF CLEVELAND HEIGHTS, OHIO

## PRINCIPAL OFFICIALS

December 31, 2020

## ELECTED OFFICIALS

President of Council .....	Jason Stein
Vice President of Council .....	Kahill Seren
Council Member .....	Craig Cobb(1)
Council Member .....	Melody Joy Hart
Council Member .....	Davida Russell
Council Member .....	Michael Unger
Municipal Judge .....	James Costello

## APPOINTED OFFICIALS

City Manager/Director of Public Safety .....	Susanna Niermann O’Neil
Director of Finance .....	Amy Himmelein
Director of Law .....	William Hanna
Director of Planning .....	Eric Zamft
Director of Public Works .....	Collette Clincksale
Chief of Fire .....	Dave Freeman
Chief of Police .....	Annette Mecklenburg
Director of Economic Development .....	Tim Boland
Director of Human Resources .....	Anna Smith
Director of Parks and Recreation .....	Joseph McRae
Director of Housing .....	Allan Butler
Director of Management Information Services .....	Jim Lambdin(2)

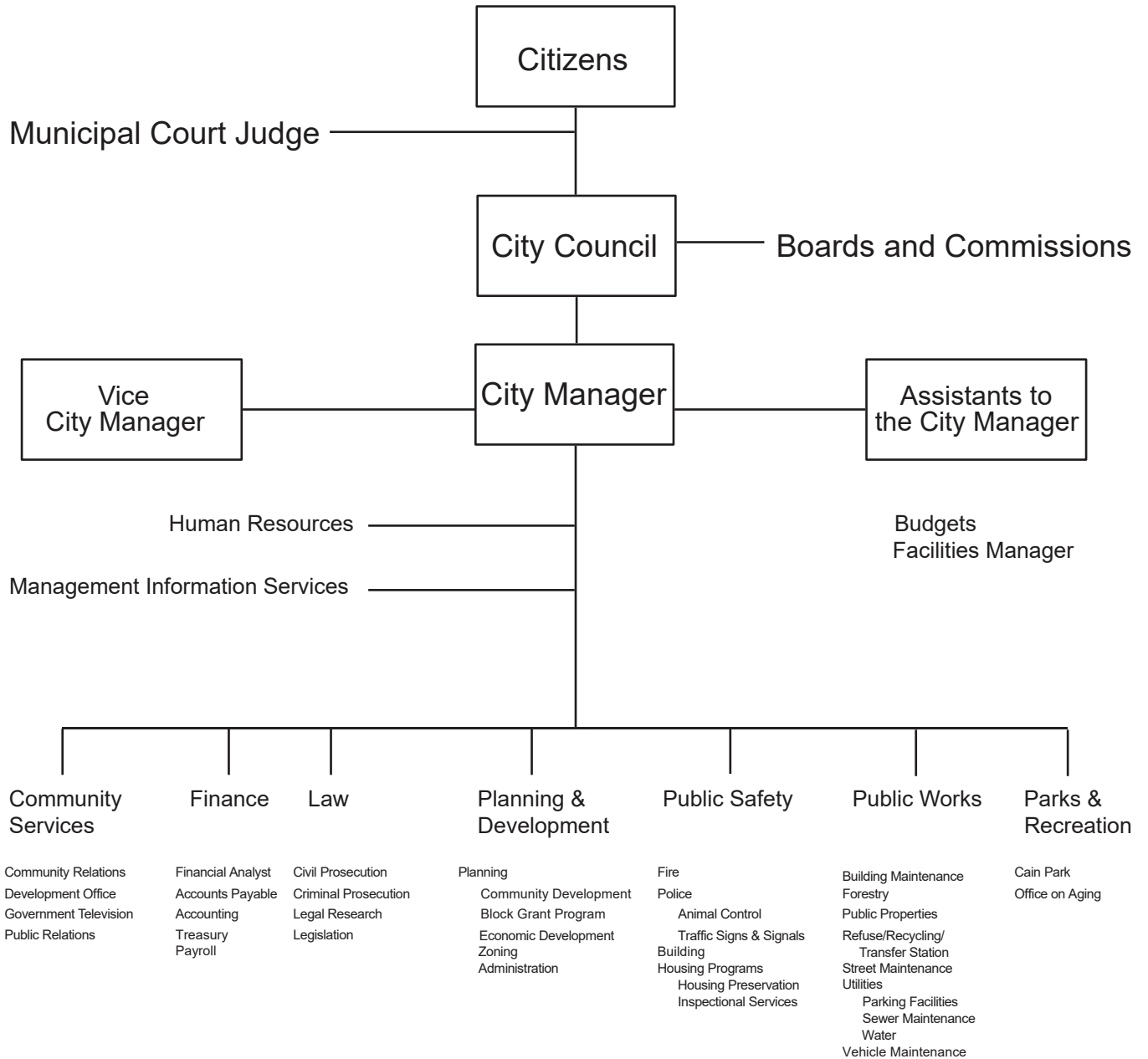
(1) Appointed to vacant position in March 2021

(2) Replaced by Ryan Proesser in July 2021



# CITY OF CLEVELAND HEIGHTS, OHIO

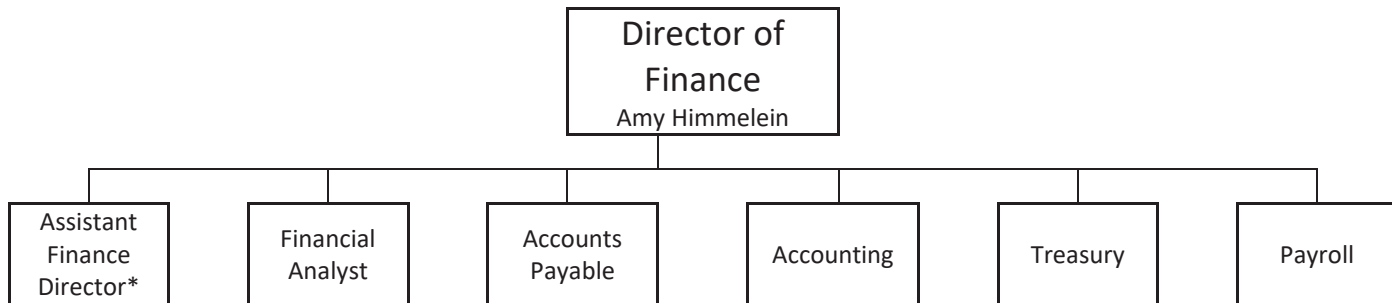
City Organization as of December 31, 2020





# CITY OF CLEVELAND HEIGHTS, OHIO

## Department of Finance Organizational Chart as of December 31, 2020



*\*The Assistant Finance Director position was eliminated in April 2021.*



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Cleveland Heights  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morrill*

Executive Director/CEO

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

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

The Honorable Keith Faber  
Auditor of State  
State of Ohio

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

As discussed in Note 3 to the basic financial statements, the City restated its governmental activities' net position at December 31, 2019 for economic development properties. In addition, as discussed in Note 25 to the basic financial statements, during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding these matters.

### ***Other Matters***

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

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

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



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

November 29, 2021



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**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

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The discussion and analysis of the City of Cleveland Heights's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2020. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key financial highlights for 2020 are as follows:

- Overall, the City's total revenues of \$78,730,136 exceeded total expenses of \$70,099,543, thereby increasing total net position by \$8,630,593 for the year 2020. The total net position is \$62,378,923 compared to \$53,748,330 for the previous year.
- During 2020, the City's governmental fund's balance increased \$9,814,078 from 2019. This is largely due to an increase in intergovernmental revenues, charges for services and licenses, permits and fees revenue.
- In 2020, the City refunded five prior year bond issuances to reduce the annual debt payments.
- The City is committed to providing the Citizens of Cleveland Heights with the highest quality of services while maintaining efficiency and cost effectiveness. The City actively pursues grants to offset costs of providing services and to offer new programs.

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

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

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

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

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

---

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

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

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

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

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

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

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

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

**Proprietary Funds** The City of Cleveland Heights maintains one type of the proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses one enterprise fund to account for its sewer operations which is considered a major fund.

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

---

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

***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 of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's fiduciary funds are custodial funds.

***Notes to the Basic Financial Statements*** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 29 of this report.

***Other Information*** In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the required supplementary information and the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all funds.

## **Government-Wide Financial Analysis**

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020?" 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 used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position
- Program Expenses and Revenues
- General Revenues
- Transfers
- Net Position Beginning and End of Year

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

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

Recall that the Statement of Net Position looks at the City as a whole. The following table 1 provides a summary of the City's net position for 2020 compared to 2019.

<b>NET POSITION</b>						
TABLE 1						
	Governmental Activities		Business-Type Activity		Total	
	2020*	2019	2020*	2019	2020*	2019
<b>Assets</b>						
Current and Other Assets	\$85,051,594	\$72,564,142	\$7,986,311	\$5,604,961	\$93,037,905	\$78,169,103
Net Pension Asset	74,518	44,225	4,757	3,329	79,275	47,554
Capital Assets, Net	79,851,653	81,680,236	7,280,652	7,405,173	87,132,305	89,085,409
<i>Total Assets</i>	<u>164,977,765</u>	<u>154,288,603</u>	<u>15,271,720</u>	<u>13,013,463</u>	<u>180,249,485</u>	<u>167,302,066</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charge on Refunding	1,333,815	406,714	0	0	1,333,815	406,714
Pension	10,820,432	21,761,295	344,445	962,116	11,164,877	22,723,411
OPEB	6,294,513	5,104,217	237,865	306,094	6,532,378	5,410,311
<i>Total Deferred Outflows of Resources</i>	<u>18,448,760</u>	<u>27,272,226</u>	<u>582,310</u>	<u>1,268,210</u>	<u>19,031,070</u>	<u>28,540,436</u>
<b>Liabilities</b>						
Current and Other Liabilities	4,399,455	4,138,626	395,129	177,739	4,794,584	4,316,365
Long-Term Liabilities:						
Due within One Year	4,394,468	4,617,902	343,831	313,517	4,738,299	4,931,419
Due in More than One Year						
Net Pension Liability	53,673,267	69,285,993	1,124,709	2,011,711	54,797,976	71,297,704
Net OPEB Liability	17,076,240	16,996,220	752,545	921,909	17,828,785	17,918,129
Other Amounts	24,525,761	22,125,111	699,119	1,062,008	25,224,880	23,187,119
<i>Total Liabilities</i>	<u>104,069,191</u>	<u>117,163,852</u>	<u>3,315,333</u>	<u>4,486,884</u>	<u>107,384,524</u>	<u>121,650,736</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	8,647,513	8,180,093	0	0	8,647,513	8,180,093
Pension	12,868,897	6,733,439	459,306	159,036	13,328,203	6,892,475
OPEB	7,304,257	5,282,925	237,135	87,943	7,541,392	5,370,868
<i>Total Deferred Inflows of Resources</i>	<u>28,820,667</u>	<u>20,196,457</u>	<u>696,441</u>	<u>246,979</u>	<u>29,517,108</u>	<u>20,443,436</u>
Net Investment in Capital Assets	60,220,712	62,050,520	6,367,876	6,311,315	66,588,588	68,361,835
Restricted for:						
Capital Projects	660,933	498,710	0	0	660,933	498,710
Debt Service	2,192,918	1,618,952	0	0	2,192,918	1,618,952
Other Purposes	19,195,194	15,432,470	0	0	19,195,194	15,432,470
Unrestricted (Deficit)	(31,733,090)	(35,400,132)	5,474,380	3,236,495	(26,258,710)	(32,163,637)
<i>Total Net Position</i>	<u>\$50,536,667</u>	<u>\$44,200,520</u>	<u>\$11,842,256</u>	<u>\$9,547,810</u>	<u>\$62,378,923</u>	<u>\$53,748,330</u>

\*Restated due to the implementation of GASB 83 and to record Economic Development Properties. See Note 3 for further explanation.

The net pension liability (NPL) and net OPEB liability (NOL) are the largest liabilities reported by the City at December 31, 2020. 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

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

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.

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.

Net position may serve as a useful indicator of a government's financial position over time. In the case of the City of Cleveland Heights, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$50,536,667 at year-end for governmental activities. By far the largest portion of the City's net position is its investment in capital assets net of related debt. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Cleveland Heights's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The increase in governmental net position was due to decreased deferred outflows and increases in deferred inflows related to net pension liability and net OPEB liability. Total assets increased mainly due to an increase in equity in pooled cash and cash equivalents.

Table 2 shows the changes in net position for the years ended December 31, 2020, as compared to 2019.

**CHANGES IN NET POSITION**  
TABLE 2

	Governmental Activities		Business-Type Activity		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$12,972,937	\$13,102,517	\$6,098,216	\$5,126,352	\$19,071,153	\$18,228,869
Operating Grants, Interest and Contributions	9,605,946	4,767,431	0	0	9,605,946	4,767,431
Capital Grants and Contributions	2,269,849	76,250	0	0	2,269,849	76,250
<b>Total Program Revenues</b>	<b>\$24,848,732</b>	<b>\$17,946,198</b>	<b>\$6,098,216</b>	<b>\$5,126,352</b>	<b>\$30,946,948</b>	<b>\$23,072,550</b>

*(continued)*

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

**CHANGES IN NET POSITION**

TABLE 2

	Governmental Activities		Business-Type Activity		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues (Continued)</b>						
General Revenues:						
Property Taxes	\$9,553,391	\$8,759,596	\$0	\$0	\$9,553,391	\$8,759,596
Municipal Income Taxes	29,612,738	25,858,382	0	0	29,612,738	25,858,382
Admissions Taxes	7,875	49,873	0	0	7,875	49,873
Grants and Entitlements	6,775,791	3,185,196	0	0	6,775,791	3,185,196
Franchise Taxes	502,937	519,245	0	0	502,937	519,245
Gain on Sale of Capital Assets	27,789	0	0	0	27,789	0
Investment Income	240,858	556,379	0	0	240,858	556,379
Miscellaneous	1,039,095	717,849	22,714	165,189	1,061,809	883,038
<b>Total General Revenues</b>	<b>47,760,474</b>	<b>39,646,520</b>	<b>22,714</b>	<b>165,189</b>	<b>47,783,188</b>	<b>39,811,709</b>
<i>Total Revenues</i>	<i>72,609,206</i>	<i>57,592,718</i>	<i>6,120,930</i>	<i>5,291,541</i>	<i>78,730,136</i>	<i>62,884,259</i>
<b>Program Expenses</b>						
General Government	17,507,101	16,751,225	0	0	17,507,101	16,751,225
Public Safety	25,714,162	1,674,058	0	0	25,714,162	1,674,058
Public Health Services	487,876	1,018,905	0	0	487,876	1,018,905
Transportation	7,850,483	8,264,796	0	0	7,850,483	8,264,796
Community Development	9,579,628	6,327,473	0	0	9,579,628	6,327,473
Sanitation	2,528,836	2,473,844	0	0	2,528,836	2,473,844
Culture and Recreation	2,115,133	4,963,586	0	0	2,115,133	4,963,586
Interest and Fiscal Charges	409,601	550,743	0	0	409,601	550,743
Sewer	0	0	3,906,723	4,940,749	3,906,723	4,940,749
<b>Total Program Expenses</b>	<b>66,192,820</b>	<b>42,024,630</b>	<b>3,906,723</b>	<b>4,940,749</b>	<b>70,099,543</b>	<b>46,965,379</b>
<i>Increase (Decrease) in Net Position</i>						
<i>Before Transfers</i>	<i>6,416,386</i>	<i>15,568,088</i>	<i>2,214,207</i>	<i>350,792</i>	<i>8,630,593</i>	<i>15,918,880</i>
Transfers	(80,239)	(94,219)	80,239	94,219	0	0
<b>Change in Net Position</b>	<b>6,336,147</b>	<b>15,473,869</b>	<b>2,294,446</b>	<b>445,011</b>	<b>8,630,593</b>	<b>15,918,880</b>
<i>Net Position Beginning of Year - Restated</i>						
	<u>44,200,520</u>	<u>28,726,651</u>	<u>9,547,810</u>	<u>9,102,799</u>	<u>53,748,330</u>	<u>37,829,450</u>
<b>Net Position End of Year</b>	<b>\$50,536,667</b>	<b>\$44,200,520</b>	<b>\$11,842,256</b>	<b>\$9,547,810</b>	<b>\$62,378,923</b>	<b>\$53,748,330</b>

**Governmental Activities**

Governmental activities increased the City's net position by \$6,336,147 during 2020, as compared to an increase of \$15,473,869 during 2019.

Several types of revenues fund the governmental activities, with the City income tax being the biggest contributor. The income tax rate was 2.25 percent for 2020. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 50 percent credit to a maximum of one-half of one percent of income earned outside the City.

The income tax revenue for 2020 was \$29,612,738, an increase of \$3,754,356 or 14.52 percent from 2019. Of the \$47,760,474 in total general revenues, income tax accounted for 62.00 percent, as compared to 65.22 percent of the total during 2019. Property taxes for 2020 were \$9,553,391, a \$793,795 increase from 2019.

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

---

Income tax revenue increased primarily due to an increase in income tax receivable related to a change in estimates by the Regional Income Tax Authority (RITA).

In 2020, general revenues from grants and entitlements, such as local government funds, are also revenue generators. Grants and entitlements increased due to an increase in the refunds and dividends from State Workers' Compensation program. The City monitors all sources of revenues very closely for fluctuations. Operating grants, interest and contributions increased due to the receipt of Coronavirus Aid, Relief, and Economic Security (CARES) Act monies.

Public safety expenses, which is by far the largest of the City's expenses in 2020, accounted for program expenses of \$25,714,162. This is an increase from 2019's public safety expenses of \$1,674,058. For 2019, OP&F recognized a change in benefit terms for their OPEB plan. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years. These changes contributed to OPEB expense decreasing from \$2,945,692 in 2018 to a negative (\$23,731,842) for 2019. In 2020, the OPEB expense was \$185,104. Public safety accounts for the City's safety forces, including police, fire and paramedic services.

The next largest program expense for 2020 is general government, which accounts for the basic operations of the City including council, city manager, finance, law, service administration, municipal court, among other services. General government expenses of \$17,507,101 increased by \$755,876, as compared to expenses of \$16,751,225 for 2019.

Transportation expenses were \$7,850,483 for 2020. Transportation expenses remained relatively unchanged from 2019 due to few new State and Federal road projects completed that required reimbursement.

Community development expenses of \$9,579,628 increased from \$6,327,473 in 2019 due to an increase in charges for services and grants received for community development projects.

As can be seen in table 2, all programs have a heavy reliance on general revenues, with 65.78 percent of total governmental revenues coming from general revenues.

While general government is a large program expense, only a small portion of the total program expense is offset by program revenues. The primary program revenue is from charges for landfill fees, court fines and forfeitures, building permits, tree and lighting assessments and facility rentals.

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

***Business-Type Activity and Enterprise Fund***

The business-type activity of the City, which includes the City's sewer operations, increased the City's net position by \$2,294,446 during 2020, as compared to an increase of net position of \$445,011 during 2019. The increase in net position in business-type activities is due to an increase in charges for services and a decrease in expenses.



**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

---

Program expenses decreased during 2020 due to fewer costs associated with maintenance and management cost improvements made as a result of a partial consent decree with the USEPA in connection with discharges from the City's overflow structures. The costs of these improvements are paid from sewer rates. Program revenues exceeded program expenses in the amount of \$2,191,493 (before general revenues and transfers) for the sewer operations in 2020. This is due to careful monitoring of the City's revenue and expenses during the year.

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

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

#### **Governmental Funds**

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

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

As of the end of the current year, the City of Cleveland Heights's governmental funds reported combined ending fund balances of \$47,170,200. This is an increase of \$9,814,078 over the prior year with revenues outpacing expenditures. This increase is mainly due to an increase in several revenue line items including intergovernmental revenue and charges for services. The City is monitoring their expenses to work on maintaining efficiency throughout the departments.

Nonspendable fund balance of \$1,377,913 includes inventory, prepaid items and unclaimed money. Fund balance in the amount of \$13,060,503 is restricted for capital projects, debt service payments, street maintenance, police and fire department operations, community development operations and aging and youth programs. Fund balance in the amount of \$2,038,980 is committed to public building maintenance, ambulance services and police facility improvements. Assigned fund balance includes \$7,798,339 for capital improvements, economic development, City Hall maintenance and 2021 operations. Unassigned fund balances of \$22,894,465 represents all balances not previously classified.

All governmental funds had total revenues of \$68,300,196 and expenditures of \$60,526,980. The increase in revenues was primarily attributable to an increase in intergovernmental and charges for services revenue received during the year. The increase in expenditures was primarily due to an increase in general government and community development.

#### **General Fund**

The general fund is the chief operating fund of the City. At the end of the current year, total fund balance for the general fund was \$30,714,080, of which \$1,315,769 was nonspendable because of inventory, prepaid items and unclaimed money, \$5,820,581 was assigned for 2021 operations and \$23,577,730 was unassigned for financial reporting purposes. During 2020, there was an increase in revenues due to an increase in charges for services and intergovernmental revenues. General fund expenditures saw an increase during

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

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2020 due to increases in general government costs. Total fund balance of the City's general fund increased by \$8,865,313 as revenues continue to exceed expenditures. The City's management monitors the budget on a monthly basis to keep it in line with current expenditures.

***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of 2020, the City amended its general fund budget on various occasions. The City does allow small interdepartmental budget changes that modify line items within the accounting system which are within their appropriation category (salaries and other expenses). The general fund supports many of the City's major activities such as police and fire departments as well as most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the general fund, original budgeted revenues (including other financing sources) were \$48,605,137 and final budgeted revenues (including other financing sources) were \$47,854,195, while actual revenues were at \$50,824,430. The increase of actual revenues over the final budget is largely related to higher than expected municipal income taxes received during the year. Original general fund budgeted expenditures (including other financing uses) were \$48,833,549, and the final amended budget (including other financing uses) was \$50,673,467. Actual general fund expenditures (including other financing uses) were \$45,266,936, or \$5,406,531 less than final budgeted expenditures (including other financing uses). The difference can be attributed to the City closely monitoring spending and reducing costs as much as possible.

**Capital Assets and Debt Administration**

***Capital Assets***

At December 31, 2020, governmental capital assets amounted to \$79,851,653. This is a decrease of \$1,828,583 from the prior year mainly due to another year of depreciation. The most significant additions to governmental capital assets came in streets and sidewalks, which included \$3,452,470 of additions during 2020. The City also made improvements specific to buildings and improvements and machinery and equipment. Total capital assets for business-type activities decreased from \$7,405,173 in 2019 to \$7,280,652 in 2020 mainly due to another year of depreciation.

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

***Long-Term Obligations***

The City's outstanding long-term obligations are comprised of general obligation bonds, special assessment bonds, SIB Loans, OPWC and OWDA loans, capital leases, asset retirement obligations and notes payable.

The general obligation bonds in the amount of \$15,720,000 are composed of (1) 2015 Cedar Lee Parking Deck Refunding Bonds; (2) 2020 Restructuring Refunding Bonds and (3) 2018 Vehicle Acquisition Bonds.

The special assessment bonds in the amount of \$1,760,000 consist of the 2014 Ring Road improvements Refunding Bonds. The principal and interest for these bonds are paid from the collection of special assessments by the County Fiscal Officer from the specific property owners who primarily benefited from the project.

**City of Cleveland Heights, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2020*  
*Unaudited*

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The State Infrastructure Bank (SIB) loan in the amount of \$116,554 is financed through the Ohio Department of Transportation for the purposes of capital improvement.

The Ohio Public Works Commission loans in the amount of \$2,022,241 and the Ohio Water Development Authority loans in the amount of \$214,702 are being paid semi-annually from the several projects: 2001 Taylor Road rehabilitation, 2005 Coventry Road rehabilitation, 2006 Lee Road rehabilitation, 2006 Meadowbrook Boulevard rehabilitation, 2010 Monticello Boulevard rehabilitation, 2012 Monticello Boulevard rehabilitation, 2019 Meadowbrook Boulevard reconstruction, 2010 Runnymede water line project, 2000 Cedar Road sewer, 2006 Meadowbrook Boulevard sewer, and 2007 sewer rehabilitation project. These programs are funded by property taxes and user fees for various infrastructure projects being financed through the Ohio Public Works and Ohio Water Development Authority programs.

The notes payable of \$1,105,000 are notes issued in the anticipation of the issuance of bonds to pay costs related to the improvement of streets and computer and motorized equipment.

The notes payable of \$1,850,000 are notes issued in the anticipation of the issuance of bonds to pay costs related to the Top of the Hill Project.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$74,490,633 at December 31, 2020.

Additional information concerning the City's debt can be found in Notes 19 and 20 to the basic financial statements.

### **Current Financial Related Activities**

The Administration and City Council developed a capital improvement plan for the aging sewer system. This plan includes an investment of approximately \$12 million to control the sewer overflow and improve the efficiency of the sewer. In order to offset these costs, the City set up a sewer rate increase plan which was implemented in 2017.

### **Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need additional information contact the Finance Department, City of Cleveland Heights, 40 Severance Circle, Cleveland Heights, Ohio 44118, telephone 216-291-3900.

**City of Cleveland Heights, Ohio**  
*Statement of Net Position*  
*December 31, 2020*

	Governmental Activities	Business-Type Activity	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$36,918,726	\$5,348,983	\$42,267,709
Cash and Cash Equivalents with Escrow Agents	550,043	0	550,043
Materials and Supplies Inventory	634,946	2,811	637,757
Accrued Interest Receivable	337,383	0	337,383
Accounts Receivable	3,774,326	2,538,425	6,312,751
Internal Balances	946,075	(946,075)	0
Intergovernmental Receivable	4,100,961	0	4,100,961
Prepaid Items	552,577	0	552,577
Municipal Income Taxes Receivable	13,212,119	0	13,212,119
Property Taxes Receivable	10,871,707	0	10,871,707
Loans Receivable	3,272,699	0	3,272,699
Special Assessments Receivable	6,339,775	1,042,167	7,381,942
Assets Held For Resale	958,757	0	958,757
Economic Development Properties	2,581,500	0	2,581,500
Net Pension Asset	74,518	4,757	79,275
Nondepreciable Capital Assets	7,208,201	0	7,208,201
Depreciable Capital Assets, Net	72,643,452	7,280,652	79,924,104
<i>Total Assets</i>	<u>164,977,765</u>	<u>15,271,720</u>	<u>180,249,485</u>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding Pension	1,333,815	0	1,333,815
OPEB	10,820,432	344,445	11,164,877
	6,294,513	237,865	6,532,378
<i>Total Deferred Outflows of Resources</i>	<u>18,448,760</u>	<u>582,310</u>	<u>19,031,070</u>
<b>Liabilities</b>			
Accounts Payable	942,599	6,612	949,211
Contracts Payable	206,398	100,819	307,217
Accrued Wages	303,752	10,016	313,768
Retainage Payable	27,750	0	27,750
Matured Compensated Absences Payable	46,304	0	46,304
Intergovernmental Payable	1,087,261	18,843	1,106,104
Unearned Revenue	448,132	0	448,132
Deposits Held Payable	859,967	0	859,967
Accrued Interest Payable	63,149	2,936	66,085
Notes Payable	414,143	255,903	670,046
Long-Term Liabilities:			
Due Within One Year	4,394,468	343,831	4,738,299
Due in More Than One Year:			
Net Pension Liability (See Note 13)	53,673,267	1,124,709	54,797,976
Net OPEB Liability (See Note 14)	17,076,240	752,545	17,828,785
Other Amounts Due In More Than One Year	24,525,761	699,119	25,224,880
<i>Total Liabilities</i>	<u>104,069,191</u>	<u>3,315,333</u>	<u>107,384,524</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	8,647,513	0	8,647,513
Pension	12,868,897	459,306	13,328,203
OPEB	7,304,257	237,135	7,541,392
<i>Total Deferred Inflows of Resources</i>	<u>28,820,667</u>	<u>696,441</u>	<u>29,517,108</u>
<b>Net Position</b>			
Net Investment in Capital Assets	60,220,712	6,367,876	66,588,588
Restricted for:			
Capital Projects	660,933	0	660,933
Debt Service	2,192,918	0	2,192,918
Road Improvements	2,549,516	0	2,549,516
Community Development	7,532,087	0	7,532,087
Municipal Court Special Projects	2,182,464	0	2,182,464
Street Lighting	2,890,026	0	2,890,026
Public Safety	781,590	0	781,590
Drug and Law Enforcement	405,352	0	405,352
Other Purposes	2,854,159	0	2,854,159
Unrestricted (Deficit)	(31,733,090)	5,474,380	(26,258,710)
<i>Total Net Position</i>	<u>\$50,536,667</u>	<u>\$11,842,256</u>	<u>\$62,378,923</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2020

	Expenses	Program Revenues		
		Charges for Services and Operating Assessments	Operating Grants, Interest and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$17,507,101	\$3,863,163	\$748,800	\$0
Public Safety	25,714,162	5,604,225	3,322,094	0
Public Health Services	487,876	68,392	46,013	0
Transportation	7,850,483	750,080	3,162,148	2,196,393
Community Development	9,579,628	1,948,828	2,288,242	0
Sanitation	2,528,836	475,691	2,089	0
Culture and Recreation	2,115,133	262,558	36,560	73,456
Interest and Fiscal Charges	409,601	0	0	0
<i>Total Governmental Activities</i>	66,192,820	12,972,937	9,605,946	2,269,849
<b>Business-Type Activity</b>				
Sewer	3,906,723	6,098,216	0	0
<i>Total</i>	<u>\$70,099,543</u>	<u>\$19,071,153</u>	<u>\$9,605,946</u>	<u>\$2,269,849</u>

**General Revenues**

Property Taxes Levied for:

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

Municipal Income Taxes Levied for:

- General Purposes
- Admissions Taxes
- Grants and Entitlements not Restricted to Specific Programs
- Franchise Taxes
- Gain on Sale of Capital Assets
- Investment Earnings
- Miscellaneous

*Total General Revenues Before Transfers*

Transfers

*Total General Revenues and Transfers*

*Change in Net Position*

*Net Position Beginning of Year - Restated (See Note 3)*

*Net Position End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and  
Changes in Net Position

Governmental Activities	Business-Type Activity	Total
(\$12,895,138)	\$0	(\$12,895,138)
(16,787,843)	0	(16,787,843)
(373,471)	0	(373,471)
(1,741,862)	0	(1,741,862)
(5,342,558)	0	(5,342,558)
(2,051,056)	0	(2,051,056)
(1,742,559)	0	(1,742,559)
(409,601)	0	(409,601)
(41,344,088)	0	(41,344,088)
0	2,191,493	2,191,493
(41,344,088)	2,191,493	(39,152,595)
7,450,491	0	7,450,491
250,179	0	250,179
250,179	0	250,179
1,092,625	0	1,092,625
509,917	0	509,917
29,612,738	0	29,612,738
7,875	0	7,875
6,775,791	0	6,775,791
502,937	0	502,937
27,789	0	27,789
240,858	0	240,858
1,039,095	22,714	1,061,809
47,760,474	22,714	47,783,188
(80,239)	80,239	0
47,680,235	102,953	47,783,188
6,336,147	2,294,446	8,630,593
44,200,520	9,547,810	53,748,330
\$50,536,667	\$11,842,256	\$62,378,923

**City of Cleveland Heights, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2020*

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$22,193,289	\$13,484,700	\$35,677,989
Restricted Asset:			
Equity in Pooled Cash and Cash Equivalents	1,050,893	189,844	1,240,737
Equity in Pooled Cash and Cash Equivalents with Escrow Agents	0	550,043	550,043
Materials and Supplies Inventory	572,802	62,144	634,946
Accrued Interest Receivable	0	337,383	337,383
Accounts Receivable	1,424,641	2,349,685	3,774,326
Interfund Receivable	2,615,204	0	2,615,204
Intergovernmental Receivable	1,409,172	2,691,789	4,100,961
Prepaid Items	552,577	0	552,577
Municipal Income Taxes Receivable	13,212,119	0	13,212,119
Property Taxes Receivable	8,441,426	2,430,281	10,871,707
Special Assessments Receivable	1,651,768	4,688,007	6,339,775
Loans Receivable	0	3,272,699	3,272,699
Assets Held For Resale	0	958,757	958,757
<i>Total Assets</i>	<u>\$53,123,891</u>	<u>\$31,015,332</u>	<u>\$84,139,223</u>
<b>Liabilities</b>			
Accounts Payable	\$422,582	\$330,173	\$752,755
Contracts Payable	18,879	187,519	206,398
Accrued Wages	284,093	19,659	303,752
Retainage Payable	0	27,750	27,750
Interfund Payable	3,889	1,665,240	1,669,129
Intergovernmental Payable	504,188	582,537	1,086,725
Matured Compensated Absences Payable	46,304	0	46,304
Unearned Revenue	0	448,132	448,132
Accrued Interest Payable	0	3,984	3,984
Notes Payable	0	414,143	414,143
<i>Payables from Restricted Assets:</i>			
Accounts Payable	0	189,844	189,844
Intergovernmental Payable	536	0	536
Deposits Held Payable	859,967	0	859,967
<i>Total Liabilities</i>	<u>2,140,438</u>	<u>3,868,981</u>	<u>6,009,419</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	6,714,441	1,933,072	8,647,513
Unavailable Revenue	13,554,932	8,757,159	22,312,091
<i>Total Deferred Inflows of Resources</i>	<u>20,269,373</u>	<u>10,690,231</u>	<u>30,959,604</u>
<b>Fund Balances</b>			
Nonspendable	1,315,769	62,144	1,377,913
Restricted	0	13,060,503	13,060,503
Committed	0	2,038,980	2,038,980
Assigned	5,820,581	1,977,758	7,798,339
Unassigned (Deficit)	23,577,730	(683,265)	22,894,465
<i>Total Fund Balances</i>	<u>30,714,080</u>	<u>16,456,120</u>	<u>47,170,200</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$53,123,891</u>	<u>\$31,015,332</u>	<u>\$84,139,223</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2020*

<b>Total Governmental Fund Balances</b>		\$47,170,200
 <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.		79,851,653
Economic development properties are not financial resources and therefore are not reported in the funds.		2,581,500
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Charges for Services	3,992,691	
Delinquent Property Taxes	2,224,194	
Municipal Income Tax	7,924,415	
Intergovernmental	2,088,554	
Interest	337,383	
Special Assessments	5,652,748	
Franchise Taxes	92,106	
Total	22,312,091	22,312,091
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(59,165)
Deferred Outflows of Resources represent deferred charges on refunding which are not reported in the funds.		1,333,815
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(15,265,000)	
Special Assessment Bonds	(1,760,000)	
OPWC Loans	(1,872,977)	
OWDA Loans	(159,579)	
State Infrastructure Bank Loan	(116,554)	
Notes	(2,295,916)	
Compensated Absences Payable	(5,397,153)	
Retrospective Workers' Compensation	(802,821)	
Solid Waste	(177,017)	
Capital Lease Obligation Payable	(1,020,212)	
Asset Retirement Obligation	(53,000)	
Total	(28,920,229)	(28,920,229)
The net pension asset, net pension liability and net OPEB liability are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds:		
Net Pension Asset	74,518	
Deferred Outflows - Pension	10,820,432	
Deferred Inflows - Pension	(12,868,897)	
Net Pension Liability	(53,673,267)	
Deferred Outflows - OPEB	6,294,513	
Deferred Inflows - OPEB	(7,304,257)	
Net OPEB Liability	(17,076,240)	
Total	(73,733,198)	(73,733,198)
<i>Net Position of Governmental Activities</i>		<b>\$50,536,667</b>

See accompanying notes to the basic financial statements



**City of Cleveland Heights, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2020*

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property Taxes	\$7,477,314	\$2,110,335	\$9,587,649
Municipal Income Taxes	28,679,829	0	28,679,829
Admissions Taxes	7,875	0	7,875
Charges for Services	2,957,644	1,522,224	4,479,868
Licenses, Permits and Fees	2,945,203	7,575	2,952,778
Fines and Forfeitures	1,839,339	616,032	2,455,371
Intergovernmental	7,422,369	8,270,781	15,693,150
Special Assessments	0	2,198,294	2,198,294
Interest	229,868	10,990	240,858
Rentals	0	26,030	26,030
Contributions and Donations	0	438,919	438,919
Franchise Taxes	500,480	0	500,480
Miscellaneous	816,261	222,834	1,039,095
<i>Total Revenues</i>	<u>52,876,182</u>	<u>15,424,014</u>	<u>68,300,196</u>
<b>Expenditures</b>			
Current:			
General Government	14,920,232	1,629,978	16,550,210
Public Safety	15,111,431	8,317,919	23,429,350
Public Health Services	334,390	42,292	376,682
Transportation	3,791,420	1,336,256	5,127,676
Community Development	3,624,116	5,741,212	9,365,328
Sanitation	2,320,714	2,089	2,322,803
Culture and Recreation	1,316,367	75,169	1,391,536
Capital Outlay	0	355,316	355,316
Debt Service:			
Principal Retirement	0	893,876	893,876
Interest and Fiscal Charges	0	354,500	354,500
Issuance Costs	0	263,433	263,433
Principal Retirement - Current Refunding	0	53,611	53,611
Payment to Refunding Bond Escrow Agent	0	42,659	42,659
<i>Total Expenditures</i>	<u>41,418,670</u>	<u>19,108,310</u>	<u>60,526,980</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>11,457,512</u>	<u>(3,684,296)</u>	<u>7,773,216</u>
<b>Other Financing Sources (Uses)</b>			
OPWC Loan Issued	0	45,396	45,396
Bond Anticipation Notes Issued	0	2,288,000	2,288,000
Premium on Bond Anticipation Notes Issued	0	7,916	7,916
Inception of Capital Lease	0	550,000	550,000
General Obligation Bonds Issued	0	11,910,000	11,910,000
Sale of Capital Assets	27,789	0	27,789
Current Refunding	0	(798,000)	(798,000)
Payment to Refunding Bond Escrow Agent	0	(11,910,000)	(11,910,000)
Transfers In	0	2,913,865	2,913,865
Transfers Out	(2,619,988)	(374,116)	(2,994,104)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,592,199)</u>	<u>4,633,061</u>	<u>2,040,862</u>
<i>Net Change in Fund Balances</i>	8,865,313	948,765	9,814,078
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	<u>21,848,767</u>	<u>15,507,355</u>	<u>37,356,122</u>
<i>Fund Balances End of Year</i>	<u>\$30,714,080</u>	<u>\$16,456,120</u>	<u>\$47,170,200</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2020*

<b>Net Change in Fund Balances - Total Governmental Funds</b>		\$9,814,078
<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.		
This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital Asset Additions:		
Capital Outlay	1,962,276	
Capital Contribution	2,196,393	
Current Year Depreciation	<u>(5,987,252)</u>	
Total		(1,828,583)
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.		
Economic Development Properties Deletions		(128,600)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues:		
Delinquent Property Taxes	(34,258)	
Municipal Income Taxes	932,909	
Intergovernmental	334,623	
Interest	(11,499)	
Special Assessments	1,578,703	
Charges for Services	(718,107)	
Franchise Taxes	<u>2,457</u>	
Total		2,084,828
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	380,000	
Special Assessment Bonds	130,000	
Notes	53,611	
OPWC Loans Payable	90,430	
OWDA Loans Payable	13,683	
SIB Loan Payable	55,726	
Payment to Refunded Escrow Agent	11,952,659	
Capital Leases	<u>224,037</u>	
Total		12,900,146
Other financing sources in the governmental funds increase long-term liabilities in the statement of net position:		
OPWC Loan Issued	(45,396)	
General Obligation Bonds Issued	(11,910,000)	
Discount on Bonds Issued	798,000	
Bond Anticipation Notes Issued	(2,295,916)	
Inception of Capital Lease	<u>(550,000)</u>	
Total		(14,003,312)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Accrued Interest	(11,103)	
Amortization of Loss on Refunding	<u>(43,998)</u>	
Total		(55,101)
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	900	
Retrospective Workers' Compensation	(97,571)	
Solid Waste	<u>(6,280)</u>	
Total		(102,951)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	4,776,427	
OPEB	<u>78,231</u>	
Total		4,854,658
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
Pension	(6,209,729)	
OPEB	<u>(989,287)</u>	
Total		<u>(7,199,016)</u>
<i>Change in Net Position of Governmental Activities</i>		<u>\$6,336,147</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2020*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$5,334,273	\$6,484,111	\$7,477,314	\$993,203
Municipal Income Taxes	20,205,183	24,560,542	28,322,601	3,762,059
Admissions Taxes	8,848	10,621	12,140	1,519
Charges for Services	13,489,076	5,966,670	2,966,311	(3,000,359)
Licenses, Permits and Fees	2,045,785	2,486,767	2,867,677	380,910
Fines and Forfeitures	895,265	1,088,245	1,254,937	166,692
Intergovernmental	4,590,553	5,580,077	6,434,805	854,728
Interest	163,987	199,335	229,868	30,533
Franchise Taxes	538,000	420,397	505,540	85,143
Miscellaneous	1,317,278	1,040,541	736,348	(304,193)
<i>Total Revenues</i>	<u>48,588,248</u>	<u>47,837,306</u>	<u>50,807,541</u>	<u>2,970,235</u>
<b>Expenditures</b>				
Current:				
General Government	17,070,605	16,807,451	15,170,984	1,636,467
Public Safety	18,458,091	17,445,203	15,358,872	2,086,331
Public Health Services	430,715	442,074	337,298	104,776
Transportation	3,872,758	3,866,730	3,751,811	114,919
Community Development	3,001,722	4,192,493	3,639,398	553,095
Sanitation	2,242,860	2,335,738	2,289,723	46,015
Culture and Recreation	2,364,925	2,072,835	1,318,862	753,973
<i>Total Expenditures</i>	<u>47,441,676</u>	<u>47,162,524</u>	<u>41,866,948</u>	<u>5,295,576</u>
<i>Excess of Revenues Over Expenditures</i>	<u>1,146,572</u>	<u>674,782</u>	<u>8,940,593</u>	<u>8,265,811</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	16,889	16,889	16,889	0
Transfers Out	(1,391,873)	(3,510,943)	(3,399,988)	110,955
<i>Total Other Financing Sources (Uses)</i>	<u>(1,374,984)</u>	<u>(3,494,054)</u>	<u>(3,383,099)</u>	<u>110,955</u>
<i>Net Change in Fund Balance</i>	(228,412)	(2,819,272)	5,557,494	8,376,766
<i>Fund Balance Beginning of Year</i>	15,686,405	15,686,405	15,686,405	0
Prior Year Encumbrances Appropriated	220,629	220,629	220,629	0
<i>Fund Balance End of Year</i>	<u>\$15,678,622</u>	<u>\$13,087,762</u>	<u>\$21,464,528</u>	<u>\$8,376,766</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**

*Statement of Fund Net Position*

*Proprietary Fund*

*December 31, 2020*

	Business Type Activity Enterprise Fund
	Sewer
<b>Assets</b>	
<i>Current Assets</i>	
Equity in Pooled Cash and Cash Equivalents	\$5,348,983
Materials and Supplies Inventory	2,811
Accounts Receivable	2,538,425
Interfund Receivable	3,889
Special Assessments Receivable	1,042,167
<i>Total Current Assets</i>	<u>8,936,275</u>
<i>Noncurrent Assets</i>	
Net Pension Asset	4,757
Capital Assets:	
Depreciable Capital Assets, Net	7,280,652
<i>Total Noncurrent Assets</i>	<u>7,285,409</u>
<i>Total Assets</i>	<u>16,221,684</u>
<b>Deferred Outflows of Resources</b>	
Pension	344,445
OPEB	237,865
<i>Total Deferred Outflows of Resources</i>	<u>582,310</u>
<b>Liabilities</b>	
<i>Current Liabilities</i>	
Accounts Payable	6,612
Contracts Payable	100,819
Accrued Wages	10,016
Interfund Payable	949,964
Accrued Interest Payable	2,936
Intergovernmental Payable	18,843
Compensated Absences Payable	224,495
General Obligation Bonds	60,000
OPWC Loans	22,964
OWDA Loans	36,372
<i>Total Current Liabilities</i>	<u>1,433,021</u>
<i>Long-Term Liabilities (Net of Current Portion)</i>	
Compensated Absences Payable	159,068
General Obligation Bonds	395,000
OPWC Loan Payable	126,300
OWDA Loan Payable	18,751
Notes Payable	255,903
Net Pension Liability (See Note 13)	1,124,709
Net OPEB Liability (See Note 14)	752,545
<i>Total Long-Term Liabilities</i>	<u>2,832,276</u>
<i>Total Liabilities</i>	<u>4,265,297</u>
<b>Deferred Inflows of Resources</b>	
Pension	459,306
OPEB	237,135
<i>Total Deferred Inflows of Resources</i>	<u>696,441</u>
<b>Net Position</b>	
Net Investment in Capital Assets	6,367,876
Unrestricted	5,474,380
<i>Total Net Position</i>	<u>\$11,842,256</u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Fund  
For the Year Ended December 31, 2020*

	Business Type Activity Enterprise Fund
	Sewer
<b>Operating Revenues</b>	
Charges for Services	\$6,098,216
Miscellaneous	22,714
	6,120,930
<i>Total Operating Revenues</i>	<i>6,120,930</i>
<b>Operating Expenses</b>	
Personal Services	1,309,966
Other Than Personal Services	2,290,077
Depreciation	283,524
	3,883,567
<i>Total Operating Expenses</i>	<i>3,883,567</i>
<i>Operating Income</i>	<i>2,237,363</i>
<b>Non-Operating Revenues (Expenses)</b>	
Interest and Fiscal Charges	(23,156)
	2,214,207
<i>Income Before Transfers</i>	<i>2,214,207</i>
Transfers In	90,342
Transfers Out	(10,103)
	80,239
<i>Total Transfers</i>	<i>80,239</i>
<i>Change in Net Position</i>	<i>2,294,446</i>
<i>Net Position Beginning of Year</i>	<i>9,547,810</i>
<i>Net Position End of Year</i>	<i>\$11,842,256</i>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Cash Flows*  
*Proprietary Fund*  
For the Year Ended December 31, 2020

	Business Type Activity Enterprise Fund
	Sewer
<i><b>Increase (Decrease) In Cash and Cash Equivalents</b></i>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$5,061,315
Cash Received from Other Operating Sources	972,678
Cash Payments to Suppliers for Goods and Services	(2,300,103)
Cash Payments for Employee Services and Benefits	(1,230,747)
	<u>2,503,143</u>
<i>Net Cash Provided by Operating Activities</i>	
<b>Cash Flows from Noncapital Financing Activities</b>	
Transfer Out	(322,026)
	<u>(322,026)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Principal Paid on OPWC Loans	(4,261)
Principal Paid on OWDA Loans	(41,696)
Interest Paid on OWDA Loans	(6,581)
Acquisition of Capital Assets	(159,003)
	<u>(159,003)</u>
<i>Net Cash Provided by Capital and Related Financing Activities</i>	
	<u>(211,541)</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>3,379,407</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$5,348,983</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Statement of Cash Flows*  
*Proprietary Fund (continued)*  
*For the Year Ended December 31, 2020*

	Business Type Activity Enterprise Fund
	Sewer
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
<i>Operating Income</i>	\$2,237,363
Adjustments:	
Depreciation	283,524
(Increase)/Decrease in Assets:	
Accounts Receivable	(272,496)
Special Assessments Receivable	(760,516)
Materials and Supplies Inventory	(2,811)
Interfund Receivable	(3,889)
Net Pension Asset	(693)
Deferred Outflows - Pension	469,346
Deferred Outflows - OPEB	221,805
Increase/(Decrease) in Liabilities:	
Accounts Payable	2,731
Contracts Payable	30,399
Accrued Wages	(21,746)
Interfund Payable	949,964
Compensated Absences	31,476
Intergovernmental Payable	(48,424)
Net Pension Liability	25,481
Net OPEB Liability	45,792
Deferred Inflows - Pension	(464,623)
Deferred Inflows - OPEB	(219,540)
<i>Net Cash Provided by Operating Activities</i>	\$2,503,143

**Non-Cash Capital Transactions**

During 2020, the general bond retirement fund paid \$60,000 in principal and \$14,678 interest on vehicle acquisition bonds for the sewer enterprise funds.

During 2020, the street construction, maintenance and repair special revenue fund paid \$11,482 in principal on an Ohio Public Works Commission loan for the sewer enterprise fund.

During 2020, the sewer fund paid \$6,777 in principal and \$3,326 in interest on an Ohio Water Development Authority loan for governmental activities.

During 2019, the sewer fund had contracts payable for capital assets in the amount of \$70,420.

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Statement of Fiduciary Net Position*  
*Custodial Funds*  
*December 31, 2020*

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<b>Assets</b>	
Cash and Cash Equivalents in Segregated Accounts	<u>\$1,223,935</u>
<b>Liabilities</b>	
Accounts Payable	37,724
Intergovernmental Payable	<u>405,999</u>
<i>Total Liabilities</i>	<u>443,723</u>
<b>Net Position</b>	
Restricted for Individuals, Organizations	
Other Governments	<u><u>\$780,212</u></u>

See accompanying notes to the basic financial statements



**City of Cleveland Heights, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Custodial Funds*  
*For the Year Ended December 31, 2020*

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<b>Additions</b>	
Fines and Forfeitures for Other Governments	\$771,773
Fines and Forfeitures for Individuals	<u>580,727</u>
<i>Total Additions</i>	<u>1,352,500</u>
<b>Deductions</b>	
Fines and Forfeitures Distributions to Other Governments	768,858
Fines and Forfeitures Distributions to Individuals	<u>93,776</u>
<i>Total Deductions</i>	<u>862,634</u>
<i>Net Increase in Fiduciary Net Position</i>	489,866
<i>Net Position Beginning of Year</i>	<u>290,346</u>
<i>Net Position End of Year</i>	<u><u>\$780,212</u></u>

See accompanying notes to the basic financial statements

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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**Note 1 – Reporting Entity**

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

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific burden on, the primary government.

The following component unit meets the blended component unit criteria of Governmental Accounting Standards Board (GASB) Statement numbers 14, 39, and 61 and are reported as part of the primary government in both the fund financial statements and government-wide financial statements:

***Cleveland Heights Community Improvement Corporation*** Cleveland Heights Community Improvement Corporation (the CIC) is a legally separate organization created under chapter 1724 of the Ohio Revised Code governed by a five member Board of Directors composed of the City Manager, the Mayor, the Chairperson of the Planning and Development Committee of City Council, the Director of Housing and one member appointed by the City Manager. The CIC was created for the purposes of economic development related to real estate and community development. The CIC is fiscally dependent on the City and is therefore presented as a blended component unit of the City in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 as amended by GASB Statement No. 39. The CIC has no significant financial activity. As a result, no financial information is presented at December 31, 2020.

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

The City is associated with three jointly governed organizations, the First Suburbs Consortium of Northeast Ohio Council of Governments, the Northeast Ohio Public Energy Council and the Regional Income Tax Agency (RITA). Information about these organizations is presented in Note 18 to the basic financial statements.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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

The financial statements of the City of Cleveland Heights have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

***Basis of Presentation***

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

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

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

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

***Fund Accounting***

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

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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

The other governmental funds of the City account for grants and other resources whose use is restricted, committed or assigned 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 internal service funds.

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

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

**Fiduciary Funds** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are custodial funds. The City's custodial funds account for amounts collected for the benefit of and distributed to other governments and individuals on behalf of the municipal court and evidence room.

**Measurement Focus**

**Government-wide Financial Statements** The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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Like the government-wide statements, all proprietary funds 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. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, 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 finances and 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 investment trust, private purpose trust funds, and custodial funds.

***Basis of Accounting***

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

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

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

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

***Deferred 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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charge on refunding, asset retirement obligations,

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is expensed in a systematic and rational manner over the tangible asset's useful life. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 13 and 14.

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, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance fiscal year 2021 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, municipal income taxes, intergovernmental grants, special assessments, accrued interest on loans receivable, charges for services and franchise taxes. 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 balance to net position of governmental activities found on page 19. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (see Notes 13 and 14).

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

***Budgetary Data***

All funds, except custodial funds, are legally required to be budgeted and appropriated. Budgetary information is not presented for funds that did not have any budgetary activity in 2020. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations resolution is City Council's authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by Council at the department level for personal services, capital outlay, other than personal services, and non-governmental expenditures for all funds. The City Manager or Finance Director is authorized to transfer amounts between objects of expenditure within and between departments so long as the total appropriation for each department does not exceed that of the Council approved appropriation.

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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

***Pooled Cash and Cash Equivalents***

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

During 2020, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transactions to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to City funds according to State statutes, City Charter, grant requirements, or debt related restrictions. Interest revenue credited to the general fund during 2020 was \$229,868, which includes \$102,749 assigned from other City funds.

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

The City has segregated bank accounts for monies held separate from the City's investment pool. These interest bearing depository accounts are presented as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the City treasury.

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2020, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

***Materials and Supplies Inventory***

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

***Unearned Revenue***

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The City recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility requirements are met.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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***Assets Held for Resale***

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

***Economic Development Properties***

The City contains certain nonproductive foreclosure properties which were acquired at no cost to the City. The City identifies a specific property and with the approval of City Council, obtains the property with the purpose of selling it to become a viable and productive property within the community. The properties are sold for \$100 to developers. The properties held by the City at year end are reported as economic development properties and are valued at fair market value at the time acquired. Since these properties are expected to be sold at a significant amount less than fair market value, they are reported in the governmental activities column of the statement of net position, but are not reported in the fund financial statements.

***Capital Assets***

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

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

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

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

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

***Interfund Balances***

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



**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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***Compensated Absences***

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

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

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

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employee who has accumulated unpaid leave is paid.

***Pensions/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB asset/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.

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

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

***Fund Balance***

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

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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**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.

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

**Assigned** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. City Council assigned fund balance to cover a gap between estimated revenues and appropriations in 2021's 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.

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

***Net Position***

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include unclaimed monies, street maintenance and repair, municipal court clerk computerization, and youth programs.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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

***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 sewer. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

***Interfund Activity***

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

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

***Bond Premiums and Discounts***

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the fund financial statements, bond premiums are receipted in the year the bonds are issued. On the government-wide financial statements, bond discounts are presented as a decrease of the face amount of the general obligation bonds payable. On the fund financial statements, bond discounts are expended in the year the bonds are issued. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

***Deferred Charge on Refunding***

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

***Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies, amounts held on deposit

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

for contractors and sales tax owed to the State and County for gift shop sales. Restricted assets in the fire damage deposits special revenue fund represent insurance payments held for homeowners to be paid when repairs caused by fire are completed.

***Estimates***

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

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

***Changes in Accounting Principles***

For 2020, the City implemented the Governmental Accounting Standard Board’s (GASB) Statement No. 83, Certain Asset Retirement Obligations. GASB Statement 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset.

***Restatement of Fund Balances and Net Position***

During 2020, the City determined that certain properties were owned by the City for future development and should be included in the financials. These properties will be donated to developers and will not be converted to cash. This determination in addition to the implementation of GASB Statement No. 83 had the following effect on net position as of December 31, 2019:

	Governmental Activities	Business-Type Activity	Total
Net Position December 31, 2019	\$41,543,420	\$9,547,810	\$51,091,230
Adjustments:			
Economic Development Properties	2,710,100	0	2,710,100
GASB Statement 83	(53,000)	0	(53,000)
Restated Net Position December 31, 2019	\$44,200,520	\$9,547,810	\$53,748,330

**Note 4 – Compliance and Accountability**

***Compliance***

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

Fund	Appropriations Plus Prior Year Encumbrances	Expenditures Plus Encumbrances	Excess
<b><i>Drug Law Enforcement</i></b>			
Public Safety:			
Drug Law Enforcement:			
Other than Personal Services	\$125,688	\$128,308	(\$2,620)
<b><i>Community Development Block Grant</i></b>			
Community Development:			
CDBG -Office on Aging:			
Personal Services	35,719	37,679	(1,960)

The following funds have original appropriations in excess of estimated resources plus carryover balances as reported on the Official Certificate of Estimated Resources contrary to Ohio Revised Code Section 5705.39:

Fund	Original Appropriations Plus Prior Year Encumbrance	Estimated Resources Plus Available Balances	Excess
<b><i>Special Revenue Funds:</i></b>			
Foundation Grants	\$250,000	\$47,036	(\$202,964)
Drug Law Enforcement	146,678	22,570	(124,108)
Home Program	421,260	410,219	(11,041)
Cain Park Operating	909,940	708,430	(201,510)
Fire Pension	1,674,968	1,536,608	(138,360)
Juvenile Diversion Program	12,000	11,242	(758)

The following funds have final appropriations in excess of estimated resources plus carryover balances as reported on the Official Certificate of Estimated Resources contrary to Ohio Revised Code Section 5705.39:

Fund	Final Appropriations Plus Prior Year Encumbrance	Estimated Resources Plus Available Balances	Excess
<b><i>Capital Projects Funds:</i></b>			
Police Facility Improvement	\$40,000	\$36,390	(\$3,610)

The City had negative cash balances in the following funds indicating that revenue from other sources were used to pay obligations of this fund contrary to Ohio Revised Code Section 5705.10:

Fund	Amount
<b><i>Special Revenue Funds:</i></b>	
Foundation Grants	\$50,138
Community Development Block Grant	550,099
Community Development Block Grant - Covid Relief	150,286
Lead Safe	111,820

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

**Accountability**

At December 31, 2020, the following funds had deficit fund balances.

Fund	Amounts
<b><i>Special Revenue Funds:</i></b>	
Foundation Grants	\$59,922
Community Development Block Grant - Coronavirus	150,611
Lead Safe Cuyahoga	222,264
Fire Pension	184,743
Off-Street Parking	3,581

The deficit fund balances in the foundation grants, community development block grant - coronavirus and lead safe Cuyahoga special revenue funds resulted from interfund payables from deficit cash balances. The fire pension and off-street parking special revenue fund deficits are the result of accrued liabilities. The general fund is liable for any deficits in these funds and provides transfers when cash is required not when accruals occur.

**Note 5 – Fund Balances**

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

Fund Balances	General	Other Governmental Funds	Total Governmental Funds
<b><i>Nonspendable:</i></b>			
Inventory	\$572,802	\$62,144	\$634,946
Prepaid Items	552,577	0	552,577
Unclaimed Money	190,390	0	190,390
<b><i>Total Nonspendable</i></b>	<b>1,315,769</b>	<b>62,144</b>	<b>1,377,913</b>
<b><i>Restricted for:</i></b>			
Capital Projects	0	499,692	499,692
Debt Service	0	834,873	834,873
Road Improvements	0	1,772,581	1,772,581
Community Development	0	5,341,776	5,341,776
Municipal Court Special Projects	0	2,182,464	2,182,464
Street Lighting	0	1,229,006	1,229,006
Public Safety	0	620,170	620,170
Drug and Law Enforcement	0	405,352	405,352
Other Purposes:			
Aging and Youth Recreation	0	167,685	167,685
Juvenile Diversion Program	0	6,904	6,904
<b><i>Total Restricted</i></b>	<b>\$0</b>	<b>\$13,060,503</b>	<b>\$13,060,503</b>

(continued)

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

Fund Balances (continued)	General	Other Governmental Funds	Total Governmental Funds
<b><i>Committed to:</i></b>			
Public Building Maintenance	\$0	\$423	\$423
Economic Development	0	4,821	4,821
Ambulance Services	0	1,984,856	1,984,856
Police Facility Improvement	0	13,835	13,835
Ring Road Construction	0	35,045	35,045
<b><i>Total Committed</i></b>	<b>0</b>	<b>2,038,980</b>	<b>2,038,980</b>
<b><i>Assigned to:</i></b>			
Capital Improvements	0	903,800	903,800
Economic Development	0	976,709	976,709
City Hall Maintenance	0	97,249	97,249
Earned Benefits	430,683	0	430,683
2021 Operations	4,973,370	0	4,973,370
Purchases on Order:			
Other than Personal Services	416,528	0	416,528
<b><i>Total Assigned</i></b>	<b>5,820,581</b>	<b>1,977,758</b>	<b>7,798,339</b>
Unassigned (Deficit)	23,577,730	(683,265)	22,894,465
<b>Total Fund Balances</b>	<b>\$30,714,080</b>	<b>\$16,456,120</b>	<b>\$47,170,200</b>

**Note 6 – Budgetary Basis of Accounting**

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

The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Investments are reported at fair value (GAAP) rather than cost (budget basis).
- (c) Unrecorded cash which consists of cash on hand that is not reported by the City on the operating statements (budget basis), but is reported on the GAAP basis operating statement.
- (d) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (e) Budgetary revenues and expenditures of the earned benefits fund are classified to the general fund for GAAP reporting.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

- (f) Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP).

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

	General
GAAP Basis	\$8,865,313
Net Adjustment for Revenue Accruals	(2,694,423)
Beginning Fair Value Adjustment for Investments	(654,994)
Beginning Unrecorded Cash	98,689
Ending Unrecorded Cash	398,462
Net Adjustment for Expenditure Accruals	318,555
Excess of revenues and other financing sources over expenditures and other uses:	
Earned Benefits	(34,075)
Encumbrances	(740,033)
Budget Basis	\$5,557,494

**Note 7 – Deposits and Investments**

Monies held by the City are classified by State statute into three categories.

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

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

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

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;



**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited.

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

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

**Investments**

At December 31, 2020, the City had \$38,851,153 invested in STAR Ohio with an average maturity of 55.8 days.

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

**Credit Risk** Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. STAR Ohio carries a rating of AAAM by Standard & Poor's. The City has no investment policy that addresses credit risk.

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

**Note 8 – Interfund Activity**

**Interfund Transfers**

At December 31, 2020 interfund transfers were as follows:

Transfers To	Transfers From			Total
	General	Other Governmental Funds	Business-Type Sewer	
Other Governmental Funds	\$2,619,988	\$283,774	\$10,103	\$2,913,865
Sewer	0	90,342	0	90,342
<b>Total</b>	<b>\$2,619,988</b>	<b>\$374,116</b>	<b>\$10,103</b>	<b>\$3,004,207</b>

The general fund transfers to other governmental funds were made to provide additional resources for capital improvements and current operations. The transfers from other governmental funds to other governmental funds were made for fund contributions for pension liabilities and for the portion of 2020 general obligation bond payments related to those funds. The transfers from the other governmental funds to the sewer enterprise fund were for debt service payments provided by governmental funds. The transfer from the sewer enterprise fund to other governmental funds were for Ohio Water Development Authority loan payments for governmental activities.

**Interfund Balances**

As of December 31, 2020, interfund balances were as follows:

Interfund Payable	Interfund Receivable		
	General	Sewer	Totals
<b>Governmental:</b>			
General Fund	\$0	\$3,889	\$3,889
Other Governmental Funds	\$1,665,240	\$0	\$1,665,240
<b>Total Governmental Activities</b>	<b>1,665,240</b>	<b>3,889</b>	<b>1,669,129</b>
<b>Enterprise:</b>			
Sewer	949,964	0	949,964
<b>Total</b>	<b>\$2,615,204</b>	<b>\$3,889</b>	<b>\$2,619,093</b>

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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Interfund balances at December 31, 2020, consisted of general fund advances of \$1,665,240 to nonmajor special revenue funds due to deficit cash balances and due to the timing of reimbursement of expenditures. The general fund reports an interfund payable to the sewer enterprise fund in the amount of \$3,889 related to sewer fund payments made by the general fund in 2020. The general fund reports a receivable from the sewer enterprise fund in the amount of \$949,964 related to projects costs made by the general fund in 2020.

### **Note 9 – Receivables**

Receivables at December 31, 2020, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, loans receivable, accrued interest receivable and accounts (billings for water and utility services).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment. All receivables, except for delinquent property taxes, delinquent water and utility accounts receivable, special assessments and loans, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$7,381,942 in the general fund, community development block grant, tree and street lighting special revenue funds, the general bond retirement fund and the sewer enterprise fund. At December 31, 2020, the amount of delinquent special assessments was \$2,730,506.

Loans receivable presented in the community development and home program special revenue funds represent low interest loans for development projects and home improvements granted to eligible City residents and business under Federal Grant programs. The loans bear interest at annual rates ranging between zero and five percent. The loans are to be repaid over periods ranging from five to thirty years. Loans expected to be collected in more than one year amount to \$3,272,699. At December 31, 2020 there were no delinquent loans.

#### ***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2020 for real and public utility property taxes represents collections of 2019 taxes.

2020 real property taxes are levied after October 1, 2020 on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2020 real property taxes are collected in and intended to finance 2021.

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

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2020 public utility property taxes which became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2021 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2020 was \$12.42 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2020 property tax receipts were based are as follows:

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

Real Estate:	
Residential/Agricultural	\$716,708,980
Other Real Estate	112,123,560
Public Utility Property	19,141,880
Total Assessed Valuation	\$847,974,420

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Cleveland Heights. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2020 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2020 operations is offset to deferred inflows of resources – property taxes. 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.

***Income Taxes***

The City levies an income tax of 2.25 percent on all income earned within the City as well as income of residents earned outside the City. The City allows a credit of 50 percent of the tax paid to another municipality, to a maximum of one-half of one percent of income earned outside the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

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

***Intergovernmental Receivables***

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities</b>	
CDBG Grant	\$1,379,137
Local Government	809,517
Gas Excise Tax	808,571
Homestead and Rollback	616,725
Auto Registration	203,113
Coronavirus Relief	150,286
Targeting Addiction Assistance	104,271
State of Ohio	15,344
Bureau of Workers' Compensation	11,052
Emergency Medical Services	2,945
<i>Total Intergovernmental Receivables</i>	\$4,100,961

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

**Note 10 – Capital Assets**

A summary of changes in capital assets during 2020 follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
<b>Governmental Activities</b>				
<i>Nondepreciable Capital Assets</i>				
Land	\$5,288,136	\$0	\$0	\$5,288,136
Construction in Progress	1,791,506	1,731,578	(1,635,726)	1,887,358
Intangible Assets	32,707	0	0	32,707
<i>Total Nondepreciable Capital Assets</i>	<u>7,112,349</u>	<u>1,731,578</u>	<u>(1,635,726)</u>	<u>7,208,201</u>
<i>Depreciable Capital Assets</i>				
Land Improvements	2,184,283	0	0	2,184,283
Building and Improvements	63,954,342	141,692	0	64,096,034
Machinery and Equipment	26,476,439	468,655	(1,404,462)	25,540,632
Infrastructure				
Streets and Sidewalks	66,196,491	3,452,470	0	69,648,961
Off-Street Parking	3,523,927	0	0	3,523,927
<i>Total Depreciable Capital Assets</i>	<u>162,335,482</u>	<u>4,062,817</u>	<u>(1,404,462)</u>	<u>164,993,837</u>
<i>Less Accumulated Depreciation</i>				
Land Improvements	(1,578,085)	(88,423)	0	(1,666,508)
Building and Improvements	(31,348,301)	(1,621,356)	0	(32,969,657)
Machinery and Equipment	(21,022,699)	(1,490,141)	1,404,462	(21,108,378)
Infrastructure				
Streets and Sidewalks	(31,742,637)	(2,705,101)	0	(34,447,738)
Off-Street Parking	(2,075,873)	(82,231)	0	(2,158,104)
<i>Total Accumulated Depreciation</i>	<u>(87,767,595)</u>	<u>(5,987,252) *</u>	<u>1,404,462</u>	<u>(92,350,385)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>74,567,887</u>	<u>(1,924,435)</u>	<u>0</u>	<u>72,643,452</u>
<i>Total Governmental Capital Assets, Net</i>	<u><u>\$81,680,236</u></u>	<u><u>(\$192,857)</u></u>	<u><u>(\$1,635,726)</u></u>	<u><u>\$79,851,653</u></u>

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

General Government	\$1,115,649
Public Safety	696,717
Transportation	2,979,289
Community Development	138,382
Sanitation	283,061
Culture and Recreation	774,154
Total	<u><u>\$5,987,252</u></u>

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
<b>Business-Type Activity</b>				
<i>Depreciable Capital Assets</i>				
Buildings and Improvements	\$148,238	\$0	\$0	\$148,238
Machinery and Equipment	5,062,825	159,003	0	5,221,828
Infrastructure				
Sanitary Sewer Lines	7,609,119	0	0	7,609,119
Storm Sewer Lines	2,941,631	0	0	2,941,631
<i>Total Depreciable Capital Assets</i>	<u>15,761,813</u>	<u>159,003</u>	<u>0</u>	<u>15,920,816</u>
<i>Less Accumulated Depreciation</i>				
Buildings and Improvements	(82,973)	(6,385)	0	(89,358)
Machinery and Equipment	(4,403,918)	(76,684)	0	(4,480,602)
Infrastructure				
Sanitary Sewer Lines	(2,557,933)	(128,844)	0	(2,686,777)
Storm Sewer Lines	(1,311,816)	(71,611)	0	(1,383,427)
<i>Total Accumulated Depreciation</i>	<u>(8,356,640)</u>	<u>(283,524)</u>	<u>0</u>	<u>(8,640,164)</u>
<i>Total Business-Type Activity Capital Assets, Net</i>	<u>\$7,405,173</u>	<u>(\$124,521)</u>	<u>\$0</u>	<u>\$7,280,652</u>

**Note 11 – Significant Commitments**

***Contractual Commitments***

At December 31, 2020, the City had \$257,045 in significant contractual commitments which consisted of several projects, including the Selwyn Water Main Replacement, Mayfield Road Signalization, and street resurfacing. \$249,025 of the remaining commitments were encumbered at year-end. The amounts of \$197,813 in contracts payable and retainage payable for governmental activities has been capitalized.

***Encumbrances***

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Governmental Funds:		Proprietary Fund:	
General Fund	\$740,033	Sewer	<u>\$664,055</u>
Other Governmental Funds	<u>1,261,044</u>		
Total Governmental Funds	<u>\$2,001,077</u>		

**Note 12 – Risk Management**

The City is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year the City contracted with Federal Insurance Company for property insurance and Lloyds London for general, automobile, public officials and police professional liability insurance.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

The types of coverage and deductibles are as follows:

Type of Coverage	Coverage	Deductible
Blanket Property and Contents, Replacement	\$109,751,000	\$50,000
General Liability	10,000,000	100,000
Automobile Liability	10,000,000	100,000
Public Officials Liability	10,000,000	100,000
Police Professional Liability	10,000,000	100,000

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

The City participates in the State Workers' Compensation retrospective rating and payment system. Once the City receives notice of the 2020 claims paid by the Bureau of Workers' Compensation, the City will reimburse the State for claims paid on the City's behalf. The payable is reclassified from claims payable to intergovernmental payable. The maintenance of these benefits is accounted for in the general fund. Claims of \$802,821 have been accrued as a liability at December 31, 2020 based on an estimate provided by Comp Management, Inc., the City's third party administrator. Changes in the claims liability amount for workers' compensation in 2019 and 2020 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2019	\$702,431	632,382	629,563	\$705,250
2020	705,250	597,513	499,942	802,821

**Note 13 – Defined Benefit Pension Plans**

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

***Net Pension Liability (Asset) /Net OPEB Liability***

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/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 obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/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/OPEB 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 these estimates annually.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension 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 funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension 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 pension liabilities within 30 years. If the pension 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 effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution 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 required pension disclosures. See Note 14 for the required OPEB disclosures.

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

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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 in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Comprehensive Annual Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):



**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. 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 traditional plan 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 base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to 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, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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

	State and Local
<b>2020 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
 <b>2020 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
 Employee	 10.0 %

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated to 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2020, The City's contractually required contribution was \$1,704,740 for the traditional plan, \$26,295 for the combined plan and \$16,343 for the member-directed plan. Of these amounts, \$262,841 is reported as an intergovernmental payable for the traditional plan, \$4,027 for the combined plan, and \$2,505 for the member-directed plan.

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

Plan Description – City 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](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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 Comprehensive Annual 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.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index over the 12 month period ending on September 30<sup>th</sup> of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

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

	Police	Firefighters
<b>2020 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 <b>2020 Actual Contribution Rates</b>		
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 \$3,149,254 for 2020. Of this amount, \$426,236 is reported as an intergovernmental payable.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2019, and was determined by rolling

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

forward the total pension liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net pension liability (asset) 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 of the City's defined benefit pension plans:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.0948370%	0.0380170%	0.5351832%	
Prior Measurement Date	<u>0.1049320%</u>	<u>0.0425260%</u>	<u>0.5213870%</u>	
Change in Proportionate Share	<u>-0.0100950%</u>	<u>-0.0045090%</u>	<u>0.0137962%</u>	
Proportionate Share of the:				
Net Pension Liability	\$18,745,176	\$0	\$36,052,800	\$54,797,976
Net Pension Asset	0	(79,275)	0	(79,275)
Pension Expense	2,011,684	9,696	4,321,722	6,343,102

2020 pension expense for the member-directed defined contribution plan was \$16,343. The aggregate pension expense for all pension plans was \$6,359,445 for 2020.

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$0	\$0	\$1,364,714	\$1,364,714
Changes of assumptions	1,001,211	8,174	885,002	1,894,387
Changes in proportion and differences between City contributions and proportionate share of contributions	222,004	7,712	2,795,771	3,025,487
City contributions subsequent to the measurement date	<u>1,704,740</u>	<u>26,295</u>	<u>3,149,254</u>	<u>4,880,289</u>
Total Deferred Outflows of Resources	<u>\$2,927,955</u>	<u>\$42,181</u>	<u>\$8,194,741</u>	<u>\$11,164,877</u>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	\$237,006	\$18,611	\$1,859,388	\$2,115,005
Net difference between projected and actual earnings on pension plan investments	3,739,242	10,282	1,741,640	5,491,164
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>1,330,008</u>	<u>2,327</u>	<u>4,389,699</u>	<u>5,722,034</u>
Total Deferred Inflows of Resources	<u>\$5,306,256</u>	<u>\$31,220</u>	<u>\$7,990,727</u>	<u>\$13,328,203</u>

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

\$4,880,289 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 or increase to the net pension asset in 2021. 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 Traditional Plan	OPERS Combined Plan	OP&F	Total
2021	(\$1,070,556)	(\$4,295)	(\$632,681)	(\$1,707,532)
2022	(1,682,599)	(4,101)	(1,000,422)	(2,687,122)
2023	154,838	(1,234)	253,818	407,422
2024	(1,484,724)	(4,998)	(1,471,086)	(2,960,808)
2025	0	(317)	(94,869)	(95,186)
Thereafter	0	(389)	0	(389)
<b>Total</b>	<b>(\$4,083,041)</b>	<b>(\$15,334)</b>	<b>(\$2,945,240)</b>	<b>(\$7,043,615)</b>

***Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the value 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, 2019, using the following actuarial assumptions applied to all 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, 2019, are presented below.

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	1.4 percent, simple through 2020, then 2.15 percent, simple	1.4 percent, simple through 2020, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3 percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 the 2.15 percent simple.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2 percent for 2019.

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, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.83 %
Domestic Equities	19.00	5.75
Real Estate	10.00	5.20
Private Equity	12.00	10.70
International Equities	21.00	7.66
Other investments	13.00	4.98
Total	100.00 %	5.61 %

**Discount Rate** The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. 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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan 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 (Asset) to Changes in the Discount Rate*** The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
<b>City's proportionate share of the net pension liability (asset)</b>			
OPERS Traditional Plan	\$30,916,862	\$18,745,176	\$7,803,188
OPERS Combined Plan	(47,901)	(79,275)	(101,886)

***Actuarial Assumptions – OP&F***

OP&F's total pension liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, 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, 2019, are presented below.

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 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	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

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 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 geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	1.00 %
Domestic Equity	16.00	5.40
Non-US Equity	16.00	5.80
Private Markets	8.00	8.00
Core Fixed Income *	23.00	2.70
High Yield Fixed Income	7.00	4.70
Private Credit	5.00	5.50
U.S. Inflation Linked Bonds*	17.00	2.50
Master Limited Partnerships	8.00	6.60
Real Assets	8.00	7.40
Private Real Estate	12.00	6.40
Total	120.00 %	

Note: Assumptions are geometric.

\* levered 2x

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



**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

**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 earning were calculated using the longer-term assumed investment rate of return of 8.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. 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 (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$49,967,926	\$36,052,800	\$24,414,175

**Note 14 – Defined Benefit OPEB Plans**

See Note 13 for a description of the net OPEB liability.

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

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

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This 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.

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. 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 Comprehensive Annual 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.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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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 2020, 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.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2020, 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 2020 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 \$4,669 for 2020. Of this amount, \$716 is reported as an intergovernmental payable.

***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.

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.

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](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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 2020, 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 \$73,842 for 2020. Of this amount, \$9,926 is reported as an intergovernmental payable.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, 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, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. The City’s proportion of the net OPEB liability 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:

	<u>OPERS</u>	<u>OP&amp;F</u>	
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.0908040%	0.5351832%	
Prior Measurement Date	<u>0.1010160%</u>	<u>0.5213870%</u>	
Change in Proportionate Share	<u>-0.0102120%</u>	<u>0.0137962%</u>	
			<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$12,542,391	\$5,286,394	\$17,828,785
OPEB Expense	\$852,520	\$185,104	\$1,037,624

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$337	\$0	\$337
Changes of assumptions	1,985,327	3,090,631	5,075,958
Changes in proportion and differences between City contributions and proportionate share of contributions	160,995	1,216,577	1,377,572
City contributions subsequent to the measurement date	<u>4,669</u>	<u>73,842</u>	<u>78,511</u>
Total Deferred Outflows of Resources	<u>\$2,151,328</u>	<u>\$4,381,050</u>	<u>\$6,532,378</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$1,147,060	\$568,501	\$1,715,561
Changes of assumptions	0	1,126,611	1,126,611
Net difference between projected and actual earnings on OPEB plan investments	638,655	243,261	881,916
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>795,930</u>	<u>3,021,374</u>	<u>3,817,304</u>
Total Deferred Inflows of Resources	<u>\$2,581,645</u>	<u>\$4,959,747</u>	<u>\$7,541,392</u>

\$78,511 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 2021. 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:	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
2021	(\$2,897)	(\$146,562)	(\$149,459)
2022	(159,694)	(146,562)	(306,256)
2023	509	(96,662)	(96,153)
2024	(272,904)	(175,331)	(448,235)
2025	0	(183,644)	(183,644)
Thereafter	<u>0</u>	<u>96,222</u>	<u>96,222</u>
Total	<u>(\$434,986)</u>	<u>(\$652,539)</u>	<u>(\$1,087,525)</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 health care costs 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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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, 2018, rolled forward to the measurement date of December 31, 2019. 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:

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	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.75 percent
Prior Measurement date	3.71 percent
Health Care Cost Trend Rate:	
Current measurement date	10.5 percent, initial 3.50 percent, ultimate in 2030
Prior Measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7 percent for 2019.

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

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36.00 %	1.53 %
Domestic Equities	21.00	5.75
Real Estate Investment Trust	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00 %	4.55 %

**Discount Rate** A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. 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 2.75 percent. 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 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, 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**

The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
City's proportionate share of the net OPEB liability	\$16,413,731	\$12,542,391	\$9,442,708

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability 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. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability 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.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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 2020 is 10.50 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.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$12,172,276	\$12,542,391	\$12,907,789

***Changes between Measurement Date and Reporting Date***

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

***Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, 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 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.

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.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Single discount rate:	
Current measurement date	3.56 percent
Prior measurement date	4.66 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

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 OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 13.

**Discount Rate** For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. For 2018, the total OPEB liability was calculated using the discount rate of 4.66 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 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent for 2019 and 4.66 percent for 2018. 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 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.



**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

***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 3.56 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 (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
City's proportionate share of the net OPEB liability	\$6,554,789	\$5,286,394	\$4,232,449

***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.

**Note 15 – Compensated Absences**

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

All full-time employees earn sick leave at the rate of 4.6 hours for each 80 hours worked. An employee with ten or more consecutive years of service is entitled to payment to a maximum of 240 hours for accumulated sick leave for non-bargaining staff. Police and Local 860 employees are entitled to 750 hours and fire employees are entitled to 1,000 hours.

**Note 16 – Solid Waste**

In accordance with a notice letter received from the Ohio Environmental Protection Agency, the City of Cleveland Heights executed the final closure financial assurance instrument for the solid waste transfer station by the required September 30, 2003, deadline. The financial test assured that the City could support any amount up to \$200,000 in post-closure costs and that the City met all of the requirements set forth by Ohio Administrative Code Rule 3745-27-17. This location is used for the transfer of solid waste from the City's refuse trucks to a larger loader which is used to transport the waste to a commercial landfill located outside the City. At December 31, 2020, the current final closure cost estimate is \$177,017, and is reported as a liability on the City's books.

**Note 17 – Contingent Liabilities**

***Litigation***

The City of Cleveland Heights is a party to legal proceedings seeking damages. The City management is of opinion that ultimate disposition of these claims and legal proceeding will not have a material effect, if any, on the financial condition of the City. The City entered into a partial consent decree with USEPA in connection with discharges from the City's overflow structures. The partial consent decree requires improvements in the maintenance and management of the City's sewer system between 2022 and 2037 that will cost approximately \$48 million. These improvements will be financed by sewer rates.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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***Federal and State Grants***

The City receives financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2020.

**Note 18 – Jointly Governed Organizations**

***First Suburbs Consortium of Northeast Ohio Council of Governments*** The City is a member of the First Suburbs Consortium of Northeast Ohio Council of 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, safety, welfare, education economic conditions and regional development.

The Council is governed by an Assembly made up of one representative from each member community. The representatives then elect the Governing Board made up of a Chair, Vice Chair and other members elected in annual elections. The Board oversees and manages the Council. The degree of control exercised by any participating government is limited to its representation in the Assembly and on the Board. During 2020, the City made no contributions to the Council. Financial information can be obtained by contacting First Suburbs Consortium of Northeast Ohio Council of Governments, 165 Center Road, Bedford, OH 44146.

***Northeast Ohio Public Energy Council*** The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 164 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 125 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City did not contribute to NOPEC during 2020. Financial information can be obtained by contacting NOPEC, 31320 Solon Road, Suite 20, Solon, Ohio 4413.

***Regional Income Tax Agency***

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection of income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2020, the City paid RITA \$839,819 for income tax collection services.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

**Note 19 – Notes Payable**

Changes in the City’s note activity for the year ended December 31, 2020, were as follows:

	Outstanding 12/31/2019	Additions	(Reductions)	Outstanding 12/31/2020
<b>Governmental Activities:</b>				
<i>Bond Anticipation Notes</i>				
<i>General Bond Retirement Fund:</i>				
Street Improvements	\$20,000	\$0	(\$20,000)	\$0
Motorized Equipment	88,000	53,611	(88,000)	53,611
Premium	0	532	0	532
<i>Total General Obligation Bond Retirement Fund</i>				
	108,000	54,143	(108,000)	54,143
<i>Capital Improvements Fund:</i>				
Top of the Hill	0	360,000	0	360,000
<i>Total Governmental Activities</i>				
	\$108,000	\$414,143	(\$108,000)	\$414,143

In 2020, the City issued \$53,611 in bond anticipation notes for the purchase of motorized equipment at a premium of \$532 and with an interest rate of 1.52 percent. At December 31, 2020, the improvements and equipment have been completed and the notes matured on July 16, 2021. See Note 26 for more information.

In 2020, the City issued \$360,000 in bond anticipation notes for economic development with an interest rate of 1.45 percent. At December 31, 2020, the economic development has been completed and the notes matured on April 21, 2021. See Note 26 for more information.

The notes are backed by the full faith and credit of the City and mature within one year. The note liabilities are reflected in the fund which received the proceeds and have been repaid with general tax revenues collected in the bond retirement fund. The notes are generally issued in anticipation of long-term bond financing and are refinanced until such bonds are issued.

**Note 20 – Long-term Obligations**

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

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>Governmental Activities</b>				
<b>General Obligation Bonds</b>				
Various Purpose	2014	2028	3.19 %	\$3,125,000
Various Purpose	2015	2029	1.91	2,322,000
Various Purpose	2016	2030	1.91	1,600,000
Various Purpose	2017	2028	2.26	1,325,000
Cedar Lee Parking Deck Refunding	2015	2028	2.03	4,640,000
Restructuring Refunding	2020	2037	0.43 - 1.93	11,910,000

(continued)

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>Governmental Activities (continued)</b>				
<b>Special Assessment Bonds</b>				
Ring Road Improvement Refunding	2014	2029	2.93 %	\$2,510,000
<b>OPWC Loans from Direct Borrowings</b>				
Taylor Road Rehabilitation	2001	2021	0	132,780
Coventry Road Rehabilitation	2005	2025	0	369,741
Lee Road Rehabilitation	2006	2029	0	39,852
Meadowbrook Boulevard	2006	2026	0	2,204,524
Monticello Boulevard	2010	2031	0	248,880
Monticello Boulevard	2012	2034	0	640,800
Meadowbrook Boulevard	2019	2049	0	766,582
<b>OWDA Loan from Direct Borrowing</b>				
OWDA Loan - Runnymede Water Line	2010	2030	3.84	280,298
<b>Long-term Notes</b>				
Top of the Hill	2020	2021	1.45	1,490,000
Street Improvements	2020	2021	1.52	238,000
Motorized Equipment	2020	2021	1.52	394,000
Police Mobile Radios	2020	2021	1.52	166,000
<b>State Infrastructure Bank Loan from Direct Borrowing</b>				
Taylor Road Rehab	2014	2022	3.00	427,323
<b>Business-Type Activities</b>				
<b>General Obligation Bonds</b>				
Vehicle Acquisition	2018	2027	2.85	635,000
<b>OPWC Loans from Direct Borrowings</b>				
Meadowbrook Boulevard Rehabilitation - Sewer	2006	2022	0.00	459,276
<b>OWDA Loan from Direct Borrowing</b>				
OWDA Loan - Demington Sewer	2007	2022	4.12	425,071
<b>Long-term Notes</b>				
Motorized Equipment	2020	2021	1.52	253,389

Changes in long-term obligations during the year ended December 31, 2020, consisted of the following:

	Balance 12/31/2019	Increase	Decrease	Balance 12/31/2020	Amounts Due in One Year
<b>Governmental Activities</b>					
<b>General Obligation Bonds</b>					
2014 Various Purpose Bonds	\$1,640,000	\$0	\$1,640,000	\$0	\$0
2015 Various Purpose Bonds	1,347,000	0	1,347,000	0	0
2016 Various Purpose Bonds	1,250,000	0	1,250,000	0	0
2017 Various Purpose Bonds	1,045,000	0	1,045,000	0	0
2015 Cedar Lee Parking Deck Refunding Bonds	3,735,000	0	380,000	3,355,000	390,000
2017 Building Improvement Bonds	5,585,000	0	5,585,000	0	0
Unamortized Premium	200,401	0	200,401	0	0
Unamortized Discount	(85,841)	0	(85,841)	0	0
2020 Restructuring Refunding Bonds	0	11,910,000	0	11,910,000	605,000
<i>Total General Obligation Bonds</i>	<u>\$14,716,560</u>	<u>\$11,910,000</u>	<u>\$11,361,560</u>	<u>\$15,265,000</u>	<u>\$995,000</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

	Balance 12/31/2019	Increase	Decrease	Balance 12/31/2020	Amounts Due in One Year
<b>Governmental Activities (continued)</b>					
<b>Special Assessment Bonds</b>					
<b>(with governmental commitment)</b>					
2014 Ring Road Improvement Refunding	\$1,890,000	\$0	\$130,000	\$1,760,000	\$130,000
<b>Loans from Direct Borrowings:</b>					
<b>OPWC Loans</b>					
2000 Cedar Road	23,524	0	23,524	0	0
2001 Taylor Road Rehabilitation	13,277	0	3,320	9,957	6,639
2005 Coventry Road Rehabilitation	101,678	0	9,244	92,434	18,487
2006 Lee Road Rehabilitation	19,926	0	996	18,930	1,993
2006 Meadowbrook Boulevard	482,241	0	34,446	447,795	68,891
2010 Monticello Boulevard	143,106	0	6,222	136,884	12,444
2012 Monticello Boulevard	367,677	0	12,678	354,999	25,357
2019 Meadowbrook Boulevard	766,582	45,396	0	811,978	27,066
<i>Total OPWC Loans</i>	1,918,011	45,396	90,430	1,872,977	160,877
<b>OWDA Loan</b>					
2010 Runnymede Water Line	173,262	0	13,683	159,579	14,214
<b>State Infrastructure Bank Loan</b>					
Taylor Road Rehab	172,280	0	55,726	116,554	57,410
<b>Total Loans from Direct Borrowings</b>	<b>2,263,553</b>	<b>45,396</b>	<b>159,839</b>	<b>2,149,110</b>	<b>232,501</b>
<b>Long-term Notes</b>					
Top of the Hill	0	1,490,000	0	1,490,000	0
Street Improvements	232,000	238,000	232,000	238,000	0
Street Improvements Premium	0	2,361	0	2,361	0
Motorized Equipment	456,412	394,000	456,412	394,000	0
Motorized Equipment Premium	0	3,908	0	3,908	0
Police Mobile Radios	163,199	166,000	163,199	166,000	0
Police Mobile Radios Premium	0	1,647	0	1,647	0
<i>Total Long-term Notes</i>	851,611	2,295,916	851,611	2,295,916	0
<b>Other Long-Term Obligations</b>					
Compensated Absences Payable	5,398,053	2,343,889	2,344,789	5,397,153	2,270,921
Workers' Compensation Liability	705,250	597,513	499,942	802,821	552,577
Solid Waste Liability	170,737	6,280	0	177,017	0
Capital Leases	694,249	550,000	224,037	1,020,212	213,469
Asset Retirement Obligation	53,000	0	0	53,000	0
<i>Total Other Long-Term Obligations</i>	7,021,289	3,497,682	3,068,768	7,450,203	3,036,967
<b>Net Pension Liability</b>					
OPERS	26,727,037	0	9,106,570	17,620,467	0
OPF	42,558,956	0	6,506,156	36,052,800	0
<i>Total Net Pension Liability</i>	69,285,993	0	15,612,726	53,673,267	0
<b>Net OPEB Liability</b>					
OPERS	12,248,192	0	458,346	11,789,846	0
OPF	4,748,028	538,366	0	5,286,394	0
<i>Total Net OPEB Liability</i>	16,996,220	538,366	458,346	17,076,240	0
<b>Total Governmental Long-Term Liabilities</b>	<b>\$113,025,226</b>	<b>\$18,287,360</b>	<b>\$31,642,850</b>	<b>\$99,669,736</b>	<b>\$4,394,468</b>

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

	Balance 12/31/2019	Increase	Decrease	Balance 12/31/2020	Amounts Due in One Year
<b>Business-Type Activities</b>					
<b>General Obligation Bonds</b>					
2018 Vehicle Acquisition Bonds	\$515,000	\$0	\$60,000	\$455,000	\$60,000
<b>Loans from Direct Borrowings:</b>					
<b>OPWC Loans</b>					
Cedar Road - Sewer	4,261	0	4,261	0	0
Meadowbrook Boulevard Rehabilitation - Sewer	160,746	0	11,482	149,264	22,964
<i>Total OPWC Loans</i>	165,007	0	15,743	149,264	22,964
<b>OWDA Loans</b>					
OWDA Loan - Demington Sewer	90,042	0	34,919	55,123	36,372
<b>Total Loans from Direct Borrowings</b>	<b>255,049</b>	<b>0</b>	<b>50,662</b>	<b>204,387</b>	<b>59,336</b>
<b>Long-term Notes</b>					
Motorized Equipment	253,389	253,389	253,389	253,389	0
Premium	0	2,514	0	2,514	0
<i>Total Long-term Notes</i>	253,389	255,903	253,389	255,903	0
<b>Other Long-Term Obligations</b>					
Compensated Absences Payable	352,087	234,331	202,855	383,563	224,495
<b>Net Pension Liability</b>					
OPERS	2,011,711	0	887,002	1,124,709	0
<b>Net OPEB Liability</b>					
OPERS	921,909	0	169,364	752,545	0
Total Business-Type Activities					
Long-term Liabilities	<u>\$4,309,145</u>	<u>\$490,234</u>	<u>\$1,623,272</u>	<u>\$3,176,107</u>	<u>\$343,831</u>

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

In 2014, the City issued \$3,125,000 in various purpose general obligation bonds. The bonds were issued with a fixed interest rate of 3.19 percent. The bonds were issued for a 15 year period with final maturity during fiscal year 2028. These bonds were refunded with the 2020 restructuring refunding bonds issued.

In 2015, the City issued \$2,322,000 in various purpose general obligation bonds. The bonds were issued with a fixed interest rate of 1.91 percent. The bonds were issued for a 15 year period with final maturity during fiscal year 2029. These bonds were refunded with the 2020 restructuring refunding bonds issued.

In 2016, the City issued \$1,600,000 in various purpose general obligation bonds. The bonds were issued with a fixed interest rate of 1.91 percent. The bonds were issued for a 15 year period with a final maturity during fiscal year 2030. These bonds were refunded with the 2020 restructuring refunding bonds issued.

In 2017, the City issued \$1,325,000 in various purpose general obligation bonds. The bonds were issued with a fixed interest rate of 2.26 percent. The bonds were issued for a 10 year period with a final maturity during fiscal year 2028. These bonds were refunded with the 2020 restructuring refunding bonds issued.

In 2015, the City issued general obligation bonds, in the amount of \$4,640,000, to partially refund bonds previously issued in 2008 for Cedar Lee parking deck. The bonds were issued with a fixed interest rate of 2.03 percent. The bonds were issued for a 15 year period with final maturity during fiscal year 2028. The bonds will be retired through the general bond retirement fund. As of December 31, 2020, \$3,195,000 of these bonds are

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2020

considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements.

In 2017, the City issued \$5,970,000 in building improvement general obligation bonds. The bonds were issued with interest rates ranging from 3.00 to 3.125 percent. The bonds were issued for a 20 year period with a final maturity during fiscal year 2037. These bonds were refunded with the 2020 restructuring refunding bonds issued.

In 2018, the City issued general obligation bonds in the amount of \$635,000 for the purpose of vehicle acquisition. The bonds were issued with a fixed interest rate of 2.85 percent. The bonds were issued for a 10 year period with a final maturity during fiscal year 2027. The bonds will be retired through the sewer enterprise fund.

In 2020, the City issued general obligation bonds in the amount of \$11,910,000, to refund various purpose bonds previously issued in 2014, 2015, 2016 and 2017 and the building improvement bonds issued in 2017. The bonds were issued with interest rates ranging from 0.43 to 1.93 percent. The bonds were issued for a 17 year period with a final maturity in 2037. The bonds will be retired through the general bond retirement fund. As of December 31, 2020, \$10,867,000 of these bonds are considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements.

	Amount
Outstanding at December 31, 2019:	
2014 Various Purpose Bonds	\$1,640,000
2015 Various Purpose Bonds	1,347,000
2016 Various Purpose Bonds	1,250,000
2017 Various Purpose Bonds	1,045,000
2017 Building Improvement Bonds	5,699,560
Amount of Principal Refunded	(10,867,000)
Amount of Premium Refunded	(200,401)
Amount of Discount Refunded	85,841
Outstanding at December 31, 2020	\$0

Net proceeds of \$11,910,000 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded bonds. As a result, \$10,867,000 of these bonds are considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements.

	2014 Various Purpose Bonds	2015 Various Purpose Bonds	2016 Various Purpose Bonds	2017 Building Improvement Bonds	2017 Various Purpose Bonds	Total
Serial Bonds	\$1,640,000	\$1,347,000	\$1,250,000	\$5,585,000	\$1,045,000	\$10,867,000
Premium on Bonds	0	0	0	200,401	0	200,401
Discount on Bonds	0	0	0	(85,841)	0	(85,841)
Total 2020 Restucturing Payment to Refunded Bond	1,640,000	1,347,000	1,250,000	5,699,560	1,045,000	10,981,560
Escrow Agent:						
Debt Service	(59,037)	(38,324)	(34,951)	150,639	(60,986)	(42,659)
Other Financing Use	(1,667,000)	(1,348,000)	(1,297,000)	(6,565,000)	(1,033,000)	(11,910,000)
2020 Refunding Accounting Loss	(\$86,037)	(\$39,324)	(\$81,951)	(\$714,801)	(\$48,986)	(\$971,099)

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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The refunding resulting in the recognition of an accounting loss of \$971,099. By restructuring the bonds, the City has increased its aggregated debt service payments by \$1,845,832 over the next seventeen years and obtained an economic loss (difference between the present values of the old and new debt service payments) of \$991,498.

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

In 2014, the City issued special assessment bonds, in the amount of \$2,510,000, to refund bonds previously issued in 2004 for improvements to Ring Road. The bonds were issued with a fixed interest rate of 2.93 percent. The bonds were issued for a 15 year period with final maturity during 2029. The bonds will be retired through the general bond retirement fund. The outstanding balance of the refunded bonds were called and fully repaid.

**Long-term Notes** During 2020, the City issued \$1,105,000 in bond anticipation notes for street improvements, the purchase of motorized equipment and police mobile radios which were used to retire previously issued bond anticipation notes. \$87,000 of these notes are considered short-term and the remaining \$1,018,000 are considered long-term. The notes have an interest rate of 1.52 percent and matured on July 16, 2021 and were refinanced. See Note 26 for more information.

During 2020, the City issued \$1,850,000 in bond anticipation notes for economic development. \$360,000 of these notes are considered short-term and the remaining \$1,490,000 are considered long-term. The notes have an interest rate of 1.45 percent and matured on April 21, 2021 and were refinanced. See Note 26 for more information.

**Other Long-Term Obligations** Capital leases will be paid from the ambulance services special revenue fund and the recreation facility improvement capital projects fund. Compensated absences will be paid from the general and sewer funds. The workers' compensation liability will be paid from the general fund. There is no repayment schedule for the net pension liability and net OPEB liability. However, employer pension/OPEB contributions are made from the general fund, street construction and maintenance repair, community development, Cain park operating, municipal court special projects, lead safe, tree, parking, ambulance services, police pension and fire pension special revenue funds and the sewer enterprise fund. See Notes 13 and 14 for additional information regarding the net pension liability and net OPEB liability. The solid waste liability will be paid from the general fund. During 2018, the EPA required a final closure cost estimate from the City. The State infrastructure bank and OPWC and OWDA loans in the governmental activities will be paid semiannually from street construction and maintenance special revenue fund and bond retirement debt service fund. The OPWC loans are interest free.

The OPWC and OWDA loans in business-type activities will be paid semi-annually from the sewer fund. In the event that the sewer fund would fail to pay the OPWC and OWDA loans, payment would be made by any general tax revenues collected in the general, bond retirement or capital projects funds. The Cedar Road and Meadowbrook Boulevard OPWC loans and the Runnymede Waterline OWDA loans related to water improvements are non-capital related now that transfer of operations is complete. The City no longer owns the water lines.



**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

The City's outstanding OPWC loans from direct borrowings and direct placements related to governmental activities of \$1,872,977 and related to business type activities of \$149,264 contain a provision that in an event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

The City's outstanding OWDA loans from direct borrowings of \$159,579 related to governmental activities and \$55,123 related to business-type activities contain a provision that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

The City's outstanding State Infrastructure Bank Loan is financed through the Department of Transportation (ODOT) from direct borrowings related to governmental activities of \$159,579 contain provisions that in the event of default (1) if the loan has not been fully disbursed, termination of any and all of ODOT's obligations under this loan agreement and the commitment, (2) declaration that the entire unpaid balance of all indebtedness owed to ODOT is immediately due and payable, (3) exercise of all or any rights and remedies as ODOT may have under this loan agreement, and any of the other loan documents, (4) inspect, examine and copy the books, records, accounts and financial data of the City, (5) ODOT may pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under this loan agreement, or any other loan document, or to enforcement the performance and observance of any other obligation or agreement of the City under the loan documents.

The City's overall legal debt margin was \$74,490,633 and the unvoted legal debt margin was \$31,932,333 at December 31, 2020. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2020, are as follows:

Year	Governmental Activities			
	General Obligation Bonds		Special Assesment Bonds	
	Principal	Interest	Principal	Interest
2021	\$995,000	\$314,479	\$130,000	\$51,568
2022	910,000	299,261	135,000	47,759
2023	930,000	288,285	140,000	43,803
2024	755,000	276,022	145,000	39,702
2025	730,000	264,095	150,000	35,453
2026-2030	4,225,000	1,106,524	1,060,000	96,544
2031-2035	4,675,000	644,110	0	0
2036-2037	2,045,000	86,462	0	0
<b>Total</b>	<b>\$15,265,000</b>	<b>\$3,279,238</b>	<b>\$1,760,000</b>	<b>\$314,829</b>

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

Governmental Activities					
Loans From Direct Borrowings					
Year	OPWC Loans	OWDA Loan		State Infrastructure Bank Loan Payable	
		Principal	Interest	Principal	Interest
2021	\$160,877	\$14,214	\$5,993	\$57,410	\$3,069
2022	157,558	14,765	5,442	59,144	1,334
2023	154,238	15,337	4,869	0	0
2024	154,238	15,932	4,275	0	0
2025	154,238	16,550	3,657	0	0
2026-2030	436,639	82,781	8,148	0	0
2031-2035	249,202	0	0	0	0
2036-2040	135,329	0	0	0	0
2041-2045	135,329	0	0	0	0
2046-2050	108,264	0	0	0	0
Thereafter	27,065	0	0	0	0
<b>Total</b>	<b>\$1,872,977</b>	<b>\$159,579</b>	<b>\$32,384</b>	<b>\$116,554</b>	<b>\$4,403</b>

Business-Type Activities					
Year	Loans from Direct Borrowings				
	General Obligation Bonds		OWDA Loans		OPWC Loans
	Principal	Interest	Principal	Interest	
2021	\$60,000	\$12,967	\$36,372	\$1,845	\$22,964
2022	60,000	11,258	18,751	375	22,964
2023	65,000	9,547	0	0	22,964
2024	65,000	7,695	0	0	22,964
2025	65,000	5,843	0	0	22,964
2026-2027	140,000	5,985	0	0	34,444
<b>Total</b>	<b>\$455,000</b>	<b>\$53,295</b>	<b>\$55,123</b>	<b>\$2,220</b>	<b>\$149,264</b>

**Note 21 – Top of the Hill – Conduit Debt**

During 2020, the City created a tax increment financing (TIF) district for urban redevelopment pursuant to Ohio Revised Code Chapter 5709 with respect to certain parcels within the City generally known as “Top of the Hill”. City Council has exempted 100 percent of the increase in the assessed value of these parcels from real property taxation for a period of up to thirty years. The benefitted property owners will make service payments in lieu of the property tax payments. The school district will receive a portion of those service payments in lieu of the exempted taxes in accordance with an agreement between the City and the school district. Service payments are expected to begin in 2023.

After creating this TIF district, the City authorized and sold \$24,375,000 aggregate principal amount of Taxable Economic Development Revenue Bonds and loaned the proceeds to Cleveland Heights FCIII, LLC, an Ohio limited liability company (CHFCIII), to pay a portion of the costs of constructing certain project improvements to be developed and owned by CHFCIII on the Top of the Hill parcels. Loan proceeds, to the extent not allocated to fund reserves or pay financing costs, are to be used by CHFCIII to pay costs of construction of the project improvements consisting of luxury apartments, parking, commercial, retail and restaurant space on the Top of the Hill parcels deemed to be in the public interest. CHFCIII is an affiliate of F & C Development, Inc., an Indiana corporation (FCD), the master developer of the Top of the Hill parcels. CHFCIII, FCD and their affiliates are legally separate entities, unrelated to the City.

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

Although the bonds bear the name of the City, the City has no obligation for this debt, or for any amounts payable with respect thereto, beyond the resources, if any, provided by or on behalf of the third-party on whose behalf the debt is issued. Payments on the loan to CHFCIII are in the same amounts as the payments on the conduit bonds, and such loan payments are guaranteed by the principal owner of FCD. Service payments are an obligation of CHFCIII, joined by a separate affiliate of FCD that leases the Top of the Hill parcels to CHFCIII. Available service payments, if any, paid by or on behalf of CHFCIII will be credited against the loan payments otherwise due from that entity. The bonds do not constitute a general obligation, debt or bonded indebtedness of the City. Neither is the full faith and credit or taxing power of the City pledged to make repayment. Accordingly, the bonds constitute conduit debt and are not reported as liabilities in the accompanying financial statements.

At December 31, 2020, bonds had been issued, and the related loan was made, in a principal amount of \$21,320,000 and that entire principal amount remained outstanding. In accordance with the documentation relating to the sale of the bonds, the City is to deliver the balance of the bonds against payment of the related purchase price, and deliver the remaining loan proceeds to CHFCIII, as follows: (i) \$725,000 principal amount on January 4, 2021, (ii) \$780,000 principal amount on July 1, 2021, and (iii) \$1,550,000 principal amount on January 3, 2022.

**Note 22 – Capital Leases**

During 2020, the City entered into a lease agreement for a fire truck. In previous years, the City entered into several lease agreements for machinery and equipment. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital asset acquired by lease currently being paid have been capitalized and depreciated as follows as of December 31, 2020:

	Amounts
Equipment	\$1,177,334
Less Accumulated Depreciation	(998,454)
Current Book Value	\$178,880

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2020.

Year Ending December 31, 2020	Governmental Activities
2021	\$242,636
2022	202,158
2023	157,750
2024	111,591
2025	111,591
2026-2029	300,549
Total	1,126,275
Less: Amount Representing Interest	(106,063)
Present Value of Net Minimum Lease Payments	\$1,020,212

**City of Cleveland Heights, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2020*

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**Note 23 – Assets Held For Resale**

Assets held for resale represents land purchased by the City which will be sold for development purposes under the Community Development Block Grant Program (CDBG) and Neighborhood Stabilization Program.

**Note 24 – 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 Section 1301-7-9 and require a County/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. This asset retirement obligation (ARO) of \$53,000 associated with the City’s underground storage tanks was estimated by the City engineer. The assets have been fully depreciated. The City maintains insurance related to any potential pollution remediation associated with the USTs.

**Note 25 – 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. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. 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. In addition, the impact on the City’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. Additional funding will be available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

During 2020, the City received \$158,000 as an on-behalf of grant from another government. These amounts are recorded in the Coronavirus Relief Special Revenue Fund.

**Note 26 – Subsequent Events**

On April 20, 2021, the City issued \$1,490,000 in economic development nontax revenue notes for the purpose of the City’s contribution to the “Top of the Hill” project costs. The notes bear an interest rate of 1.30 percent and mature on April 19, 2022.

On July 16, 2021, the City issued \$1,018,000 in various purpose general obligation bonds which were used to retire 1,105,000 in various purpose bond anticipation notes. The bonds were sold at an interest rate of 1.52 percent and mature on December 1, 2030.

On September 30, 2021, the City issued \$1,682,000 in special assessment tax-exempt refunding bonds. These bonds will refund the City’s outstanding Ring Road improvement refunding bonds.

On November, 2, 2021, the citizens of the City elected its first Mayor under their new mayor-council-administrator form of government. The new form of government starts on January 1, 2022, when the Mayor is sworn in to office. The Mayor will serve full time as the City’s chief executive officer for a four-year term.

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**Required Supplementary Information**

**City of Cleveland Heights, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the*  
*Net Pension Liability*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Seven Years (1)\**

	2020	2019	2018	2017
City's Proportion of the Net Pension Liability	0.0948370%	0.1049320%	0.1008200%	0.1089160%
City's Proportionate Share of the Net Pension Liability	\$18,745,176	\$28,738,748	\$15,816,704	\$24,732,971
City's Covered Payroll	\$12,950,126	\$13,281,107	\$14,333,754	\$14,087,875
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	144.75%	216.39%	110.35%	175.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%	77.25%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year

\*Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

2016	2015	2015
0.1194990%	0.1277430%	0.1277430%
\$20,698,733	\$15,407,233	\$15,059,235
\$14,666,438	\$15,189,233	\$13,602,627
141.13%	101.44%	110.71%
81.08%	86.45%	86.36%



**City of Cleveland Heights, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the*  
*Net Pension Asset*  
*Ohio Public Employees Retirement System - Combined Plan*  
*Last Three Years (1)\**

	2020	2019	2018
City's Proportion of the Net Pension Asset	0.0380170%	0.0425260%	0.0390650%
City's Proportionate Share of the Net Pension Asset	\$79,275	\$47,554	\$53,180
City's Covered Payroll	\$169,236	\$181,886	\$159,992
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-46.84%	-26.14%	-33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	145.28%	126.64%	137.28%

(1) Although this schedule is intended to reflect information for ten years, amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years. An additional column will be added each year.

\*Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

**City of Cleveland Heights, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the*  
*Net OPEB Liability*  
*Ohio Public Employees Retirement System - OPEB Plan*  
*Last Four Years (1)\**

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.0908040%	0.1010160%	0.0966600%	0.1043700%
City's Proportionate Share of the Net OPEB Liability	\$12,542,391	\$13,170,101	\$10,496,564	\$10,541,725
City's Covered Payroll	\$13,265,937	\$13,646,743	\$14,666,179	\$14,087,875
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	94.55%	96.51%	71.57%	74.83%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

\*Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

**City of Cleveland Heights, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the*  
*Net Pension Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Seven Years (1)\**

	2020	2019	2018	2017
City's Proportion of the Net Pension Liability	0.5351832%	0.5213870%	0.6027760%	0.5629800%
City's Proportionate Share of the Net Pension Liability	\$36,052,800	\$42,558,956	\$36,995,085	\$35,658,588
City's Covered Payroll	\$12,420,140	\$12,824,566	\$11,438,528	\$11,929,672
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	290.28%	331.85%	323.43%	298.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.89%	63.07%	70.91%	68.36%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year

\*Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

2016	2015	2014
0.6381960%	0.5471273%	0.5471273%
\$41,055,597	\$28,343,475	\$26,646,816
\$11,915,147	\$10,740,721	\$11,100,872
344.57%	263.89%	240.04%
66.77%	71.71%	73.00%

**City of Cleveland Heights, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the*  
*Net OPEB Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Four Years (1)\**

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.5351832%	0.5213870%	0.6027760%	0.5629800%
City's Proportionate Share of the Net OPEB Liability	\$5,286,394	\$4,748,028	\$34,152,444	\$26,723,395
City's Covered Payroll	\$12,420,140	\$12,824,566	\$11,438,528	\$11,929,672
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.56%	37.02%	298.57%	224.01%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.08%	46.57%	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year

\*Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

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**City of Cleveland Heights, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions*  
*Ohio Public Employees Retirement System*  
*Last Eight Years (1) (2)*

	2020	2019	2018	2017
<b>Net Pension Liability - Traditional Plan</b>				
Contractually Required Contribution	\$1,704,740	\$1,876,476	\$1,859,355	\$1,863,388
Contributions in Relation to the Contractually Required Contribution	<u>(1,704,740)</u>	<u>(1,876,476)</u>	<u>(1,859,355)</u>	<u>(1,863,388)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$11,715,595	\$12,950,126	\$13,281,107	\$14,333,754
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
<b>Net Pension Liability - Combined Plan (4)</b>				
Contractually Required Contribution	\$26,295	\$23,693	\$25,464	\$20,799
Contributions in Relation to the Contractually Required Contribution	<u>(26,295)</u>	<u>(23,693)</u>	<u>(25,464)</u>	<u>(20,799)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$187,821	\$169,236	\$181,886	\$159,992
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
<b>Net OPEB Liability - OPEB Plan (2)</b>				
Contractually Required Contribution	\$4,669	\$5,863	\$7,350	\$151,835
Contributions in Relation to the Contractually Required Contribution	<u>(4,669)</u>	<u>(5,863)</u>	<u>(7,350)</u>	<u>(151,835)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$12,020,141	\$13,265,937	\$13,646,743	\$14,666,179
OPEB Contributions as a Percentage of Covered Payroll	<u>0.04%</u>	<u>0.04%</u>	<u>0.05%</u>	<u>1.04%</u>

- (1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year.
- (2) 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.
- (3) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.
- (4) Information prior to 2017 is not available.

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2015</u>	<u>2014</u>
\$1,690,545	\$1,826,707	\$1,892,517	\$1,840,602
<u>(1,690,545)</u>	<u>(1,826,707)</u>	<u>(1,892,517)</u>	<u>(1,840,602)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$14,087,875	\$14,666,438	\$15,189,233	\$13,602,627
<u>12.00%</u>	<u>12.46%</u>	<u>12.46%</u>	<u>13.53%</u>

\$281,758

(281,758)

\$0

\$14,087,875

2.00%



**City of Cleveland Heights, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$3,149,254	\$2,657,819	\$2,699,820	\$2,505,231
Contributions in Relation to the Contractually Required Contribution	<u>(3,149,254)</u>	<u>(2,657,819)</u>	<u>(2,699,820)</u>	<u>(2,505,231)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$14,768,334	\$12,420,140	\$12,824,566	\$11,438,528
Pension Contributions as a Percentage of Covered Payroll	<u>21.32%</u>	<u>21.40%</u>	<u>21.05%</u>	<u>21.90%</u>
<b>Net OPEB Liability</b>				
Contractually Required Contribution	\$73,842	\$62,100	\$64,123	\$57,193
Contributions in Relation to the Contractually Required Contribution	<u>(73,842)</u>	<u>(62,100)</u>	<u>(64,123)</u>	<u>(57,193)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.82%</u>	<u>21.90%</u>	<u>21.55%</u>	<u>22.40%</u>

(1) The City's covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information.

2016	2015	2014	2013	2012	2011
\$2,547,007	\$2,542,641	\$2,289,692	\$2,022,363	\$1,642,143	\$1,637,957
<u>(2,547,007)</u>	<u>(2,542,641)</u>	<u>(2,289,692)</u>	<u>(2,022,363)</u>	<u>(1,642,143)</u>	<u>(1,637,957)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$11,929,672	\$11,915,147	\$10,740,721	\$11,100,872	\$10,905,975	\$10,820,729
<u>21.35%</u>	<u>21.34%</u>	<u>21.32%</u>	<u>18.22%</u>	<u>15.06%</u>	<u>15.14%</u>
\$59,648	\$59,576	\$53,704	\$401,482	\$736,154	\$730,399
<u>(59,648)</u>	<u>(59,576)</u>	<u>(53,704)</u>	<u>(401,482)</u>	<u>(736,154)</u>	<u>(730,399)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>3.62%</u>	<u>6.75%</u>	<u>6.75%</u>
<u>21.85%</u>	<u>21.84%</u>	<u>21.82%</u>	<u>21.84%</u>	<u>21.81%</u>	<u>21.89%</u>

**City of Cleveland Heights, Ohio**  
*Notes to the Required Supplementary Information*  
For the year ended December 31, 2020

**Changes in Assumptions – OPERS Pension– Traditional Plan**

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2019	2018 and 2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

**Changes in Assumptions – OPERS Pension – Combined Plan**

For 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013 retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

**City of Cleveland Heights, Ohio**  
*Notes to the Required Supplementary Information*  
For the year ended December 31, 2020

**Changes in Assumptions – OP&F Pension**

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	Beginning in 2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Amounts reported beginning in 2018 use valuation, 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/Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

Amounts reported beginning in 2018 use valuation, 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/Conduent 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

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

**City of Cleveland Heights, Ohio**  
*Notes to the Required Supplementary Information*  
*For the year ended December 31, 2020*

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**Changes in Assumptions – OPERS OPEB**

Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

**Changes in Assumptions – OP&F OPEB**

Single Discount Rate:	
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

**Changes in Benefit Terms – OP&F OPEB**

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

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

## *Fund Descriptions - Nonmajor Governmental Funds*

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### *Nonmajor Special Revenue Funds*

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

***Street Construction, Maintenance and Repair Fund*** - To account for and report the portion of the State gasoline tax and motor vehicle registration fees restricted for the maintenance and repair of dedicated streets within the City.

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

***Public Building Maintenance Fund*** - To account for and report committed rental income for placement of communication towers. The fund did not have any budgetary activity in 2020; therefore, budgetary information is not provided.

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

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

***Community Development Block Grant Fund*** - To account for and report restricted Federal grant monies for expenditures as prescribed under the Community Development Block Grant Program.

***Community Development Block Grant Fund – Covid Relief Grant*** - To account for and report restricted Federal grant monies for expenditures related to Covid relief through the Community Development Block Grant Program.

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

***FEMA Grant Fund*** - To account for and report Federal and State monies restricted for natural disaster preparation and restoration.

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

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

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

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

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

(continued)

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

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

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

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

***Neighborhood Stabilization Program Fund*** - To account for and report grants restricted to address the City's foreclosed homes crisis and stabilize neighborhoods. The fund did not have any budgetary activity in 2020; therefore, budgetary information is not provided.

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

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

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

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

***First Suburbs Development Council Fund*** - To account for and report grants restricted to the expenditures of the First Suburbs Development Council. The fund did not have any budgetary activity in 2020; therefore, budgetary information is not provided.

***Coronavirus Relief*** - To account for and report restricted monies received from the federal government to assist local governments with the coronavirus pandemic.

***Police Radios Fund*** - To account for and report restricted note proceeds used for the purchase of new radios in the police department. The fund did not have any budgetary activity in 2020; therefore, budgetary information is not provided.

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

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

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

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

***Police Memorial Trust Fund*** - To account for and report private donations restricted for the purpose of establishing a police memorial to honor officers that have been killed in the line of duty. The fund did not have any budgetary activity in 2020; therefore, budgetary information is not provided.

***Youth Advisory Commission Fund*** - To account for and report private donations restricted for the purpose of advising the Council on matters pertaining to youths.

(continued)



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

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

***Juvenile Diversion Program Fund*** - To account for and report private donations restricted for programs that divert youth from involvement in the juvenile justice system.

***Fire Damage Deposits Fund*** – To account for and report restricted insurance deposits held until a home is deemed safe and the deposits returned to the homeowner.

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

### *Nonmajor Debt Service Fund*

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to the payment of debt principal and interest.

***General Bond Retirement Fund*** - To account for and report property taxes and special assessments restricted for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

### *Nonmajor Capital Projects Funds*

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

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

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

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

***Energy Improvements Fund*** - To account for and report bond proceeds restricted for energy improvements made throughout the City.

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

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

***Ring Road Construction Fund*** - To account for and report transfers and other revenues committed to the reconstruction of Severance Ring Road. The fund did not have any budgetary activity in 2020; therefore, budgetary information is not provided.

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2020*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$9,791,038	\$889,382	\$2,804,280	\$13,484,700
Restricted Asset:				
Equity in Pooled Cash and Cash Equivalents	189,844	0	0	189,844
Equity in Pooled Cash and Cash Equivalents with Escrow Agents	550,043	0	0	550,043
Materials and Supplies Inventory	62,144	0	0	62,144
Accrued Interest Receivable	337,383	0	0	337,383
Accounts Receivable	2,347,558	0	2,127	2,349,685
Intergovernmental Receivable	2,575,708	79,145	36,936	2,691,789
Property Taxes Receivable	520,774	1,301,934	607,573	2,430,281
Special Assessments Receivable	3,383,007	1,305,000	0	4,688,007
Loans Receivable	3,272,699	0	0	3,272,699
Assets Held for Resale	828,182	0	130,575	958,757
<i>Total Assets</i>	<u>\$23,858,380</u>	<u>\$3,575,461</u>	<u>\$3,581,491</u>	<u>\$31,015,332</u>
<b>Liabilities</b>				
Accounts Payable	\$283,139	\$0	\$47,034	\$330,173
Contracts Payable	187,519	0	0	187,519
Accrued Wages	19,659	0	0	19,659
Retainage Payable	27,750	0	0	27,750
Interfund Payable	1,665,240	0	0	1,665,240
Intergovernmental Payable	582,537	0	0	582,537
Unearned Revenue	448,132	0	0	448,132
Accrued Interest Payable	0	366	3,618	3,984
Notes Payable	0	54,143	360,000	414,143
<i>Payables from Restricted Assets:</i>				
Accounts Payable	189,844	0	0	189,844
<i>Total Liabilities</i>	<u>3,403,820</u>	<u>54,509</u>	<u>410,652</u>	<u>3,868,981</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	414,230	1,035,574	483,268	1,933,072
Unavailable Revenue	6,945,413	1,650,505	161,241	8,757,159
<i>Deferred Inflows of Resources</i>	<u>7,359,643</u>	<u>2,686,079</u>	<u>644,509</u>	<u>10,690,231</u>
<b>Fund Balances</b>				
Nonspendable	62,144	0	0	62,144
Restricted	11,725,938	834,873	499,692	13,060,503
Committed	1,990,100	0	48,880	2,038,980
Assigned	0	0	1,977,758	1,977,758
Unassigned (Deficit)	(683,265)	0	0	(683,265)
<i>Total Fund Balances</i>	<u>13,094,917</u>	<u>834,873</u>	<u>2,526,330</u>	<u>16,456,120</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$23,858,380</u>	<u>\$3,575,461</u>	<u>\$3,581,491</u>	<u>\$31,015,332</u>

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2020*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$501,958	\$1,096,611	\$511,766	\$2,110,335
Charges for Services	1,522,224	0	0	1,522,224
Licenses, Permits and Fees	1,870	0	5,705	7,575
Fines and Forfeitures	616,032	0	0	616,032
Intergovernmental	8,038,620	158,290	73,871	8,270,781
Special Assessments	2,076,508	121,786	0	2,198,294
Interest	1,826	0	9,164	10,990
Rentals	0	0	26,030	26,030
Contributions and Donations	438,919	0	0	438,919
Miscellaneous	70,719	0	152,115	222,834
<i>Total Revenues</i>	<u>13,268,676</u>	<u>1,376,687</u>	<u>778,651</u>	<u>15,424,014</u>
<b>Expenditures</b>				
Current:				
General Government	1,607,946	1,206	20,826	1,629,978
Public Safety	8,295,259	0	22,660	8,317,919
Public Health Services	42,292	0	0	42,292
Transportation	1,336,256	0	0	1,336,256
Community Development	3,660,649	0	2,080,563	5,741,212
Sanitation	2,089	0	0	2,089
Culture and Recreation	75,169	0	0	75,169
Capital Outlay	0	0	355,316	355,316
Debt Service:				
Principal Retirement	286,881	547,207	59,788	893,876
Interest and Fiscal Charges	34,804	309,255	10,441	354,500
Issuance Costs	0	263,433	0	263,433
Principal Retirement - Current Refunding	0	53,611	0	53,611
Payment to Refunding Bond Escrow Agent	0	42,659	0	42,659
<i>Total Expenditures</i>	<u>15,341,345</u>	<u>1,217,371</u>	<u>2,549,594</u>	<u>19,108,310</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,072,669)</u>	<u>159,316</u>	<u>(1,770,943)</u>	<u>(3,684,296)</u>
<b>Other Financing Sources (Uses)</b>				
OPWC Loans Issued	45,396	0	0	45,396
Bond Anticipation Notes Issued	0	798,000	1,490,000	2,288,000
Premium on Bond Anticipation Notes Issued	0	7,916	0	7,916
Inception of Capital Lease	550,000	0	0	550,000
General Obligation Bonds Issued	0	11,910,000	0	11,910,000
Current Refunding	0	(798,000)	0	(798,000)
Payment to Refunding Bond Escrow Agent	0	(11,910,000)	0	(11,910,000)
Transfers In	2,595,634	318,231	0	2,913,865
Transfers Out	(374,116)	0	0	(374,116)
<i>Total Other Financing Sources (Uses)</i>	<u>2,816,914</u>	<u>326,147</u>	<u>1,490,000</u>	<u>4,633,061</u>
<i>Net Change in Fund Balances</i>	744,245	485,463	(280,943)	948,765
<i>Fund Balances Beginning of Year</i>	<u>12,350,672</u>	<u>349,410</u>	<u>2,807,273</u>	<u>15,507,355</u>
<i>Fund Balances End of Year</i>	<u>\$13,094,917</u>	<u>\$834,873</u>	<u>\$2,526,330</u>	<u>\$16,456,120</u>

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2020*

	Street Construction, Maintenance and Repair	Foundation Grants	Public Building Maintenance	Law Enforcement Trust	Drug Law Enforcement
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$1,669,777	\$0	\$423	\$173,635	\$108,037
Restricted Asset:					
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	0
Equity in Pooled Cash and Cash Equivalents with Escrow Agents	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Accrued Interest Receivable	0	0	0	0	0
Accounts Receivable	0	0	0	80	12,022
Intergovernmental Receivable	1,011,684	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
Loans Receivable	0	0	0	0	0
Assets Held for Resale	0	95,216	0	0	0
<i>Total Assets</i>	<u>\$2,681,461</u>	<u>\$95,216</u>	<u>\$423</u>	<u>\$173,715</u>	<u>\$120,059</u>
<b>Liabilities</b>					
Accounts Payable	\$0	\$101,000	\$0	\$7,305	\$3,089
Contracts Payable	84,195	0	0	0	0
Accrued Wages	1,408	0	0	0	0
Retainage Payable	11,863	0	0	0	0
Interfund Payable	125,578	54,138	0	0	0
Intergovernmental Payable	2,502	0	0	0	0
Unearned Revenue	0	0	0	0	0
<i>Payables from Restricted Assets:</i>					
Accounts Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>225,546</u>	<u>155,138</u>	<u>0</u>	<u>7,305</u>	<u>3,089</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes	0	0	0	0	0
Unavailable Revenue	683,334	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>683,334</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>					
Nonspendable	0	0	0	0	0
Restricted	1,772,581	0	0	166,410	116,970
Committed	0	0	423	0	0
Unassigned (Deficit)	0	(59,922)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>1,772,581</u>	<u>(59,922)</u>	<u>423</u>	<u>166,410</u>	<u>116,970</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,681,461</u>	<u>\$95,216</u>	<u>\$423</u>	<u>\$173,715</u>	<u>\$120,059</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2020*

	Community Development Block Grant	Community Development Block Grant - Covid Relief Grant	Home Program	FEMA Grant	Cain Park Operating	Public Right of Way
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$0	\$0	\$246,702	\$179,241	\$5,080	\$164,932
Restricted Asset:						
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	0	0
Equity in Pooled Cash and Cash Equivalents with Escrow Agents	0	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0	0
Accrued Interest Receivable	0	0	337,383	0	0	0
Accounts Receivable	830	0	266	0	0	0
Intergovernmental Receivable	1,379,137	150,286	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
Special Assessments Receivable	687,027	0	0	0	0	0
Loans Receivable	1,074,350	0	2,198,349	0	0	0
Assets Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$3,141,344</u>	<u>\$150,286</u>	<u>\$2,782,700</u>	<u>\$179,241</u>	<u>\$5,080</u>	<u>\$164,932</u>
<b>Liabilities</b>						
Accounts Payable	\$35,993	\$325	\$0	\$19,375	\$259	\$0
Contracts Payable	88,325	0	0	0	0	0
Accrued Wages	6,646	0	0	0	0	0
Retainage Payable	15,887	0	0	0	0	0
Interfund Payable	753,641	150,286	131,064	0	0	0
Intergovernmental Payable	11,836	0	0	0	0	0
Unearned Revenue	0	0	0	0	0	0
<i>Payables from Restricted Assets:</i>						
Accounts Payable	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>912,328</u>	<u>150,611</u>	<u>131,064</u>	<u>19,375</u>	<u>259</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	0	0	0	0	0	0
Unavailable Revenue	713,756	150,286	337,383	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>713,756</u>	<u>150,286</u>	<u>337,383</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>						
Nonspendable	0	0	0	0	0	0
Restricted	1,515,260	0	2,314,253	159,866	0	164,932
Committed	0	0	0	0	4,821	0
Unassigned (Deficit)	0	(150,611)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>1,515,260</u>	<u>(150,611)</u>	<u>2,314,253</u>	<u>159,866</u>	<u>4,821</u>	<u>164,932</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$3,141,344</u>	<u>\$150,286</u>	<u>\$2,782,700</u>	<u>\$179,241</u>	<u>\$5,080</u>	<u>\$164,932</u>

Indigent Driver's Alcohol Treatment	Municipal Court Clerk Computerization	DUI Enforcement and Education	Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Street Lighting	Tree
\$272,126	\$60,107	\$121,972	\$2,138,872	\$0	\$123,584	\$1,301,403	\$610,091
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	1,661,020	1,034,960
0	0	0	0	0	0	0	0
0	0	0	0	0	732,966	0	0
<u>\$272,126</u>	<u>\$60,107</u>	<u>\$121,972</u>	<u>\$2,138,872</u>	<u>\$0</u>	<u>\$856,550</u>	<u>\$2,962,423</u>	<u>\$1,645,051</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$72,397	\$1,633
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	4,676
0	0	0	0	0	0	0	0
0	16,325	0	0	222,264	0	0	0
0	0	0	190	0	0	0	8,323
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	16,325	0	190	222,264	0	72,397	14,632
0	0	0	0	0	0	0	0
0	0	0	0	0	0	1,661,020	1,034,960
0	0	0	0	0	0	1,661,020	1,034,960
0	0	0	0	0	0	0	0
272,126	43,782	121,972	2,138,682	0	856,550	1,229,006	595,459
0	0	0	0	0	0	0	0
0	0	0	0	(222,264)	0	0	0
<u>272,126</u>	<u>43,782</u>	<u>121,972</u>	<u>2,138,682</u>	<u>(222,264)</u>	<u>856,550</u>	<u>1,229,006</u>	<u>595,459</u>
<u>\$272,126</u>	<u>\$60,107</u>	<u>\$121,972</u>	<u>\$2,138,872</u>	<u>\$0</u>	<u>\$856,550</u>	<u>\$2,962,423</u>	<u>\$1,645,051</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2020*

	Police Pension	Fire Pension	First Suburbs Development Council	Coronavirus Relief	Police Radios	Parking
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$225,550	\$167,693	\$60,254	\$484,923	\$10,261	\$230,739
Restricted Asset:						
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	0	0
Equity in Pooled Cash and Cash Equivalents with Escrow Agents	0	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0	62,144
Accrued Interest Receivable	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	15,828	15,828	0	0	0	0
Property Taxes Receivable	260,387	260,387	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0
Loans Receivable	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$501,765</u>	<u>\$443,908</u>	<u>\$60,254</u>	<u>\$484,923</u>	<u>\$10,261</u>	<u>\$292,883</u>
<b>Liabilities</b>						
Accounts Payable	\$0	\$0	\$0	\$20,615	\$0	\$10,785
Contracts Payable	0	0	0	14,999	0	0
Accrued Wages	0	0	0	0	0	685
Retainage Payable	0	0	0	0	0	0
Interfund Payable	23,010	188,934	0	0	0	0
Intergovernmental Payable	109,043	163,502	0	0	0	284,994
Unearned Revenue	0	0	0	448,132	0	0
<i>Payables from Restricted Assets:</i>						
Accounts Payable	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>132,053</u>	<u>352,436</u>	<u>0</u>	<u>483,746</u>	<u>0</u>	<u>296,464</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	207,115	207,115	0	0	0	0
Unavailable Revenue	69,100	69,100	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>276,215</u>	<u>276,215</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>						
Nonspendable	0	0	0	0	0	62,144
Restricted	93,497	0	60,254	1,177	10,261	0
Committed	0	0	0	0	0	0
Unassigned (Deficit)	0	(184,743)	0	0	0	(65,725)
<i>Total Fund Balances (Deficit)</i>	<u>93,497</u>	<u>(184,743)</u>	<u>60,254</u>	<u>1,177</u>	<u>10,261</u>	<u>(3,581)</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$501,765</u>	<u>\$443,908</u>	<u>\$60,254</u>	<u>\$484,923</u>	<u>\$10,261</u>	<u>\$292,883</u>

Ambulance Services	Office on Aging Donations	Youth Recreation Donation	Police Memorial Trust	Youth Advisory Commission	Juvenile Diversion Program	Fire Damage Deposits	Total Nonmajor Special Revenue Funds
\$1,342,716	\$14,312	\$59,825	\$11,808	\$71	\$6,904	\$0	\$9,791,038
0	0	0	0	0	0	189,844	189,844
550,043	0	0	0	0	0	0	550,043
0	0	0	0	0	0	0	62,144
0	0	0	0	0	0	0	337,383
2,334,360	0	0	0	0	0	0	2,347,558
2,945	0	0	0	0	0	0	2,575,708
0	0	0	0	0	0	0	520,774
0	0	0	0	0	0	0	3,383,007
0	0	0	0	0	0	0	3,272,699
0	0	0	0	0	0	0	828,182
<u>\$4,230,064</u>	<u>\$14,312</u>	<u>\$59,825</u>	<u>\$11,808</u>	<u>\$71</u>	<u>\$6,904</u>	<u>\$189,844</u>	<u>\$23,858,380</u>
\$10,343	\$20	\$0	\$0	\$0	\$0	\$0	\$283,139
0	0	0	0	0	0	0	187,519
6,244	0	0	0	0	0	0	19,659
0	0	0	0	0	0	0	27,750
0	0	0	0	0	0	0	1,665,240
2,147	0	0	0	0	0	0	582,537
0	0	0	0	0	0	0	448,132
0	0	0	0	0	0	189,844	189,844
<u>18,734</u>	<u>20</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>189,844</u>	<u>3,403,820</u>
0	0	0	0	0	0	0	414,230
<u>2,226,474</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,945,413</u>
<u>2,226,474</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,359,643</u>
0	0	0	0	0	0	0	62,144
0	14,292	59,825	11,808	71	6,904	0	11,725,938
1,984,856	0	0	0	0	0	0	1,990,100
0	0	0	0	0	0	0	(683,265)
<u>1,984,856</u>	<u>14,292</u>	<u>59,825</u>	<u>11,808</u>	<u>71</u>	<u>6,904</u>	<u>0</u>	<u>13,094,917</u>
<u>\$4,230,064</u>	<u>\$14,312</u>	<u>\$59,825</u>	<u>\$11,808</u>	<u>\$71</u>	<u>\$6,904</u>	<u>\$189,844</u>	<u>\$23,858,380</u>



**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2020*

	Street Construction, Maintenance and Repair	Foundation Grants	Public Building Maintenance	Law Enforcement Trust	Drug Law Enforcement
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	80	0
Fines and Forfeitures	0	0	0	26,228	398,654
Intergovernmental	2,198,534	0	0	300	822
Special Assessments	0	0	0	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	5,000
<i>Total Revenues</i>	<u>2,198,534</u>	<u>0</u>	<u>0</u>	<u>26,608</u>	<u>404,476</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Public Safety	0	0	0	88,235	201,006
Public Health Services	0	0	0	0	0
Transportation	1,335,895	0	0	0	0
Community Development	0	214,888	0	0	0
Sanitation	0	0	0	0	0
Culture and Recreation	0	0	0	0	0
Debt Service:					
Principal Retirement	122,632	0	0	0	0
Interest and Fiscal Charges	4,753	0	0	0	0
<i>Total Expenditures</i>	<u>1,463,280</u>	<u>214,888</u>	<u>0</u>	<u>88,235</u>	<u>201,006</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>735,254</u>	<u>(214,888)</u>	<u>0</u>	<u>(61,627)</u>	<u>203,470</u>
<b>Other Financing Sources (Uses)</b>					
OPWC Loans Issued	45,396	0	0	0	0
Inception of Capital Lease	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	(11,482)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>33,914</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	769,168	(214,888)	0	(61,627)	203,470
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,003,413</u>	<u>154,966</u>	<u>423</u>	<u>228,037</u>	<u>(86,500)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,772,581</u>	<u>(\$59,922)</u>	<u>\$423</u>	<u>\$166,410</u>	<u>\$116,970</u>

Community Development Block Grant	Community Development Block Grant - Covid Relief Grant	Home Program	FEMA Grant	Cain Park Operating	Public Right of Way	Indigent Driver's Alcohol Treatment	Municipal Court Clerk Computerization
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0	0
0	0	0	0	0	400	0	0
38,814	0	0	0	0	0	14,289	49,882
1,362,212	0	17,950	378,582	36,135	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
830	0	266	0	0	0	0	0
<u>1,401,856</u>	<u>0</u>	<u>18,216</u>	<u>378,582</u>	<u>36,135</u>	<u>400</u>	<u>14,289</u>	<u>49,882</u>
0	0	0	0	0	0	0	25,956
0	0	0	378,345	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
1,590,438	150,611	15,155	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	74,744	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>1,590,438</u>	<u>150,611</u>	<u>15,155</u>	<u>378,345</u>	<u>74,744</u>	<u>0</u>	<u>0</u>	<u>25,956</u>
<u>(188,582)</u>	<u>(150,611)</u>	<u>3,061</u>	<u>237</u>	<u>(38,609)</u>	<u>400</u>	<u>14,289</u>	<u>23,926</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	60,000	0	0	0
0	0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>60,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
(188,582)	(150,611)	3,061	237	21,391	400	14,289	23,926
<u>1,703,842</u>	<u>0</u>	<u>2,311,192</u>	<u>159,629</u>	<u>(16,570)</u>	<u>164,532</u>	<u>257,837</u>	<u>19,856</u>
<u>\$1,515,260</u>	<u>(\$150,611)</u>	<u>\$2,314,253</u>	<u>\$159,866</u>	<u>\$4,821</u>	<u>\$164,932</u>	<u>\$272,126</u>	<u>\$43,782</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2020*

	DUI Enforcement and Education	Municipal Court Special Projects	Lead Safe Cuyahoga	Neighborhood Stabilization Program	Street Lighting
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0
Fines and Forfeitures	4,905	83,260	0	0	0
Intergovernmental	0	108,802	7,404	0	0
Special Assessments	0	0	0	0	1,004,030
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	426,200	0
Miscellaneous	0	1,980	0	0	0
<i>Total Revenues</i>	<u>4,905</u>	<u>194,042</u>	<u>7,404</u>	<u>426,200</u>	<u>1,004,030</u>
<b>Expenditures</b>					
Current:					
General Government	0	165,045	0	0	0
Public Safety	0	0	0	0	952,176
Public Health Services	0	0	0	0	0
Transportation	0	0	0	0	0
Community Development	0	0	209,465	26,430	0
Sanitation	0	0	0	0	0
Culture and Recreation	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>165,045</u>	<u>209,465</u>	<u>26,430</u>	<u>952,176</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,905</u>	<u>28,997</u>	<u>(202,061)</u>	<u>399,770</u>	<u>51,854</u>
<b>Other Financing Sources (Uses)</b>					
OPWC Loans Issued	0	0	0	0	0
Inception of Capital Lease	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	4,905	28,997	(202,061)	399,770	51,854
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>117,067</u>	<u>2,109,685</u>	<u>(20,203)</u>	<u>456,780</u>	<u>1,177,152</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$121,972</u>	<u>\$2,138,682</u>	<u>(\$222,264)</u>	<u>\$856,550</u>	<u>\$1,229,006</u>

Tree	Police Pension	Fire Pension	First Suburbs Development Council	Coronavirus Relief	Police Radios	Parking	Ambulance Services
\$0	\$250,979	\$250,979	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	601,797	920,427
1,390	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	3,924,934	0	0	2,945
1,072,478	0	0	0	0	0	0	0
0	0	0	0	1,777	0	6	43
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	119
<u>1,073,868</u>	<u>250,979</u>	<u>250,979</u>	<u>0</u>	<u>3,926,711</u>	<u>0</u>	<u>601,803</u>	<u>923,534</u>
0	0	0	0	635,496	0	781,399	0
0	1,188,942	1,615,082	0	2,938,156	0	0	869,355
0	0	0	0	40,000	0	0	0
0	0	0	0	361	0	0	0
1,144,655	0	0	0	309,007	0	0	0
0	0	0	0	2,089	0	0	0
0	0	0	0	425	0	0	0
0	0	0	0	0	0	0	164,249
0	0	0	0	0	0	0	30,051
<u>1,144,655</u>	<u>1,188,942</u>	<u>1,615,082</u>	<u>0</u>	<u>3,925,534</u>	<u>0</u>	<u>781,399</u>	<u>1,063,655</u>
<u>(70,787)</u>	<u>(937,963)</u>	<u>(1,364,103)</u>	<u>0</u>	<u>1,177</u>	<u>0</u>	<u>(179,596)</u>	<u>(140,121)</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	550,000
0	975,000	1,560,634	0	0	0	0	0
0	0	0	0	0	0	0	(362,634)
<u>0</u>	<u>975,000</u>	<u>1,560,634</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>187,366</u>
(70,787)	37,037	196,531	0	1,177	0	(179,596)	47,245
<u>666,246</u>	<u>56,460</u>	<u>(381,274)</u>	<u>60,254</u>	<u>0</u>	<u>10,261</u>	<u>176,015</u>	<u>1,937,611</u>
<u>\$595,459</u>	<u>\$93,497</u>	<u>(\$184,743)</u>	<u>\$60,254</u>	<u>\$1,177</u>	<u>\$10,261</u>	<u>(\$3,581)</u>	<u>\$1,984,856</u>

(continued)

**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2020*

	Office on Aging Donations	Youth Recreation Donation	Police Memorial Trust	Youth Advisory Commission	Juvenile Diversion Program
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Special Assessments	0	0	0	0	0
Interest	0	0	0	0	0
Contributions and Donations	6,019	4,600	0	0	2,100
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>6,019</u>	<u>4,600</u>	<u>0</u>	<u>0</u>	<u>2,100</u>
<b>Expenditures</b>					
Current:					
General Government	0	50	0	0	0
Public Safety	0	0	0	0	1,438
Public Health Services	2,292	0	0	0	0
Transportation	0	0	0	0	0
Community Development	0	0	0	0	0
Sanitation	0	0	0	0	0
Culture and Recreation	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,292</u>	<u>50</u>	<u>0</u>	<u>0</u>	<u>1,438</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,727</u>	<u>4,550</u>	<u>0</u>	<u>0</u>	<u>662</u>
<b>Other Financing Sources (Uses)</b>					
OPWC Loans Issued	0	0	0	0	0
Inception of Capital Lease	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	3,727	4,550	0	0	662
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>10,565</u>	<u>55,275</u>	<u>11,808</u>	<u>71</u>	<u>6,242</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$14,292</u>	<u>\$59,825</u>	<u>\$11,808</u>	<u>\$71</u>	<u>\$6,904</u>

Fire Damage Deposits	Total Nonmajor Special Revenue Funds
\$0	\$501,958
0	1,522,224
0	1,870
0	616,032
0	8,038,620
0	2,076,508
0	1,826
0	438,919
62,524	70,719
<u>62,524</u>	<u>13,268,676</u>
0	1,607,946
62,524	8,295,259
0	42,292
0	1,336,256
0	3,660,649
0	2,089
0	75,169
0	286,881
0	34,804
<u>62,524</u>	<u>15,341,345</u>
<u>0</u>	<u>(2,072,669)</u>
0	45,396
0	550,000
0	2,595,634
0	(374,116)
<u>0</u>	<u>2,816,914</u>
0	744,245
<u>0</u>	<u>12,350,672</u>
<u>\$0</u>	<u>\$13,094,917</u>

**City of Cleveland Heights, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2020*

	<u>Police Facility Improvement</u>	<u>Recreation Facility Improvement</u>	<u>Capital Improvements</u>	<u>Energy Improvements</u>	<u>Economic Development</u>
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$13,835	\$528,292	\$903,800	\$777	\$1,221,583
Accounts Receivable	0	0	0	0	0
Intergovernmental Receivable	0	36,936	0	0	0
Property Taxes Receivable	0	607,573	0	0	0
Assets Held for Resale	0	0	0	0	130,575
<i>Total Assets</i>	<u>\$13,835</u>	<u>\$1,172,801</u>	<u>\$903,800</u>	<u>\$777</u>	<u>\$1,352,158</u>
<b>Liabilities</b>					
Accounts Payable	\$0	\$29,377	\$0	\$0	\$11,831
Accrued Interest Payable	0	0	0	0	3,618
Notes Payable	0	0	0	0	360,000
<i>Total Liabilities</i>	<u>0</u>	<u>29,377</u>	<u>0</u>	<u>0</u>	<u>375,449</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes	0	483,268	0	0	0
Unavailable Revenue	0	161,241	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>644,509</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>					
Restricted	0	498,915	0	777	0
Committed	13,835	0	0	0	0
Assigned	0	0	903,800	0	976,709
<i>Total Fund Balances</i>	<u>13,835</u>	<u>498,915</u>	<u>903,800</u>	<u>777</u>	<u>976,709</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$13,835</u>	<u>\$1,172,801</u>	<u>\$903,800</u>	<u>\$777</u>	<u>\$1,352,158</u>

<u>City Hall Maintenance</u>	<u>Ring Road Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$100,948	\$35,045	\$2,804,280
2,127	0	2,127
0	0	36,936
0	0	607,573
0	0	130,575
<u>\$103,075</u>	<u>\$35,045</u>	<u>\$3,581,491</u>
\$5,826	\$0	\$47,034
0	0	3,618
0	0	360,000
<u>5,826</u>	<u>0</u>	<u>410,652</u>
0	0	483,268
0	0	161,241
<u>0</u>	<u>0</u>	<u>644,509</u>
0	0	499,692
0	35,045	48,880
97,249	0	1,977,758
<u>97,249</u>	<u>35,045</u>	<u>2,526,330</u>
<u>\$103,075</u>	<u>\$35,045</u>	<u>\$3,581,491</u>



**City of Cleveland Heights, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2020*

	Police Facility Improvement	Recreation Facility Improvement	Capital Improvements	Energy Improvements
<b>Revenues</b>				
Property Taxes	\$0	\$511,766	\$0	\$0
Licenses, Permits and Fees	5,705	0	0	0
Intergovernmental	0	73,871	0	0
Interest	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	777
<i>Total Revenues</i>	<u>5,705</u>	<u>585,637</u>	<u>0</u>	<u>777</u>
<b>Expenditures</b>				
General Government	0	0	0	0
Public Safety	22,660	0	0	0
Community Development	0	0	0	0
Capital Outlay	0	355,316	0	0
Debt Service:				
Principal Retirement	0	59,788	0	0
Interest and Fiscal Charges	0	6,823	0	0
<i>Total Expenditures</i>	<u>22,660</u>	<u>421,927</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(16,955)	163,710	0	777
<b>Other Financing Sources (Uses)</b>				
Bond Anticipation Notes Issued	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(16,955)	163,710	0	777
<i>Fund Balances Beginning of Year</i>	<u>30,790</u>	<u>335,205</u>	<u>903,800</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$13,835</u></u>	<u><u>\$498,915</u></u>	<u><u>\$903,800</u></u>	<u><u>\$777</u></u>

<u>Economic Development</u>	<u>City Hall Maintenance</u>	<u>Ring Road Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$0	\$0	\$0	\$511,766
0	0	0	5,705
0	0	0	73,871
9,164	0	0	9,164
0	26,030	0	26,030
149,211	2,127	0	152,115
<u>158,375</u>	<u>28,157</u>	<u>0</u>	<u>778,651</u>
0	20,826	0	20,826
0	0	0	22,660
2,080,563	0	0	2,080,563
0	0	0	355,316
0	0	0	59,788
3,618	0	0	10,441
<u>2,084,181</u>	<u>20,826</u>	<u>0</u>	<u>2,549,594</u>
(1,925,806)	7,331	0	(1,770,943)
<u>1,490,000</u>	<u>0</u>	<u>0</u>	<u>1,490,000</u>
(435,806)	7,331	0	(280,943)
<u>1,412,515</u>	<u>89,918</u>	<u>35,045</u>	<u>2,807,273</u>
<u>\$976,709</u>	<u>\$97,249</u>	<u>\$35,045</u>	<u>\$2,526,330</u>

## *Fund Descriptions - Fiduciary Funds*

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### *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 distinguished from custodial funds by the existence of a trustee agreement or equivalent arrangement that has certain circumstances. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the City's own source revenue.

### *Custodial Funds*

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

*Evidence Room Fund* – to account for monies held in evidence for the benefit of individuals to be released upon court order.

**City of Cleveland Heights, Ohio**  
*Combining Statement of Fiduciary Net Position*  
*Custodial Funds*  
*December 31, 2020*

	<u>Municipal Court</u>	<u>Evidence Room</u>	<u>Total Custodial Funds</u>
<b>Assets</b>			
Cash and Cash Equivalents In Segregated Accounts	<u>\$443,723</u>	<u>\$780,212</u>	<u>\$1,223,935</u>
<b>Liabilities</b>			
Accounts Payable	37,724	0	37,724
Intergovernmental Payable	<u>405,999</u>	<u>0</u>	<u>405,999</u>
<i>Total Liabilities</i>	<u>443,723</u>	<u>0</u>	<u>443,723</u>
<b>Net Position</b>			
Restricted for Individuals, Organizations and Other Governments	<u>\$0</u>	<u>\$780,212</u>	<u>\$780,212</u>

**City of Cleveland Heights, Ohio**  
*Combining Statement of Changes in Fiduciary Net Position*  
*Custodial Funds*  
*For the Year Ended December 31, 2020*

	<u>Municipal Court</u>	<u>Evidence Room</u>	<u>Total Custodial Funds</u>
<b>Additions</b>			
Fines and Forfeitures for Other Governments	\$771,773	\$0	\$771,773
Fines and Forfeitures for Individuals	57,389	523,338	580,727
<i>Total Additions</i>	<u>829,162</u>	<u>523,338</u>	<u>1,352,500</u>
<b>Deductions</b>			
Fines and Forfeitures Distributions to Other Governments	768,858	0	768,858
Fines and Forfeitures Distributions to Individuals	60,304	33,472	93,776
<i>Total Deductions</i>	<u>829,162</u>	<u>33,472</u>	<u>862,634</u>
<i>Net Increase in Fiduciary Net Position</i>	0	489,866	489,866
<i>Net Position Beginning of Year</i>	<u>0</u>	<u>290,346</u>	<u>290,346</u>
<i>Net Position End of Year</i>	<u>\$0</u>	<u>\$780,212</u>	<u>\$780,212</u>

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

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

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$5,334,273	\$6,484,111	\$7,477,314	\$993,203
Municipal Income Taxes	20,205,183	24,560,542	28,322,601	3,762,059
Admissions Taxes	8,848	10,621	12,140	1,519
Charges for Services	13,489,076	5,966,670	2,966,311	(3,000,359)
Licenses, Permits and Fees	2,045,785	2,486,767	2,867,677	380,910
Fines and Forfeitures	895,265	1,088,245	1,254,937	166,692
Intergovernmental	4,590,553	5,580,077	6,434,805	854,728
Interest	163,987	199,335	229,868	30,533
Franchise Taxes	538,000	420,397	505,540	85,143
Miscellaneous	1,317,278	1,040,541	736,348	(304,193)
<i>Total Revenues</i>	48,588,248	47,837,306	50,807,541	2,970,235
<b>Expenditures</b>				
Current:				
General Government				
City Council				
Personal Services	77,884	77,884	68,643	9,241
Other than Personal Services	8,750	8,750	6,153	2,597
Total City Council	86,634	86,634	74,796	11,838
City Manager				
Personal Services	461,970	541,970	526,294	15,676
Other than Personal Services	21,500	21,200	14,002	7,198
Capital Outlay	0	287	0	287
Total City Manager	483,470	563,457	540,296	23,161
Management Information System				
Personal Services	338,340	338,340	293,779	44,561
Other than Personal Services	223,887	227,287	92,789	134,498
Capital Outlay	4,786	1,386	1,386	0
Total Management Information System	567,013	567,013	387,954	179,059
Civil Service Commission				
Personal Services	1,744	1,744	775	969
Other than Personal Services	17,500	17,500	10,912	6,588
Total Civil Service Commission	19,244	19,244	11,687	7,557
Finance Department				
Personal Services	431,595	396,245	393,768	2,477
Other than Personal Services	173,382	183,512	175,609	7,903
Non-Governmental	0	2,220	0	2,220
Total Finance Department	604,977	581,977	569,377	12,600
Income Tax Department				
Other than Personal Services	987,605	1,059,910	1,018,755	41,155
Law Department				
Personal Services	572,376	542,376	538,756	3,620
Other than Personal Services	369,371	444,876	430,212	14,664
Capital Outlay	1,750	1,245	0	1,245
Total Law Department	\$943,497	\$988,497	\$968,968	\$19,529

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Service Administration				
Personal Services	\$317,474	\$320,474	\$221,147	\$99,327
Other than Personal Services	8,447	23,447	3,296	20,151
Capital Outlay	650	650	0	650
Total Service Administration	326,571	344,571	224,443	120,128
Capital Projects				
Other than Personal Services	21,000	21,000	21,000	0
Public Properties and Park Maintenance				
Personal Services	1,136,699	1,136,699	1,131,007	5,692
Other than Personal Services	1,071,318	1,100,750	1,066,130	34,620
Total Public Properties and Park Maintenance	2,208,017	2,237,449	2,197,137	40,312
Community Service Administration				
Personal Services	213,831	185,831	184,053	1,778
Other than Personal Services	6,600	6,600	330	6,270
Total Community Service Administration	220,431	192,431	184,383	8,048
County Auditor				
Other than Personal Services	229,500	199,500	197,362	2,138
Municipal Court				
Personal Services	1,035,588	1,035,588	982,781	52,807
Other than Personal Services	175,911	175,911	95,540	80,371
Total Municipal Court	1,211,499	1,211,499	1,078,321	133,178
Hospitalization				
Personal Services	1,500,000	1,500,000	1,500,000	0
Workers' Compensation				
Personal Services	238,633	38,633	0	38,633
General Operations				
Personal Services	239,010	979,895	823,036	156,859
Other than Personal Services	866,478	1,079,723	1,061,891	17,832
Total General Operations	1,105,488	2,059,618	1,884,927	174,691
Hospitalization Insurance				
Personal Services	3,843,155	3,621,183	3,423,578	197,605
Water Administration				
Other than Personal Services	1,171	717	384	333
Capital Outlay	2,472,373	1,513,492	887,085	626,407
Total Water Administration	2,473,544	1,514,209	887,469	626,740
Unclaimed Monies				
Non-Governmental	327	626	531	95
<i>Total General Government</i>	<i>\$17,070,605</i>	<i>\$16,807,451</i>	<i>\$15,170,984</i>	<i>\$1,636,467</i>

(continued)



**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Public Safety				
Police Department				
Personal Services	\$8,895,873	\$7,995,873	\$7,269,949	\$725,924
Other than Personal Services	659,161	659,011	412,564	246,447
Non-Governmental	500	970	0	970
Total Police Department	9,555,534	8,655,854	7,682,513	973,341
Police Academy				
Personal Services	4,500	4,500	3,869	631
Other than Personal Services	100,745	100,745	74,954	25,791
Total Police Academy	105,245	105,245	78,823	26,422
Traffic Signs and Signals				
Personal Services	60,295	60,295	60,295	0
Other than Personal Services	146,000	156,200	152,167	4,033
Total Traffic Signs and Signals	206,295	216,495	212,462	4,033
Animal Protection Unit				
Personal Services	73,260	78,060	77,021	1,039
Other than Personal Services	30,000	30,000	25,000	5,000
Total Animal Protection Unit	103,260	108,060	102,021	6,039
Fire Department				
Personal Services	6,968,691	6,503,114	5,463,348	1,039,766
Other than Personal Services	294,659	303,051	277,137	25,914
Capital Outlay	1,500	1,500	0	1,500
Non-Governmental	0	1,705	0	1,705
Total Fire Department	7,264,850	6,809,370	5,740,485	1,068,885
Fire Department Dispatch				
Personal Services	1,116,323	1,443,595	1,443,595	0
Fire Prevention Bureau				
Personal Services	100,384	100,384	97,043	3,341
Other than Personal Services	5,200	5,200	1,930	3,270
Capital Outlay	1,000	1,000	0	1,000
Total Fire Prevention Bureau	106,584	106,584	98,973	7,611
<i>Total Public Safety</i>	18,458,091	17,445,203	15,358,872	2,086,331
Public Health Services				
Health and Vital Statistics				
Other than Personal Services	\$243,500	\$254,859	\$253,144	\$1,715

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Office on Aging				
Personal Services	\$152,665	\$152,665	\$76,093	\$76,572
Other than Personal Services	34,000	34,000	8,061	25,939
Non-Governmental	300	300	0	300
Total Office on Aging	186,965	186,965	84,154	102,811
Commission on Aging				
Other than Personal Services	250	250	0	250
<i>Total Public Health Services</i>	430,715	442,074	337,298	104,776
Transportation				
Vehicle Maintenance				
Personal Services	841,988	887,988	870,056	17,932
Other than Personal Services	1,447,689	1,349,626	1,307,040	42,586
Capital Outlay	26,900	74,648	73,028	1,620
Total Vehicle Maintenance	2,316,577	2,312,262	2,250,124	62,138
Street Maintenance				
Personal Services	1,170,106	1,170,106	1,156,274	13,832
Other than Personal Services	380,075	380,075	345,413	34,662
Capital Outlay	6,000	4,287	0	4,287
Total Street Maintenance	1,556,181	1,554,468	1,501,687	52,781
<i>Total Transportation</i>	3,872,758	3,866,730	3,751,811	114,919
Community Development				
Community Relations				
Personal Services	63,493	63,493	20,405	43,088
Other than Personal Services	12,550	12,550	9,959	2,591
Total Community Relations	76,043	76,043	30,364	45,679
Public Relations				
Personal Services	231,310	231,310	209,318	21,992
Other than Personal Services	114,652	114,652	71,227	43,425
Total Public Relations	345,962	345,962	280,545	65,417
Planning Department				
Personal Services	441,956	441,956	354,811	87,145
Other than Personal Services	28,695	28,495	8,096	20,399
Capital Outlay	3,000	3,000	0	3,000
Non-Governmental	0	200	0	200
Total Planning Department	473,651	473,651	362,907	110,744
Planning Commission				
Personal Services	8,138	8,138	2,616	5,522
Other than Personal Services	3,900	3,900	878	3,022
Total Planning Commission	\$12,038	\$12,038	\$3,494	\$8,544

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Board of Zoning Appeals				
Personal Services	5,813	5,813	3,585	2,228
Other than Personal Services	2,975	2,975	950	2,025
Non-Governmental	500	500	0	500
<b>Total Board of Zoning Appeals</b>	<b>9,288</b>	<b>9,288</b>	<b>4,535</b>	<b>4,753</b>
Architectural Board of Review				
Personal Services	6,976	6,976	5,910	1,066
Other than Personal Services	300	230	180	50
Non-Governmental	0	70	0	70
<b>Total Architectural Board of Review</b>	<b>7,276</b>	<b>7,276</b>	<b>6,090</b>	<b>1,186</b>
Special Improvement Districts				
Other than Personal Services	371,033	405,555	395,617	9,938
Building Department				
Other than Personal Services	503,700	1,461,220	1,454,823	6,397
Housing Inspections				
Personal Services	541,358	537,358	417,934	119,424
Other than Personal Services	45,590	52,390	44,755	7,635
Capital Outlay	24,000	22,500	22,500	0
Non-Governmental	1,500	200	200	0
<b>Total Housing Inspections</b>	<b>612,448</b>	<b>612,448</b>	<b>485,389</b>	<b>127,059</b>
Landmark Commission				
Other than Personal Services	28,100	28,100	12,031	16,069
Local Programming				
Personal Services	122,453	122,453	116,772	5,681
Other than Personal Services	339,530	538,259	425,761	112,498
Capital Outlay	100,200	100,200	61,070	39,130
<b>Total Local Programming</b>	<b>562,183</b>	<b>760,912</b>	<b>603,603</b>	<b>157,309</b>
<i>Total Community Development</i>	<i>3,001,722</i>	<i>4,192,493</i>	<i>3,639,398</i>	<i>553,095</i>
Sanitation				
Refuse Collection and Transfer Station				
Personal Services	1,651,902	1,651,902	1,620,664	31,238
Other than Personal Services	590,958	683,836	669,059	14,777
<b>Total Sanitation</b>	<b>2,242,860</b>	<b>2,335,738</b>	<b>2,289,723</b>	<b>46,015</b>
Culture and Recreation				
Recreation Administration				
Personal Services	244,550	250,250	250,250	0
Other than Personal Services	36,513	9,962	9,095	867
<b>Total Recreation Administration</b>	<b>281,063</b>	<b>260,212</b>	<b>259,345</b>	<b>867</b>
Swimming Pools				
Personal Services	269,527	19,527	12,832	6,695
Other than Personal Services	131,450	114,766	2,880	111,886
<b>Total Swimming Pools</b>	<b>\$400,977</b>	<b>\$134,293</b>	<b>\$15,712</b>	<b>\$118,581</b>

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Ice Programs				
Personal Services	\$227,559	\$227,559	\$130,836	\$96,723
Other than Personal Services	20,329	19,589	7,732	11,857
Non-Governmental	0	240	0	240
<b>Total Ice Programs</b>	<b>247,888</b>	<b>247,388</b>	<b>138,568</b>	<b>108,820</b>
General Recreation Programs				
Personal Services	135,356	135,356	63,560	71,796
Other than Personal Services	31,500	31,200	10,237	20,963
Non-Governmental	2,500	2,500	0	2,500
<b>Total General Recreation Programs</b>	<b>169,356</b>	<b>169,056</b>	<b>73,797</b>	<b>95,259</b>
Sports Programs				
Personal Services	121,769	121,769	30,540	91,229
Other than Personal Services	97,600	99,600	24,267	75,333
Non-Governmental	5,000	5,000	0	5,000
<b>Total Sports Programs</b>	<b>224,369</b>	<b>226,369</b>	<b>54,807</b>	<b>171,562</b>
Community Center				
Personal Services	545,472	545,472	471,619	73,853
Other than Personal Services	494,300	484,600	305,014	179,586
Non-Governmental	1,500	5,445	0	5,445
<b>Total Community Center</b>	<b>1,041,272</b>	<b>1,035,517</b>	<b>776,633</b>	<b>258,884</b>
<b>Total Culture and Recreation</b>	<b>2,364,925</b>	<b>2,072,835</b>	<b>1,318,862</b>	<b>753,973</b>
<b>Total Expenditures</b>	<b>47,441,676</b>	<b>47,162,524</b>	<b>41,866,948</b>	<b>5,295,576</b>
<b>Excess of Revenues Over Expenditures</b>	<b>1,146,572</b>	<b>674,782</b>	<b>8,940,593</b>	<b>8,265,811</b>
<b>Other Financing Sources (Uses)</b>				
Sale of Fixed Assets	16,889	16,889	16,889	0
Transfers Out	(1,391,873)	(3,510,943)	(3,399,988)	110,955
<b>Total Other Financing Sources (Uses)</b>	<b>(1,374,984)</b>	<b>(3,494,054)</b>	<b>(3,383,099)</b>	<b>110,955</b>
<b>Net Change in Fund Balance</b>	<b>(228,412)</b>	<b>(2,819,272)</b>	<b>5,557,494</b>	<b>8,376,766</b>
<b>Fund Balance Beginning of Year</b>	<b>15,686,405</b>	<b>15,686,405</b>	<b>15,686,405</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>220,629</b>	<b>220,629</b>	<b>220,629</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$15,678,622</b>	<b>\$13,087,762</b>	<b>\$21,464,528</b>	<b>\$8,376,766</b>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$4,567,054	\$4,492,531	\$5,061,315	\$568,784
Intergovernmental	1,290,339	1,269,284	949,964	(319,320)
Miscellaneous	22,606	22,539	22,714	175
<i>Total Revenues</i>	<u>5,879,999</u>	<u>5,784,354</u>	<u>6,033,993</u>	<u>249,639</u>
<b>Expenses</b>				
Personal Services				
Sewer Maintenance	1,597,393	1,565,393	1,214,659	350,734
Other than Personal Services				
Sewer Maintenance	691,059	705,954	564,714	141,240
Capital Outlay				
Sewer Maintenance	5,619,899	5,562,599	2,496,141	3,066,458
Non-Governmental				
Sewer Maintenance	0	63,500	62,306	1,194
Debt Service				
Principal Retirement	51,055	54,479	45,957	8,522
Interest and Fiscal Charges	0	6,581	6,581	0
Total Debt Service	51,055	61,060	52,538	8,522
<i>Total Expenses</i>	<u>7,959,406</u>	<u>7,958,506</u>	<u>4,390,358</u>	<u>3,568,148</u>
<i>Excess of Revenues Over (Under)</i>				
<i>Expenses before Transfers</i>	(2,079,407)	(2,174,152)	1,643,635	3,817,787
Transfers Out	(20,710)	(342,736)	(322,026)	20,710
<i>Net Change in Fund Equity</i>	(2,100,117)	(2,516,888)	1,321,609	3,838,497
<i>Fund Equity Beginning of Year</i>	3,074,843	3,074,843	3,074,843	0
Prior Year Encumbrances Appropriated	273,538	273,538	273,538	0
<i>Fund Equity End of Year</i>	<u>\$1,248,264</u>	<u>\$831,493</u>	<u>\$4,669,990</u>	<u>\$3,838,497</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Construction, Maintenance and Repair Fund  
For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$1,800,000	\$2,097,359	\$2,238,579	\$141,220
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Personal Services	160,025	160,025	139,604	20,421
Other than Personal Services	246,444	112,577	3,112	109,465
Capital Outlay	1,949,607	1,944,607	1,509,988	434,619
Total Transportation	2,356,076	2,217,209	1,652,704	564,505
Debt Service:				
Principal Retirement	0	134,114	134,114	0
Interest and Fiscal Charges	0	4,753	4,753	0
<i>Total Expenditures</i>	<u>2,356,076</u>	<u>2,356,076</u>	<u>1,791,571</u>	<u>564,505</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(556,076)	(258,717)	447,008	705,725
<b>Other Financing Sources</b>				
OPWC Loan Issued	0	0	45,396	45,396
<i>Net Change in Fund Balance</i>	(556,076)	(258,717)	492,404	751,121
<i>Fund Balance Beginning of Year</i>	759,014	759,014	759,014	0
Prior Year Encumbrances Appropriated	49,923	49,923	49,923	0
<i>Fund Balance End of Year</i>	<u>\$252,861</u>	<u>\$550,220</u>	<u>\$1,301,341</u>	<u>\$751,121</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Foundation Grants Fund  
For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$5,000	\$250,000	\$0	(\$250,000)
<b>Expenditures</b>				
Current:				
Community Development:				
Foundation Grants:				
Capital Outlay	250,000	250,000	92,174	157,826
<i>Net Change in Fund Balance</i>	(245,000)	0	(92,174)	(92,174)
<i>Fund Balance Beginning of Year</i>	42,036	42,036	42,036	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$202,964)</u>	<u>\$42,036</u>	<u>(\$50,138)</u>	<u>(\$92,174)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Trust Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$33,616	\$26,228	\$26,228	\$0
Intergovernmental	384	300	300	0
<i>Total Revenues</i>	<u>34,000</u>	<u>26,528</u>	<u>26,528</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Law Enforcement:				
Other than Personal Services	174,602	192,692	89,416	103,276
Capital Outlay	19,745	19,745	5,200	14,545
<i>Total Expenditures</i>	<u>194,347</u>	<u>212,437</u>	<u>94,616</u>	<u>117,821</u>
<i>Net Change in Fund Balance</i>	(160,347)	(185,909)	(68,088)	117,821
<i>Fund Balance Beginning of Year</i>	<u>229,865</u>	<u>229,865</u>	<u>229,865</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$69,518</u>	<u>\$43,956</u>	<u>\$161,777</u>	<u>\$117,821</u>



**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$106,398	\$373,671	\$386,632	\$12,961
Intergovernmental	226	794	822	28
Miscellaneous	1,376	4,833	5,000	167
<i>Total Revenues</i>	<u>108,000</u>	<u>379,298</u>	<u>392,454</u>	<u>13,156</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Drug Law Enforcement:				
Personal Services	60,830	70,830	50,292	20,538
Other than Personal Services	76,098	125,688	128,308	(2,620)
Capital Outlay	0	20,875	20,850	25
<i>Total Expenditures</i>	<u>136,928</u>	<u>217,393</u>	<u>199,450</u>	<u>17,943</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(28,928)	161,905	193,004	31,099
<b>Other Financing Uses</b>				
Transfers Out	(9,750)	(9,750)	0	9,750
<i>Net Change in Fund Balance</i>	(38,678)	152,155	193,004	40,849
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(85,430)</u>	<u>(85,430)</u>	<u>(85,430)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$124,108)</u>	<u>\$66,725</u>	<u>\$107,574</u>	<u>\$40,849</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$202,055	\$459,340	\$38,814	(\$420,526)
Intergovernmental	1,597,945	3,632,673	306,959	(3,325,714)
<i>Total Revenues</i>	<u>1,800,000</u>	<u>4,092,013</u>	<u>345,773</u>	<u>(3,746,240)</u>
<b>Expenditures</b>				
Current:				
Community Development:				
Financial Administration				
Personal Services	13,562	13,762	13,423	339
Administrative Contracts				
Other than Personal Services	264,295	346,236	135,998	210,238
Commercial Area Improvements				
Capital Outlay	27,000	47,800	17,341	30,459
Water Improvement Projects				
Capital Outlay	0	92,965	0	92,965
CDBG - Office on Aging				
Personal Services	35,423	35,719	37,679	(1,960)
LDC - Economic Development				
Personal Services	123,865	192,060	119,654	72,406
Other than Personal Services	87,040	1,215,240	275,553	939,687
Capital Outlay	2,000	2,000	1,248	752
<b>Total LDC - Economic Development</b>	<u>212,905</u>	<u>1,409,300</u>	<u>396,455</u>	<u>1,012,845</u>
CDBG Administration				
Personal Services	107,692	107,692	73,473	34,219
Other than Personal Services	79,693	65,876	42,467	23,409
Capital Outlay	4,500	4,500	4,500	0
<b>Total CDBG Administration</b>	<u>191,885</u>	<u>178,068</u>	<u>120,440</u>	<u>57,628</u>
CDBG - Public Works				
Other than Personal Services	0	195,000	195,000	0
Capital Outlay	195,000	54,125	0	54,125
<b>Total CDBG - Public Works</b>	<u>195,000</u>	<u>249,125</u>	<u>195,000</u>	<u>54,125</u>
CDBG - Home Repair Resources Center				
Other than Personal Services	\$181,704	\$369,609	\$231,226	\$138,383

(continued)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Community Development Block Grant Fund (continued)  
For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Housing Preservation				
Personal Services	\$395,954	\$354,050	\$289,553	\$64,497
Other than Personal Services	153,700	358,810	201,454	157,356
Capital Outlay	2,000	1,900	1,900	0
<b>Total Housing Preservation</b>	<b>551,654</b>	<b>714,760</b>	<b>492,907</b>	<b>221,853</b>
CDBG - Code Enforcement				
Personal Services	71,860	74,548	48,213	26,335
CDBG - Neighborhood Relations				
Personal Services	50,840	91,909	0	91,909
CDBG - GIS				
Personal Services	35,815	58,450	35,412	23,038
Other than Personal Services	2,000	4,300	0	4,300
Capital Outlay	7,000	10,000	6,500	3,500
<b>Total CDBG - GIS</b>	<b>44,815</b>	<b>72,750</b>	<b>41,912</b>	<b>30,838</b>
CDBG - Program Income				
Other than Personal Services	200,000	200,000	0	200,000
<b>Total Expenditures</b>	<b>2,040,943</b>	<b>3,896,551</b>	<b>1,730,594</b>	<b>2,165,957</b>
<b>Net Change in Fund Balance</b>	<b>(240,943)</b>	<b>195,462</b>	<b>(1,384,821)</b>	<b>(1,580,283)</b>
<b>Fund Balance Beginning of Year</b>	<b>680,949</b>	<b>680,949</b>	<b>680,949</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>31,949</b>	<b>31,949</b>	<b>31,949</b>	<b>0</b>
<b>Fund Balance (Deficit) End of Year</b>	<b>\$471,955</b>	<b>\$908,360</b>	<b>(\$671,923)</b>	<b>(\$1,580,283)</b>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant - Covid Relief Grant Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	<u>\$956,215</u>	<u>\$956,215</u>	<u>\$0</u>	<u>(\$956,215)</u>
<b>Expenditures</b>				
Current:				
Community Development:				
Home Administration				
Other than Personal Services	<u>505,000</u>	<u>505,000</u>	<u>132,642</u>	<u>372,358</u>
CDBG - Office on Aging				
Personal Services	45,000	45,000	5,844	39,156
Other than Personal Services	10,000	10,000	980	9,020
Capital Outlay	<u>15,000</u>	<u>15,000</u>	<u>1,177</u>	<u>13,823</u>
Total CDBG - Office on Aging	<u>70,000</u>	<u>70,000</u>	<u>8,001</u>	<u>61,999</u>
LDC - Economic Development				
Other than Personal Services	<u>290,000</u>	<u>290,000</u>	<u>0</u>	<u>290,000</u>
CDBG Administration				
Personal Services	56,215	56,215	24,643	31,572
Other than Personal Services	<u>35,000</u>	<u>35,000</u>	<u>0</u>	<u>35,000</u>
Total CDBG Administration	<u>91,215</u>	<u>91,215</u>	<u>24,643</u>	<u>66,572</u>
<i>Total Expenditures</i>	<u>956,215</u>	<u>956,215</u>	<u>165,286</u>	<u>790,929</u>
<i>Net Change in Fund Balance</i>	0	0	(165,286)	(165,286)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>(\$165,286)</u>	<u>(\$165,286)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Home Program Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$170,000	\$652,943	\$122,863	(\$530,080)
<b>Expenditures</b>				
Current:				
Community Development:				
Home Administration				
Other than Personal Services	421,260	421,260	84,230	337,030
Home - Program Income				
Other than Personal Services	0	151,788	32,500	119,288
<i>Total Expenditures</i>	<u>421,260</u>	<u>573,048</u>	<u>116,730</u>	<u>456,318</u>
<i>Net Change in Fund Balance</i>	(251,260)	79,895	6,133	(73,762)
<i>Fund Balance Beginning of Year</i>	238,959	238,959	238,959	0
Prior Year Encumbrances Appropriated	<u>1,260</u>	<u>1,260</u>	<u>1,260</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$11,041)</u>	<u>\$320,114</u>	<u>\$246,352</u>	<u>(\$73,762)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Federal Emergency Management Agency (FEMA) Grant Fund  
For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$361,145	\$361,145	\$378,582	\$17,437
<b>Expenditures</b>				
Current:				
Public Safety:				
FEMA:				
Capital Outlay	406,809	406,809	378,345	28,464
<i>Net Change in Fund Balance</i>	(45,664)	(45,664)	237	45,901
<i>Fund Balance Beginning of Year</i>	159,629	159,629	159,629	0
<i>Fund Balance End of Year</i>	<u>\$113,965</u>	<u>\$113,965</u>	<u>\$159,866</u>	<u>\$45,901</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Cain Park Operating Fund**  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$665,000	\$70,085	\$36,135	(\$33,950)
<b>Expenditures</b>				
Current:				
Culture and Recreation:				
Cain Park Recreation				
Personal Services	173,175	2,013	2,013	0
Other than Personal Services	640,803	60,007	58,431	1,576
Total Cain Park Recreation	813,978	62,020	60,444	1,576
Cain Park Arts Festival				
Other than Personal Services	27,800	11,781	11,781	0
Cain Park Arts Theater				
Personal Services	12,122	0	0	0
Other than Personal Services	56,040	2,260	2,260	0
Total Cain Park Arts Theater	68,162	2,260	2,260	0
<i>Total Expenditures</i>	909,940	76,061	74,485	1,576
<i>Excess of Revenues Under Expenditures</i>	(244,940)	(5,976)	(38,350)	(32,374)
<b>Other Financing Sources</b>				
Transfers In	60,000	60,000	60,000	0
<i>Net Change in Fund Balance</i>	(184,940)	54,024	21,650	(32,374)
<i>Fund Deficit Beginning of Year</i>	(16,570)	(16,570)	(16,570)	0
<i>Fund Balance (Deficit) End of Year</i>	(\$201,510)	\$37,454	\$5,080	(\$32,374)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public Right of Way Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses, Permits and Fees	\$80,000	\$400	\$400	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	80,000	400	400	0
<i>Fund Balance Beginning of Year</i>	<u>164,532</u>	<u>164,532</u>	<u>164,532</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$244,532</u></u>	<u><u>\$164,932</u></u>	<u><u>\$164,932</u></u>	<u><u>\$0</u></u>



**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Indigent Driver's Alcohol Treatment Fund  
For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$2,000	\$13,381	\$14,064	\$683
<b>Expenditures</b>				
Current:				
General Government:				
Indigent DUI Treatment				
Other than Personal Services	<u>12,000</u>	<u>12,000</u>	<u>0</u>	<u>12,000</u>
<i>Net Change in Fund Balance</i>	(10,000)	1,381	14,064	12,683
<i>Fund Balance Beginning of Year</i>	<u>257,133</u>	<u>257,133</u>	<u>257,133</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$247,133</u></u>	<u><u>\$258,514</u></u>	<u><u>\$271,197</u></u>	<u><u>\$12,683</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Clerk Computerization Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	<u>\$120,000</u>	<u>\$46,640</u>	<u>\$50,282</u>	<u>\$3,642</u>
<b>Expenditures</b>				
Current:				
General Government:				
Court Computer				
Personal Services	1,343	1,343	0	1,343
Other than Personal Services	34,000	34,000	24,350	9,650
Capital Outlay	<u>25,000</u>	<u>25,000</u>	<u>1,606</u>	<u>23,394</u>
<i>Total Expenditures</i>	<u>60,343</u>	<u>60,343</u>	<u>25,956</u>	<u>34,387</u>
<i>Net Change in Fund Balance</i>	59,657	(13,703)	24,326	38,029
<i>Fund Deficit Beginning of Year</i>	<u>31,690</u>	<u>31,690</u>	<u>31,690</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$91,347</u>	<u>\$17,987</u>	<u>\$56,016</u>	<u>\$38,029</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DUI Enforcement and Education Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$5,000	\$4,355	\$4,430	\$75
<b>Expenditures</b>				
Current:				
General Government:				
DUI Enforcement Education				
Other than Personal Services	10,000	10,000	0	10,000
<i>Net Change in Fund Balance</i>	(5,000)	(5,645)	4,430	10,075
<i>Fund Balance Beginning of Year</i>	117,002	117,002	117,002	0
<i>Fund Balance End of Year</i>	<u>\$112,002</u>	<u>\$111,357</u>	<u>\$121,432</u>	<u>\$10,075</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Special Projects Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$64,672	\$81,351	\$83,965	\$2,614
Intergovernmental	83,803	105,416	108,802	3,386
Miscellaneous	1,525	1,918	1,980	62
<i>Total Revenues</i>	<u>150,000</u>	<u>188,685</u>	<u>194,747</u>	<u>6,062</u>
<b>Expenditures</b>				
Current:				
General Government:				
Court Special Projects				
Personal Services	874	874	0	874
Other than Personal Services	98,359	261,817	166,455	95,362
<i>Total Expenditures</i>	<u>99,233</u>	<u>262,691</u>	<u>166,455</u>	<u>96,236</u>
<i>Net Change in Fund Balance</i>	50,767	(74,006)	28,292	102,298
<i>Fund Balance Beginning of Year</i>	2,102,185	2,102,185	2,102,185	0
Prior Year Encumbrances Appropriated	359	359	359	0
<i>Fund Balance End of Year</i>	<u>\$2,153,311</u>	<u>\$2,028,538</u>	<u>\$2,130,836</u>	<u>\$102,298</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Lead Safe Cuyahoga Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$300,000</u>	<u>\$287,624</u>	<u>\$7,404</u>	<u>(\$280,220)</u>
<b>Expenditures</b>				
Current:				
Community Development:				
LEAD Safe Cuyahoga				
Personal Services	20,000	25,600	21,001	4,599
Other than Personal Services	<u>240,000</u>	<u>260,000</u>	<u>188,464</u>	<u>71,536</u>
<i>Total Expenditures</i>	<u>260,000</u>	<u>285,600</u>	<u>209,465</u>	<u>76,135</u>
<i>Net Change in Fund Balance</i>	40,000	2,024	(202,061)	(204,085)
<i>Fund Balance Beginning of Year</i>	<u>90,241</u>	<u>90,241</u>	<u>90,241</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$130,241</u></u>	<u><u>\$92,265</u></u>	<u><u>(\$111,820)</u></u>	<u><u>(\$204,085)</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Lighting Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$932,000	\$1,021,734	\$1,004,030	(\$17,704)
<b>Expenditures</b>				
Current:				
Public Safety:				
Street Lighting				
Other than Personal Services	885,200	892,653	879,779	12,874
<i>Net Change in Fund Balance</i>	46,800	129,081	124,251	(4,830)
<i>Fund Balance Beginning of Year</i>	1,177,152	1,177,152	1,177,152	0
<i>Fund Balance End of Year</i>	<u>\$1,223,952</u>	<u>\$1,306,233</u>	<u>\$1,301,403</u>	<u>(\$4,830)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Tree Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$1,088,589	\$1,099,753	\$1,072,478	(\$27,275)
Licenses, Permits and Fees	1,411	1,425	1,390	(35)
<i>Total Revenues</i>	<u>1,090,000</u>	<u>1,101,178</u>	<u>1,073,868</u>	<u>(27,310)</u>
<b>Expenditures</b>				
Current:				
Community Development:				
Tree				
Personal Services	734,921	734,921	572,516	162,405
Other than Personal Services	508,004	516,584	438,245	78,339
Capital Outlay	97,000	258,261	215,137	43,124
<i>Total Expenditures</i>	<u>1,339,925</u>	<u>1,509,766</u>	<u>1,225,898</u>	<u>283,868</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(249,925)	(408,588)	(152,030)	256,558
<b>Other Financing Uses</b>				
Transfers Out	(25,570)	(25,570)	0	25,570
<i>Net Change in Fund Balance</i>	(275,495)	(434,158)	(152,030)	282,128
<i>Fund Balance Beginning of Year</i>	679,889	679,889	679,889	0
Prior Year Encumbrances Appropriated	1,633	1,633	1,633	0
<i>Fund Balance End of Year</i>	<u>\$406,027</u>	<u>\$247,364</u>	<u>\$529,492</u>	<u>\$282,128</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$199,570	\$255,345	\$250,979	(\$4,366)
<b>Expenditures</b>				
Current:				
Public Safety:				
Police Pension				
Personal Services	1,210,316	1,270,316	1,213,153	57,163
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,010,746)	(1,014,971)	(962,174)	52,797
<b>Other Financing Sources</b>				
Transfers In	975,000	975,000	975,000	0
<i>Net Change in Fund Balance</i>	(35,746)	(39,971)	12,826	52,797
<i>Fund Balance Beginning of Year</i>	130,925	130,925	130,925	0
<i>Fund Balance End of Year</i>	<u>\$95,179</u>	<u>\$90,954</u>	<u>\$143,751</u>	<u>\$52,797</u>



**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Pension Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$98,936	\$250,979	\$250,979	\$0
<b>Expenditures</b>				
Current:				
Public Safety:				
Fire Pension				
Personal Services	1,674,968	1,674,968	1,644,758	30,210
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,576,032)	(1,423,989)	(1,393,779)	30,210
<b>Other Financing Sources</b>				
Transfers In	1,560,634	1,560,634	1,560,634	0
<i>Net Change in Fund Balance</i>	(15,398)	136,645	166,855	30,210
<i>Fund Deficit Beginning of Year</i>	(122,962)	(122,962)	(122,962)	0
<i>Fund Balance (Deficit) End of Year</i>	(\$138,360)	\$13,683	\$43,893	\$30,210

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Coronavirus Relief Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$4,374,842	\$4,374,842	\$4,373,066	(\$1,776)
Interest	1,778	1,778	1,777	(1)
<i>Total Revenues</i>	<u>4,376,620</u>	<u>4,376,620</u>	<u>4,374,843</u>	<u>(1,777)</u>
<b>Expenditures</b>				
Current:				
General Government				
Other than Personal Services	711,096	711,096	691,290	19,806
Capital Outlay	75,870	75,870	75,870	0
Total General Government	<u>786,966</u>	<u>786,966</u>	<u>767,160</u>	<u>19,806</u>
Public Safety				
Personal Services	2,719,018	2,837,018	2,833,627	3,391
Other than Personal Services	73,091	73,091	69,764	3,327
Capital Outlay	34,765	34,765	34,765	0
Total Public Safety	<u>2,826,874</u>	<u>2,944,874</u>	<u>2,938,156</u>	<u>6,718</u>
Public Health				
Personal Services	40,000	40,000	40,000	0
Culture and Recreation				
Other than Personal Services	525	525	425	100
Community Development				
Other than Personal Services	600,000	600,000	599,994	6
Sanitation				
Other than Personal Services	2,117	2,117	2,089	28
Transportation				
Other than Personal Services	361	361	361	0
<i>Total Expenditures</i>	<u>4,256,843</u>	<u>4,374,843</u>	<u>4,348,185</u>	<u>26,658</u>
<i>Net Change in Fund Balance</i>	119,777	1,777	26,658	24,881
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$119,777</u>	<u>\$1,777</u>	<u>\$26,658</u>	<u>\$24,881</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Parking Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$1,058,989	\$453,231	\$604,213	\$150,982
Interest	11	5	6	1
<i>Total Revenues</i>	<u>1,059,000</u>	<u>453,236</u>	<u>604,219</u>	<u>150,983</u>
<b>Expenditures</b>				
Current:				
General Government:				
Off-Street Parking				
Personal Services	187,534	120,303	111,538	8,765
Other than Personal Services	1,025,000	665,731	661,420	4,311
Capital Outlay	5,287	287	287	0
Non-Governmental	3,500	3,500	2,213	1,287
<i>Total Expenditures</i>	<u>1,221,321</u>	<u>789,821</u>	<u>775,458</u>	<u>14,363</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(162,321)	(336,585)	(171,239)	165,346
<b>Other Financing Uses</b>				
Transfers Out	(1,000)	(1,000)	0	1,000
<i>Net Change in Fund Balance</i>	(163,321)	(337,585)	(171,239)	166,346
<i>Fund Balance Beginning of Year</i>	389,146	389,146	389,146	0
Prior Year Encumbrances Appropriated	287	287	287	0
<i>Fund Balance End of Year</i>	<u>\$226,112</u>	<u>\$51,848</u>	<u>\$218,194</u>	<u>\$166,346</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ambulance Services Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$899,887	\$899,588	\$951,009	\$51,421
Miscellaneous	113	113	119	6
<i>Total Revenues</i>	<u>900,000</u>	<u>899,701</u>	<u>951,128</u>	<u>51,427</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Ambulance Services				
Personal Services	198,422	507,022	475,485	31,537
Other than Personal Services	414,798	415,123	329,406	85,717
Capital Outlay	475,815	467,093	269,129	197,964
<i>Total Expenditures</i>	<u>1,089,035</u>	<u>1,389,238</u>	<u>1,074,020</u>	<u>315,218</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(189,035)	(489,537)	(122,892)	366,645
<b>Other Financing Uses</b>				
Transfers Out	(41,004)	(363,004)	(362,634)	370
<i>Net Change in Fund Balance</i>	(230,039)	(852,541)	(485,526)	367,015
<i>Fund Balance Beginning of Year</i>	1,802,934	1,802,934	1,802,934	0
Prior Year Encumbrances Appropriated	3,598	3,598	3,598	0
<i>Fund Balance End of Year</i>	<u>\$1,576,493</u>	<u>\$953,991</u>	<u>\$1,321,006</u>	<u>\$367,015</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Office on Aging Donations Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Contributions and Donations	<u>\$4,000</u>	<u>\$6,019</u>	<u>\$6,019</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Office on Aging				
Other than Personal Services	<u>6,360</u>	<u>6,360</u>	<u>2,272</u>	<u>4,088</u>
Office on Aging Computer Center				
Other than Personal Services	<u>5,180</u>	<u>5,180</u>	<u>0</u>	<u>5,180</u>
Capital	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total Office on Aging Computer Center	<u>6,180</u>	<u>6,180</u>	<u>0</u>	<u>6,180</u>
<i>Total Expenditures</i>	<u>12,540</u>	<u>12,540</u>	<u>2,272</u>	<u>10,268</u>
<i>Net Change in Fund Balance</i>	(8,540)	(6,521)	3,747	10,268
<i>Fund Balance Beginning of Year</i>	<u>10,565</u>	<u>10,565</u>	<u>10,565</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,025</u>	<u>\$4,044</u>	<u>\$14,312</u>	<u>\$10,268</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Youth Recreation Donation Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and Donations	\$5,000	\$4,600	\$4,600	\$0
<b>Expenditures</b>				
Current:				
General Government:				
Youth Donations				
Other than Personal Services	6,500	6,500	50	6,450
<i>Net Change in Fund Balance</i>	(1,500)	(1,900)	4,550	6,450
<i>Fund Balance Beginning of Year</i>	55,275	55,275	55,275	0
<i>Fund Balance End of Year</i>	<u>\$53,775</u>	<u>\$53,375</u>	<u>\$59,825</u>	<u>\$6,450</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Youth Advisory Commission Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Contributions and Donations	\$100	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government:				
Youth Advisory				
Other than Personal Services	100	70	0	70
<i>Net Change in Fund Balance</i>	0	(70)	0	70
<i>Fund Balance Beginning of Year</i>	71	71	71	0
<i>Fund Balance End of Year</i>	<u>\$71</u>	<u>\$1</u>	<u>\$71</u>	<u>\$70</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Juvenile Diversion Program Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Contributions and Donations	\$5,000	\$2,100	\$2,100	\$0
<b>Expenditures</b>				
Current:				
Public Safety:				
Juvenile Diversion Program				
Other than Personal Services	12,000	8,000	1,438	6,562
<i>Net Change in Fund Balance</i>	(7,000)	(5,900)	662	6,562
<i>Fund Balance Beginning of Year</i>	6,242	6,242	6,242	0
<i>Fund Balance (Deficit) End of Year</i>	(\$758)	\$342	\$6,904	\$6,562



**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Damage Deposits Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$5,228	\$27,564	\$28,300	\$736
<b>Expenditures</b>				
Current:				
Public Safety:				
Fire Damage Deposits				
Other than Personal Services	20,209	38,564	32,720	5,844
<i>Net Change in Fund Balance</i>	(14,981)	(11,000)	(4,420)	(5,108)
<i>Fund Balance Beginning of Year</i>	194,264	194,264	194,264	0
<i>Fund Balance End of Year</i>	<u>\$179,283</u>	<u>\$183,264</u>	<u>\$189,844</u>	<u>(\$5,108)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Earned Benefits Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$600,000	\$1,449,282	\$0	(\$1,449,282)
<b>Expenditures</b>				
Current:				
General Government:				
Personal Services	90,185	121,427	97,378	24,049
Public Safety:				
Personal Services	177,888	239,512	192,076	47,436
Transportation:				
Personal Services	95,841	129,044	103,486	25,558
Community Development:				
Personal Services	26,961	36,300	29,111	7,189
Sanitation:				
Personal Services	9,714	13,079	10,489	2,590
Culture and Recreation:				
Personal Services	26,636	35,863	28,760	7,103
<i>Total Expenditures</i>	<u>427,225</u>	<u>575,225</u>	<u>461,300</u>	<u>113,925</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	172,775	874,057	(461,300)	(1,335,357)
<b>Other Financing Sources</b>				
Transfers In	<u>0</u>	<u>0</u>	<u>1,102,026</u>	<u>1,102,026</u>
<i>Net Change in Fund Balance</i>	172,775	874,057	640,726	(233,331)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(163,739)</u>	<u>(163,739)</u>	<u>(163,739)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$9,036</u>	<u>\$710,318</u>	<u>\$476,987</u>	<u>(\$233,331)</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Bond Retirement Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$887,254	\$1,452,903	\$1,096,611	(\$356,292)
Intergovernmental	128,070	209,719	158,290	(51,429)
Special Assessments	98,536	161,355	121,786	(39,569)
<i>Total Revenues</i>	1,113,860	1,823,977	1,376,687	(447,290)
<b>Expenditures</b>				
Current:				
General Government:				
Other than Personal Services	196	1,208	1,206	2
Debt Service:				
Principal Retirement	2,055,981	1,839,100	1,813,430	25,670
Interest and Fiscal Charges	234,736	331,122	328,191	2,931
Bond Issuance Costs	42,815	263,968	263,433	535
<i>Total Debt Service</i>	2,333,532	2,434,190	2,405,054	29,136
<i>Total Expenditures</i>	2,333,728	2,435,398	2,406,260	29,138
<i>Excess of Revenues Under Expenditures</i>	(1,219,868)	(611,421)	(1,029,573)	(418,152)
<b>Other Financing Sources (Uses)</b>				
Bond Anticipation Notes Issued	1,105,000	1,105,000	1,105,000	0
General Obligation Bonds Issued	0	11,910,000	11,910,000	0
Premium on Notes Issued	0	11,459	10,962	(497)
Payment to Refunded Bond Escrow Agent	0	(11,952,659)	(11,952,659)	0
Transfers In	386,988	386,988	386,988	0
<i>Total Other Financing Sources (Uses)</i>	1,491,988	1,460,788	1,460,291	(497)
<i>Net Change in Fund Balance</i>	272,120	849,367	430,718	(418,649)
<i>Fund Balance Beginning of Year</i>	458,664	458,664	458,664	0
<i>Fund Balance End of Year</i>	\$730,784	\$1,308,031	\$889,382	(\$418,649)

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Facility Improvement Fund*  
*For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses, Permits and Fees	<u>\$28,000</u>	<u>\$5,795</u>	<u>\$5,900</u>	<u>\$105</u>
<b>Expenditures</b>				
Current:				
Public Safety:				
Police Facility Improvement				
Other than Personal Services	20,000	20,000	15,001	4,999
Capital Outlay	<u>20,000</u>	<u>20,000</u>	<u>17,962</u>	<u>2,038</u>
<i>Total Expenditures</i>	<u>40,000</u>	<u>40,000</u>	<u>32,963</u>	<u>7,037</u>
<i>Net Change in Fund Balance</i>	(12,000)	(34,205)	(27,063)	7,142
<i>Fund Balance Beginning of Year</i>	<u>30,595</u>	<u>30,595</u>	<u>30,595</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$18,595</u></u>	<u><u>(\$3,610)</u></u>	<u><u>\$3,532</u></u>	<u><u>\$7,142</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Recreation Facility Improvement Fund  
For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$459,939	\$511,766	\$511,766	\$0
Intergovernmental	66,390	73,871	73,871	0
<i>Total Revenues</i>	<u>526,329</u>	<u>585,637</u>	<u>585,637</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Culture and Recreation:				
Recreation Facility Improvement				
Other than Personal Services	330,775	330,775	207,878	122,897
Capital Outlay	361,750	361,750	227,617	134,133
<i>Total Expenditures</i>	<u>692,525</u>	<u>692,525</u>	<u>435,495</u>	<u>257,030</u>
<i>Net Change in Fund Balance</i>	(166,196)	(106,888)	150,142	257,030
<i>Fund Balance Beginning of Year</i>	335,205	335,205	335,205	0
Prior Year Encumbrances Appropriated	9,573	9,573	9,573	0
<i>Fund Balance End of Year</i>	<u>\$178,582</u>	<u>\$237,890</u>	<u>\$494,920</u>	<u>\$257,030</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Improvements Fund*  
*For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$1,000,000	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay	508,187	458,187	8,187	450,000
<i>Net Change in Fund Balance</i>	491,813	(458,187)	(8,187)	450,000
<i>Fund Balance Beginning of Year</i>	903,800	903,800	903,800	0
Prior Year Encumbrances Appropriated	8,187	8,187	8,187	0
<i>Fund Balance End of Year</i>	<u>\$1,403,800</u>	<u>\$453,800</u>	<u>\$903,800</u>	<u>\$450,000</u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Energy Improvements Fund  
For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Miscellaneous	\$777	\$777	\$777	\$0
<b>Expenditures</b>				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	777	777	777	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$777</u></u>	<u><u>\$777</u></u>	<u><u>\$777</u></u>	<u><u>\$0</u></u>

**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Economic Development Fund  
For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$1,736	\$9,008	\$9,164	\$156
Miscellaneous	28,264	146,671	149,211	2,540
<i>Total Revenues</i>	<u>30,000</u>	<u>155,679</u>	<u>158,375</u>	<u>2,696</u>
<b>Expenditures</b>				
Current:				
Community Development:				
Economic Development				
Other than Personal Services	816,837	2,728,704	2,216,370	512,334
<i>Excess of Revenues Over (Under) Expenditures</i>	(786,837)	(2,573,025)	(2,057,995)	515,030
<b>Other Financing Sources</b>				
Notes Issued	0	1,850,000	1,850,000	0
<i>Net Change in Fund Balance</i>	(786,837)	(723,025)	(207,995)	515,030
<i>Fund Balance Beginning of Year</i>	1,283,905	1,283,905	1,283,905	0
Prior Year Encumbrances Appropriated	19,948	19,948	19,948	0
<i>Fund Balance End of Year</i>	<u>\$517,016</u>	<u>\$580,828</u>	<u>\$1,095,858</u>	<u>\$515,030</u>



**City of Cleveland Heights, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
City Hall Maintenance Fund  
For the Year Ended December 31, 2020*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Rentals	\$35,000	\$23,902	\$26,030	\$2,128
<b>Expenditures</b>				
Current:				
General Government:				
City Hall Maintenance				
Other than Personal Services	<u>0</u>	<u>15,000</u>	<u>15,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	35,000	8,902	11,030	2,128
<i>Fund Balance Beginning of Year</i>	<u>89,918</u>	<u>89,918</u>	<u>89,918</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$124,918</u></u>	<u><u>\$98,820</u></u>	<u><u>\$100,948</u></u>	<u><u>\$2,128</u></u>

## Statistical Section

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

<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	S2 – S11
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b><i>Revenue Capacity</i></b> .....	S12 – S18
These schedules contain information to help the reader assess the City’s most significant local revenues, the property tax and the municipal income tax.	
<b><i>Debt Capacity</i></b> .....	S19 - S24
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<b><i>Economic and Demographic Information</i></b> .....	S25 – S27
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b><i>Operating Information</i></b> .....	S28 - S35
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

**City of Cleveland Heights, Ohio**

*Net Position by Component*

*Last Ten Years*

*(accrual basis of accounting)*

	2020	2019 (3)	2018 (3)	2017 (2)
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$60,220,712	\$62,050,520	\$65,914,958	\$66,649,264
Restricted	22,049,045	17,550,132	17,585,894	15,323,423
Unrestricted (Deficit)	<u>(31,733,090)</u>	<u>(35,400,132)</u>	<u>(57,431,301)</u>	<u>(53,358,107)</u>
<i>Total Governmental Activities Net Position</i>	<u>50,536,667</u>	<u>44,200,520</u>	<u>26,069,551</u>	<u>28,614,580</u>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	6,367,876	6,311,315	6,712,319	6,363,409
Unrestricted (Deficit)	<u>5,474,380</u>	<u>3,236,495</u>	<u>2,390,480</u>	<u>646,273</u>
<i>Total Business-Type Activities Net Position</i>	<u>11,842,256</u>	<u>9,547,810</u>	<u>9,102,799</u>	<u>7,009,682</u>
<b>Primary government</b>				
Net Investment in Capital Assets	66,588,588	68,361,835	72,627,277	73,012,673
Restricted	22,049,045	17,550,132	17,585,894	15,323,423
Unrestricted (Deficit)	<u>(26,258,710)</u>	<u>(32,163,637)</u>	<u>(55,040,821)</u>	<u>(52,711,834)</u>
<i>Total Primary Government Net Position</i>	<u>\$62,378,923</u>	<u>\$53,748,330</u>	<u>\$35,172,350</u>	<u>\$35,624,262</u>

(1) In 2015, the City implemented GASB 68 which affected Unrestricted Net Position for 2014.

(2) In 2018, the City implemented GASB 75 and restated for transfer of operations which affected Unrestricted Net Position for 2017.

(3) The City implemented GASB Statement No. 84 in 2019, causing the classification of net position to change beginning in 2018.

2016	2015	2014 (1)	2013	2012	2011
\$65,331,766	\$63,355,613	\$63,242,503	\$64,402,234	\$66,164,102	\$61,261,817
14,526,578	16,344,332	15,988,947	16,261,342	16,014,581	14,783,716
(17,475,658)	(14,732,685)	(20,086,683)	13,108,074	14,583,025	13,789,209
<u>62,382,686</u>	<u>64,967,260</u>	<u>59,144,767</u>	<u>93,771,650</u>	<u>96,761,708</u>	<u>89,834,742</u>
20,305,226	20,428,734	20,507,524	20,927,544	21,386,384	21,461,778
3,178,139	2,464,954	(43,529)	2,028,666	2,017,605	2,882,395
<u>23,483,365</u>	<u>22,893,688</u>	<u>20,463,995</u>	<u>22,956,210</u>	<u>23,403,989</u>	<u>24,344,173</u>
85,636,992	83,784,347	83,750,027	85,329,778	87,550,486	82,723,595
14,526,578	16,344,332	15,988,947	16,261,342	16,014,581	14,783,716
(14,297,519)	(12,267,731)	(20,130,212)	15,136,740	16,600,630	16,671,604
<u>\$85,866,051</u>	<u>\$87,860,948</u>	<u>\$79,608,762</u>	<u>\$116,727,860</u>	<u>\$120,165,697</u>	<u>\$114,178,915</u>

**City of Cleveland Heights, Ohio**

*Changes in Net Position*

*Last Ten Years*

*(accrual basis of accounting)*

	2020	2019 (5)	2018 (4)	2017 (2)
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services and Operating Assessments:				
General Government	\$3,863,163	\$4,216,412	\$4,218,129	\$4,005,958
Public Safety	5,604,225	4,535,659	5,621,987	5,291,173
Public Health Services	68,392	73,717	74,153	65,406
Transportation	750,080	575,016	682,738	433,538
Community Development	1,948,828	1,916,154	1,709,836	1,547,919
Sanitation	475,691	499,630	435,889	450,884
Culture and Recreation	262,558	1,285,929	1,121,306	1,133,852
Operating Grants and Contributions	9,605,946	4,767,431	5,614,681	9,116,678
Capital Grants and Contributions	2,269,849	76,250	71,438	87,378
<i>Total Governmental Activities Program Revenues</i>	<u>24,848,732</u>	<u>17,946,198</u>	<u>19,550,157</u>	<u>22,132,786</u>
Business-Type Activities:				
Charges for Services:				
Water (2)	0	0	0	594,071
Sewer	6,098,216	5,126,352	4,502,792	2,883,863
Operating Grants and Contributions	0	0	0	915,719
<i>Total Business-Type Activities Program Revenues</i>	<u>6,098,216</u>	<u>5,126,352</u>	<u>4,502,792</u>	<u>4,393,653</u>
<i>Total Primary Government Program Revenues</i>	<u>30,946,948</u>	<u>23,072,550</u>	<u>24,052,949</u>	<u>26,526,439</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	17,507,101	16,751,225	17,535,489	16,331,347
Public Safety	25,714,162	1,674,058	28,171,172	26,341,709
Public Health Services	487,876	1,018,905	385,738	360,285
Transportation	7,850,483	8,264,796	8,201,178	8,527,689
Community Development	9,579,628	6,327,473	5,321,819	5,613,479
Sanitation	2,528,836	2,473,844	2,655,695	2,678,313
Culture and Recreation	2,115,133	4,963,586	3,732,443	4,381,740
Interest and Fiscal Charges	409,601	550,743	624,516	451,277
<i>Total Governmental Activities Expenses</i>	<u>66,192,820</u>	<u>42,024,630</u>	<u>66,628,050</u>	<u>64,685,839</u>
Business-Type Activities:				
Water	0	0	0	15,810,884
Sewer	3,906,723	4,940,749	2,501,275	2,646,476
<i>Total Business-Type Activities Expenses</i>	<u>3,906,723</u>	<u>4,940,749</u>	<u>2,501,275</u>	<u>18,457,360</u>
<i>Total Primary Government Expenses</i>	<u>\$70,099,543</u>	<u>\$46,965,379</u>	<u>\$69,129,325</u>	<u>\$83,143,199</u>

2016	2015 (3)	2014	2013	2012	2011
\$4,172,508	\$4,368,875	\$4,406,803	\$4,287,936	\$3,896,511	\$5,173,902
5,833,368	5,614,727	5,625,274	5,903,861	5,078,988	4,063,337
69,414	75,245	74,658	70,591	61,303	60,043
536,527	660,114	757,961	695,236	589,434	575,647
1,411,096	508,653	1,684,767	1,667,890	1,320,804	1,264,852
407,540	1,037,224	468,649	460,342	429,204	394,745
856,391	1,486,855	955,160	614,650	981,803	727,363
6,276,236	5,136,553	6,296,657	4,337,755	5,657,962	4,953,832
72,096	37,300	73,446	74,496	3,877,741	0
19,635,176	18,925,546	20,343,375	18,112,757	21,893,750	17,213,721
14,242,180	14,282,892	13,045,233	12,424,417	11,466,957	10,125,904
1,398,962	1,622,110	1,553,903	1,663,242	1,727,854	1,584,611
0	0	0	0	0	0
15,641,142	15,905,002	14,599,136	14,087,659	13,194,811	11,710,515
35,276,318	34,830,548	34,942,511	32,200,416	35,088,561	28,924,236
16,358,242	12,914,350	14,768,680	14,369,538	16,048,638	15,240,828
25,334,587	21,488,717	21,856,257	20,891,754	21,239,342	19,139,951
359,185	332,708	363,067	360,462	363,703	342,507
8,278,949	7,123,967	8,330,208	10,621,023	5,718,551	5,620,385
6,350,784	5,009,520	6,147,040	5,164,372	6,347,777	6,330,335
2,217,216	2,531,508	1,829,229	2,511,148	2,670,357	2,470,427
3,220,376	3,007,590	3,117,836	3,565,494	3,385,120	3,466,238
583,113	498,182	668,496	748,771	798,771	1,159,987
62,702,452	52,906,542	57,080,813	58,232,562	56,572,259	53,770,658
13,422,399	12,225,265	14,023,023	12,743,834	13,213,185	10,800,301
1,649,888	1,539,528	2,045,581	1,790,551	1,787,713	2,217,378
15,072,287	13,764,793	16,068,604	14,534,385	15,000,898	13,017,679
\$77,774,739	\$66,671,335	\$73,149,417	\$72,766,947	\$71,573,157	\$66,788,337

**City of Cleveland Heights, Ohio**  
*Changes in Net Position (continued)*  
*Last Ten Years*  
*(accrual basis of accounting)*

	2020	2019 (5)	2018 (4)	2017 (2)
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(\$41,344,088)	(\$24,078,432)	(\$47,077,893)	(\$42,553,053)
Business-Type Activities	2,191,493	185,603	2,001,517	(14,063,707)
<i>Total Primary Government Net Expense</i>	<u>(39,152,595)</u>	<u>(23,892,829)</u>	<u>(45,076,376)</u>	<u>(56,616,760)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes Levied For:				
General Purposes	7,450,491	6,742,046	6,811,660	6,721,408
Other Purposes	500,358	415,534	432,247	412,884
Debt Service	1,092,625	1,117,291	778,168	2,064,131
Capital Outlay	509,917	484,725	490,240	481,610
Municipal Income Taxes Levied For:				
General Purposes	29,612,738	25,858,382	29,088,986	28,288,722
Admissions Taxes	7,875	49,873	51,930	53,976
Grants and Entitlements not Restricted to Specific Programs	6,775,791	3,185,196	2,783,621	3,311,536
Franchise Taxes	502,937	519,245	545,814	502,577
Payment in Lieu of Taxes	0	0	0	0
Investment Earnings	240,858	556,379	391,208	222,634
Gain on Sale of Capital Assets	27,789	0	0	0
Miscellaneous	1,039,095	717,849	1,333,977	945,402
Transfers	(80,239)	(94,219)	(85,884)	(48,445)
<i>Total Governmental Activities</i>	<u>47,680,235</u>	<u>39,552,301</u>	<u>42,621,967</u>	<u>42,956,435</u>
Business-Type Activities:				
Investment Earnings	0	0	0	0
Miscellaneous	22,714	165,189	5,500	391,198
Transfers	80,239	94,219	85,884	48,445
<i>Total Business-Type Activities</i>	<u>102,953</u>	<u>259,408</u>	<u>91,384</u>	<u>439,643</u>
<i>Total Primary Government</i>	<u>47,783,188</u>	<u>39,811,709</u>	<u>42,713,351</u>	<u>43,396,078</u>
<b>Change in Net Position</b>				
Governmental Activities	6,336,147	15,473,869	(4,455,926)	403,382
Business-Type Activities (2)	2,294,446	445,011	2,092,901	(13,624,064)
<i>Total Primary Government Change in Net Position</i>	<u>\$8,630,593</u>	<u>\$15,918,880</u>	<u>(\$2,363,025)</u>	<u>(\$13,220,682)</u>

- (1) Business-Type Activities funds are presented together under "utilities" for 2010.  
(2) During 2017, the City signed a direct service agreement with the City of Cleveland for water distribution, resulting in a transfer of operations, effective in 2017.  
(3) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.  
(4) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.  
(5) Revenues and expenses are first impacted by the implementation of GASB Statement No. 84 beginning in 2019.

2016	2015 (3)	2014	2013	2012	2011
(\$43,067,276)	(\$33,980,996)	(\$36,737,438)	(\$40,119,805)	(\$34,678,509)	(\$36,556,937)
568,855	2,140,209	(1,469,468)	(446,726)	(1,806,087)	(1,307,164)
(42,498,421)	(31,840,787)	(38,206,906)	(40,566,531)	(36,484,596)	(37,864,101)
6,816,312	7,465,977	6,581,283	6,516,716	6,720,122	6,955,676
423,916	434,668	431,946	449,426	463,456	477,254
2,175,486	1,935,505	1,762,903	2,261,326	2,240,041	2,306,722
494,532	507,033	503,935	524,333	540,700	556,794
25,911,464	24,221,436	24,035,692	21,620,891	24,772,161	24,162,250
83,402	94,087	158,849	101,414	107,516	273,716
2,973,822	2,938,207	3,297,881	3,793,292	4,418,417	4,919,000
606,056	560,558	490,496	551,694	588,325	565,476
0	0	0	0	1,150,000	141,241
133,571	77,437	70,034	43,610	45,811	127,999
11,751	15,219	0	0	103,497	0
1,202,894	1,838,614	1,259,270	1,244,120	1,318,978	1,694,674
(20,666)	(285,252)	16,421	22,925	(863,549)	14,385
40,812,540	39,803,489	38,608,710	37,129,747	41,605,475	42,195,187
0	0	0	0	0	0
156	4,232	19,361	21,872	2,354	22,685
20,666	285,252	(16,421)	(22,925)	863,549	(14,385)
20,822	289,484	2,940	(1,053)	865,903	8,300
40,833,362	40,092,973	38,611,650	37,128,694	42,471,378	42,203,487
(2,254,736)	5,822,493	1,871,272	(2,990,058)	6,926,966	5,638,250
589,677	2,429,693	(1,466,528)	(447,779)	(940,184)	(1,298,864)
(\$1,665,059)	\$8,252,186	\$404,744	(\$3,437,837)	\$5,986,782	\$4,339,386



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

	2020	2019 (2)	2018 (2)	2017 (1)
General Fund				
Nonspendable	\$1,315,769	\$785,196	\$838,744	\$527,700
Assigned	5,820,581	2,682,558	67,126	927,845
Unassigned (Deficit)	23,577,730	18,381,013	16,691,897	15,538,835
<i>Total General Fund</i>	<u>30,714,080</u>	<u>21,848,767</u>	<u>17,597,767</u>	<u>16,994,380</u>
All Other Governmental Funds				
Nonspendable	62,144	57,855	57,855	70,442
Restricted	13,060,503	11,543,945	11,208,049	9,375,697
Committed	2,038,980	2,003,869	1,813,440	1,699,509
Assigned	1,977,758	2,406,233	1,688,722	1,946,707
Unassigned (Deficit)	(683,265)	(504,547)	(905,412)	(667,990)
<i>Total All Other Governmental Funds</i>	<u>16,456,120</u>	<u>15,507,355</u>	<u>13,862,654</u>	<u>12,424,365</u>
<i>Total Governmental Funds</i>	<u>\$47,170,200</u>	<u>\$37,356,122</u>	<u>\$31,460,421</u>	<u>\$29,418,745</u>

- (1) During 2017, the City signed a direct service agreement with the City of Cleveland for water distribution, resulting in a transfer of operations and change to fund balance, effective in 2017.
- (2) During 2019, the City implemented GASB 84, which restated 2018 and caused the classification of fund balance to change.

2016	2015	2014	2013	2012	2011
\$657,693	\$272,287	\$653,120	\$403,831	\$380,439	\$282,323
1,775,739	113,116	36,452	6,535,767	2,960,821	4,978,336
9,152,182	7,872,648	3,975,918	(2,980,886)	3,157,559	2,764,002
11,585,614	8,258,051	4,665,490	3,958,712	6,498,819	8,024,661
90,294	75,102	45,930	65,630	65,780	95,526
7,787,747	9,244,854	7,213,016	7,540,793	8,109,130	7,363,926
1,046,209	964,170	904,809	949,701	1,186,778	1,263,138
2,570,520	3,346,090	2,769,393	1,651,700	1,663,977	356,140
(1,607,207)	(583,989)	(311,850)	(803,088)	(1,338,387)	(987,173)
9,887,563	13,046,227	10,621,298	9,404,736	9,687,278	8,091,557
\$21,473,177	\$21,304,278	\$15,286,788	\$13,363,448	\$16,186,097	\$16,116,218

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

	2020	2019	2018	2017
<b>Revenues</b>				
Property Taxes	\$9,587,649	\$8,891,758	\$8,668,862	\$9,520,699
Municipal Income Taxes	28,679,829	29,553,138	27,664,058	28,725,003
Admissions Taxes	7,875	49,873	51,930	53,976
Charges for Services	4,479,868	6,483,852	6,505,988	4,196,025
Licenses, Permits and Fees	2,952,778	2,115,227	2,191,529	3,994,350
Fines and Forfeitures	2,455,371	2,189,634	2,238,932	2,376,533
Intergovernmental	15,693,150	7,435,430	8,523,205	12,505,221
Special Assessments	2,198,294	2,165,003	2,182,996	2,115,997
Interest	240,858	556,379	391,208	222,634
Rentals	26,030	280,601	263,921	326,808
Contributions and Donations	438,919	25,444	24,621	19,446
Franchise Taxes	500,480	429,596	545,814	502,577
Payment in Lieu of Taxes	0	0	0	0
Miscellaneous	1,039,095	717,849	1,333,977	945,402
<i>Total Revenues</i>	<u>68,300,196</u>	<u>60,893,784</u>	<u>60,587,041</u>	<u>65,504,671</u>
<b>Expenditures</b>				
Current:				
General Government	16,550,210	14,630,371	16,631,354	15,026,725
Public Safety	23,429,350	21,264,582	22,754,779	21,430,864
Public Health Services	376,682	391,688	385,212	351,307
Transportation	5,127,676	5,091,084	5,571,795	5,751,208
Community Development	9,365,328	5,925,595	5,651,512	5,391,557
Sanitation	2,322,803	2,184,685	2,304,250	2,216,257
Culture and Recreation	1,391,536	3,585,276	2,981,156	3,719,148
Capital Outlay	355,316	478,783	2,599,053	9,325,850
Debt Service:				
Principal Retirement	893,876	2,451,291	2,381,617	4,320,888
Interest and Fiscal Charges	354,500	518,702	595,403	321,081
Bond Issuance Costs	263,433	0	0	144,976
Principal Retirement - Current Refunding	53,611	0	0	0
Payment to Refunding Bond Escrow Agent	42,659	0	0	0
<i>Total Expenditures</i>	<u>60,526,980</u>	<u>56,522,057</u>	<u>61,856,131</u>	<u>67,999,861</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>7,773,216</u>	<u>4,371,727</u>	<u>(1,269,090)</u>	<u>(2,495,190)</u>
<b>Other Financing Sources (Uses)</b>				
Loans Issued	45,396	766,582	0	0
General Obligation Notes and Bonds Issued	14,198,000	851,611	582,000	8,017,000
General Obligation Notes and Bonds Premium	7,916	0	0	214,216
General Obligation Discount on Bonds Issued	0	0	0	(91,758)
Inception of Capital Lease	550,000	0	447,201	0
Sale of Capital Assets	27,789	0	0	0
Current Refunding	(798,000)	0	0	0
Payment to Refunded Bond Escrow Agent	(11,910,000)	0	0	0
Transfers In	2,913,865	3,271,354	4,910,911	3,263,213
Transfers Out	(2,994,104)	(3,365,573)	(4,996,795)	(3,311,658)
<i>Total Other Financing Sources (Uses)</i>	<u>2,040,862</u>	<u>1,523,974</u>	<u>943,317</u>	<u>8,091,013</u>
<i>Net Change in Fund Balances</i>	<u>\$9,814,078</u>	<u>\$5,895,701</u>	<u>(\$325,773)</u>	<u>\$5,595,823</u>
Debt Service as a Percentage of Noncapital Expenditures	2.1%	5.4%	5.1%	8.1%

2016	2015	2014	2013	2012	2011
\$9,767,040	\$10,154,350	\$9,329,219	\$9,476,596	\$9,906,172	\$10,040,053
26,552,239	24,797,290	23,281,969	21,676,288	23,022,254	19,359,768
83,402	94,087	158,849	101,414	107,516	273,716
3,620,781	3,831,395	3,819,341	5,541,130	5,156,842	4,909,865
4,841,715	5,083,144	4,941,868	2,042,386	1,957,712	1,664,970
2,113,387	2,437,592	2,596,790	3,215,569	2,937,542	2,789,862
9,334,689	8,052,404	9,891,209	7,900,584	10,602,604	9,983,844
2,134,257	2,207,781	2,158,785	1,944,755	1,982,802	1,939,289
133,571	77,437	70,034	43,610	45,811	127,999
25,200	22,200	50,198	27,932	50,476	54,571
40,492	30,999	21,902	12,336	12,348	15,880
606,056	560,558	490,496	551,694	588,325	565,476
0	0	0	0	1,150,000	141,241
1,202,894	1,838,614	1,259,270	1,244,120	1,318,978	1,694,674
60,455,723	59,187,851	58,069,930	53,778,414	58,839,382	53,561,208
16,212,345	14,994,218	14,836,528	15,394,711	15,354,284	14,645,346
21,375,902	21,499,555	22,462,442	21,216,050	20,796,144	19,736,539
355,707	382,879	366,334	362,178	362,103	385,716
7,703,370	4,912,147	6,014,505	5,877,513	5,162,780	5,057,282
6,246,063	5,204,623	6,138,590	5,065,872	6,163,082	5,944,549
2,122,964	2,272,075	2,258,106	2,350,856	2,417,960	2,248,499
3,052,494	2,853,367	2,642,396	2,489,045	2,628,806	2,477,521
1,820,801	1,887,039	2,630,003	1,778,253	2,330,729	1,276,062
4,009,532	2,404,860	2,045,393	1,964,862	2,094,509	4,318,896
469,202	397,428	599,873	693,272	748,794	832,804
41,347	117,332	95,463	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
63,409,727	56,925,523	60,089,633	57,192,612	58,059,191	56,923,214
(2,954,004)	2,262,328	(2,019,703)	(3,414,198)	780,191	(3,362,006)
0	0	0	482,601	24,540	57,420
3,115,000	8,477,000	5,635,000	1,590,000	0	0
11,211	0	0	9,185	0	0
0	0	0	0	0	0
0	0	730,133	0	0	0
17,358	15,219	26,477	0	128,697	34,260
0	0	0	0	0	0
0	(4,728,842)	(2,464,988)	(1,513,662)	0	0
3,104,993	2,550,316	3,325,327	3,998,494	3,982,694	2,808,707
(3,125,659)	(2,550,316)	(3,308,906)	(3,975,069)	(4,846,243)	(2,794,322)
3,122,903	3,763,377	3,943,043	591,549	(710,312)	106,065
\$168,899	\$6,025,705	\$1,923,340	(\$2,822,649)	\$69,879	(\$3,255,941)
7.9%	5.4%	4.8%	5.0%	5.2%	9.7%

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

	2020	2019	2018	2017
<b>Inside Millage</b>				
Operating	\$2.22000	\$2.22000	\$2.22000	\$2.22000
Debt	1.50000	1.50000	1.50000	1.50000
Fire Pension	0.30000	0.30000	0.30000	0.30000
Police Pension	0.30000	0.30000	0.30000	0.30000
<i>Total Unvoted Millage</i>	<u>4.32000</u>	<u>4.32000</u>	<u>4.32000</u>	<u>4.32000</u>
<b>Charter Millage</b>				
1976 Charter/Current Expense	6.48000	6.48000	6.48000	6.48000
1997 Bond (\$15,000,000)	0.00000	0.00000	0.00000	1.50000
2004 Charter/Recreation Improvements	0.70000	0.70000	0.70000	0.70000
2014 Charter/Current Expense	0.92000	0.92000	0.92000	0.92000
<i>Total Voted Millage by Type of Property</i>	<u>8.10000</u>	<u>8.10000</u>	<u>8.10000</u>	<u>9.60000</u>
<i>Total Millage</i>	<u>\$12.42000</u>	<u>\$12.42000</u>	<u>\$12.42000</u>	<u>\$13.92000</u>
<b>Overlapping Rates by Taxing District</b>				
<b><i>Cleveland Heights - University Heights</i></b>				
General Business and Public Utility Personal	\$153.60000	\$154.20000	\$155.09000	\$155.59000
Residential/Agricultural Real	81.32595	81.79927	88.48750	87.45518
Commercial/Industrial and Public Utility Real	101.03392	101.34487	107.61380	104.24162
<b><i>Cleveland Heights Library</i></b>				
Operating - continuing				
General Business and Public Utility Personal	10.00000	10.00000	10.00000	10.00000
Residential/Agricultural Real	7.75659	7.74291	8.26150	8.21562
Commercial/Industrial and Public Utility Real	8.72311	8.69555	9.11310	8.88868
<b><i>Cuyahoga County</i></b>				
General Business and Public Utility Personal	14.05000	14.05000	14.05000	14.05000
Residential/Agricultural Real	12.80115	12.79732	13.91400	13.88020
Commercial/Industrial and Public Utility Real	13.23033	13.07704	14.00610	14.01236
<b><i>Special Taxing Districts (1)</i></b>				
General Business and Public Utility Personal	7.78000	7.38000	6.88000	6.88000
Residential/Agricultural Real	7.08618	6.68792	7.28830	6.77011
Commercial/Industrial and Public Utility Real	7.32436	6.84133	7.34360	6.84687

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

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

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

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

(1) Cleveland Metro Parks, Port Authority, Cuyahoga Community College

Source: Cuyahoga County, Ohio; County Fiscal Officer

2016	2015	2014	2013	2012	2011
\$2.22000	\$2.57000	\$2.57000	\$2.22000	\$2.22000	\$2.22000
1.50000	1.15000	1.15000	1.50000	1.50000	1.50000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
4.32000	4.32000	4.32000	4.32000	4.32000	4.32000
6.48000	6.48000	6.48000	6.48000	6.48000	6.48000
1.50000	1.50000	1.40000	1.50000	1.40000	1.40000
0.70000	0.70000	0.70000	0.70000	0.70000	0.70000
0.92000	0.92000	0.00000	0.00000	0.00000	0.00000
9.60000	9.60000	8.58000	8.68000	8.58000	8.58000
\$13.92000	\$13.92000	\$12.90000	\$13.00000	\$12.90000	\$12.90000
\$149.59000	\$149.59000	\$149.59000	\$143.70000	\$143.70000	\$136.80000
81.30809	80.95140	80.38096	74.30494	71.72200	64.31560
98.15769	93.53970	92.77882	87.04456	84.67910	76.56090
10.00000	10.00000	7.80000	7.80000	7.80000	7.80000
8.20296	8.17220	5.92317	5.90716	5.71080	5.67410
8.88246	8.56850	6.31694	6.32897	6.17450	6.07140
14.05000	14.05000	14.05000	13.22000	13.22000	13.32000
13.86978	14.05000	14.05000	13.22000	13.11820	13.18660
14.05000	14.01950	13.94947	12.99676	12.78460	12.84120
6.88000	6.88000	5.98000	5.08000	5.08000	5.08000
6.76737	6.86430	5.96390	5.06349	5.00410	4.99000
6.86755	6.84010	5.88426	4.96214	4.86490	4.84500

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

Collection Year	Real Property Assessed Values			Tangible Personal Property	
	Residential/ Agricultural	Commercial Industrial	Estimated Actual Value	Public Utility	
				Assessed Values	Estimated Actual Value
2020	\$716,708,980	\$112,123,560	\$2,368,092,971	\$19,141,880	\$21,752,136
2019	718,024,680	120,565,470	2,395,971,857	17,436,360	19,814,045
2018	678,829,930	112,853,640	2,261,953,057	16,785,770	19,074,739
2017	649,557,230	116,591,460	2,188,996,257	14,528,950	16,510,170
2016	686,084,250	117,958,640	2,297,265,400	14,628,530	16,623,330
2015	703,127,810	132,585,410	2,387,752,057	14,281,390	16,228,852
2014	711,935,130	135,720,620	2,421,873,571	13,432,710	15,264,443
2013	716,045,780	136,988,860	2,437,241,829	12,266,160	13,938,818
2012	758,172,910	142,503,180	2,573,360,257	11,149,780	12,670,205
2011	767,304,310	146,782,270	2,611,675,943	10,757,850	12,224,830

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

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

Source: Cuyahoga County, Ohio; County Fiscal Officer

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Total			
Assessed Values	Estimated Actual Value	Ratio	Direct Tax Rate
\$847,974,420	\$2,389,845,107	35.48 %	\$12.42
856,026,510	2,415,785,902	35.43	12.42
808,469,340	2,281,027,796	35.44	12.42
780,677,640	2,205,506,427	35.40	12.42
818,671,420	2,313,888,730	35.38	13.92
849,994,610	2,403,980,909	35.36	13.92
861,088,460	2,437,138,014	35.33	12.90
865,300,800	2,451,180,647	35.30	13.00
911,825,870	2,586,030,462	35.26	12.90
924,844,430	2,623,900,773	35.25	12.90



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

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy (2)
2020	\$12,776,778	\$9,830,070	76.94 %	\$560,449	\$10,390,519	81.32 %
2019	13,209,653	9,435,071	71.43	623,249	10,058,320	76.14
2018	12,390,749	9,276,560	74.87	577,266	9,853,826	79.53
2017	13,740,372	10,307,750	75.02	544,687	10,852,437	78.98
2016	12,891,944	10,626,321	82.43	517,268	11,143,589	86.44
2015	13,202,230	10,905,320	82.60	651,266	11,556,586	87.54
2014	13,015,636	10,003,954	76.86	654,530	10,658,484	81.89
2013	13,175,364	10,311,193	78.26	579,904	10,891,097	82.66
2012	13,491,509	10,845,056	80.38	632,297	11,477,353	85.07
2011	12,141,783	11,045,724	90.97	1,771,588	12,817,312	105.56

Source: Cuyahoga County, Ohio; County Fiscal Officer

Note: The County's current operating system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

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

**City of Cleveland Heights, Ohio**

*Principal Taxpayers  
2020 and 2011*

Taxpayer	2020	
	Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Co.	\$11,796,540	1.42%
East Ohio Gas Company	5,986,330	0.72
American Transmission System	4,200,630	0.51
Musicians Towers OH, TC, LP	2,855,200	0.34
Kensington Limited Partnership	2,852,290	0.34
Waldorf Partners Limited Partnership	2,652,830	0.33
Concord Apartments, LLC	2,079,740	0.25
Severance Realty, LLC	2,010,480	0.24
Property Investment Co., LLC	1,980,100	0.24
NYOMI Investments LLC	1,664,530	0.20
<b>Total</b>	<b>\$38,078,670</b>	<b>4.59%</b>
<b>Total Assessed Valuation</b>	<b>\$828,832,540</b>	
Taxpayer	2011	
	Assessed Valuation	Percentage of Total Assessed Valuation
Severance SPE Leace Co., LLC	\$16,115,440	1.76%
Kaiser Foundation Health	11,621,820	1.27
Cleveland Electric Illuminating Company	8,507,250	0.94
Concord Apartments LLC	2,591,190	0.28
ARC Cleveland Heights LLC	2,537,510	0.28
Kensington Limited Partnership	2,520,000	0.28
City of Cleveland Heights	2,367,120	0.26
Severance SPE FEECO LLC	2,354,630	0.26
Western Reserve Revitalization	2,229,290	0.24
Waldorf Partners Limited Partnership	2,183,590	0.24
<b>Total</b>	<b>\$53,027,840</b>	<b>5.80%</b>
<b>Total Assessed Valuation</b>	<b>\$914,086,580</b>	

Source: Cuyahoga County Fiscal Officer

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

Year	Tax Rate (2)	Total Tax Collected (1)	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits	Taxes From Individuals	Percentage of Taxes From Individuals
2020	2.25 %	\$28,322,600	\$9,753,329	34 %	\$1,334,907	5 %	\$17,234,364	61 %
2019	2.25	29,200,994	9,928,338	34	876,030	3	18,396,626	63
2018	2.25	27,660,650	9,291,416	33	997,935	4	17,371,299	63
2017	2.25	27,289,506	8,603,124	31	1,000,026	4	17,686,356	65
2016	2.25	26,217,124	8,651,651	33	786,514	3	16,778,959	64
2015	2.00	24,039,748	7,471,065	31	805,444	3	15,763,239	66
2014	2.00	23,161,191	7,870,984	34	928,582	4	14,361,625	62
2013	2.00	22,714,993	6,961,230	31	673,668	3	15,080,095	66
2012	2.00	22,419,053	6,949,906	31	672,572	3	14,796,575	66
2011	2.00	19,214,462	6,699,569	35	421,295	2	12,093,598	63

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

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

(1) Based on Cash Basis

(2) The City's basic income tax rate may only be increased by a majority vote of the City's residents. In November 2015, the voters approved an increase to 2.25%, effective January 1, 2016.

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

Year	Population	Estimated Actual Value of Taxable Property	Gross Bonded Debt (1)	Ratio of Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt Per Capita
2020	45,312	\$2,389,845,107	\$15,720,000	0.66%	\$347
2019	46,121	2,415,785,902	15,231,560	0.63	330
2018	46,121	2,281,027,796	16,618,278	0.73	360
2017	46,121	2,205,506,427	17,333,458	0.79	376
2016	46,121	2,313,888,730	12,342,682	0.53	268
2015	46,121	2,403,980,909	12,971,816	0.54	281
2014	46,121	2,437,138,014	12,202,733	0.50	265
2013	46,121	2,451,180,647	10,830,316	0.44	235
2012	46,121	2,586,030,462	12,462,539	0.48	270
2011	46,121	2,623,900,773	14,326,306	0.55	311

(1) Although the debt service fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

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

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

Governmental Activities							
Year	General Obligation Bonds	Special Assessment Bonds	Bond Anticipation Notes	Capital Leases	OPWC Loans	OWDA Loans	State Infrastructure Bank Loan
2020	\$15,265,000	\$1,760,000	\$2,295,916	\$1,020,212	\$1,872,977	\$159,579	\$116,554
2019	14,716,560	1,890,000	851,611	694,249	1,918,011	173,262	172,280
2018	16,048,278	2,015,000	582,000	863,421	1,332,284	186,435	226,371
2017 (3)	17,333,458	2,140,000	722,000	507,061	1,422,713	205,278	278,875
2016	12,342,682	2,260,000	1,526,211	577,825	1,345,630	0	329,838
2015	12,971,816	2,375,000	1,515,000	646,918	1,461,069	0	0
2014	12,202,733	2,490,000	0	816,338	1,576,509	0	0
2013	10,830,316	2,522,575	0	193,836	1,679,271	0	0
2012	12,462,539	2,613,206	0	283,615	1,286,753	0	0
2011	14,326,306	2,703,837	0	408,081	1,307,256	0	0

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

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

(3) OPWC loans and OWDA loans related to waterlines are non-capital related now that the transfer of operations is complete.  
The loans have been moved to governmental activities.

Business - Type Activities

General Obligation Bonds	Bond Anticipation Notes	OPWC Loans	OWDA Loans	Total Debt	Percentage of Personal Income (1)	Per Capita (2)
\$455,000	\$255,903	\$149,264	\$55,123	\$23,405,528	1.41%	\$517
515,000	253,389	165,007	90,042	21,439,411	1.54	465
570,000	0	196,491	123,566	22,143,846	1.59	480
0	0	212,233	171,356	22,992,974	1.65	499
0	186,369	607,822	397,971	19,574,348	1.40	424
0	185,000	704,720	439,386	20,298,909	1.45	440
0	0	801,619	479,178	18,366,377	1.32	398
0	0	898,518	517,409	16,641,925	1.19	361
0	0	995,417	554,141	18,195,671	1.30	395
0	0	1,043,867	589,433	20,378,780	1.46	442

**City of Cleveland Heights, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	2020	2019	2018	2017
Total Assessed Property Value	<u>\$847,974,420</u>	<u>\$847,974,420</u>	<u>\$856,026,510</u>	<u>\$808,469,340</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	15,265,000	14,602,000	15,929,000	17,211,000
Special Assessment Bonds	1,760,000	1,890,000	2,015,000	2,140,000
OPWC Loans	1,872,977	1,918,011	1,332,284	1,422,713
OWDA Loans	159,579	173,262	186,435	205,278
State Infrastructure Loan Payable	116,554	172,280	226,371	278,875
Notes	2,701,611	959,611	722,000	1,285,000
Total Gross Indebtedness	<u>21,875,721</u>	<u>19,715,164</u>	<u>20,411,090</u>	<u>22,542,866</u>
Less:				
Special Assessment Bonds	(1,760,000)	(1,890,000)	(2,015,000)	(2,140,000)
OPWC Loans	(1,872,977)	(1,918,011)	(1,332,284)	(1,422,713)
OWDA Loans	(159,579)	(173,262)	(186,435)	(205,278)
Notes	(2,701,611)	(959,611)	(722,000)	(1,285,000)
General Bond Retirement Fund Balance	<u>(834,873)</u>	<u>(349,410)</u>	<u>(1,182,631)</u>	<u>(1,564,354)</u>
Total Net Debt Applicable to Debt Limit	<u>14,546,681</u>	<u>14,424,870</u>	<u>14,972,740</u>	<u>15,925,521</u>
Overall Legal Debt Limit				
10 1/2% of Assessed Valuation	<u>89,037,314</u>	<u>89,037,314</u>	<u>89,882,784</u>	<u>84,889,281</u>
Legal Debt Margin Within 10 1/2% Limitations	<u>\$74,490,633</u>	<u>\$74,612,444</u>	<u>\$74,910,044</u>	<u>\$68,963,760</u>
Legal Debt Margin as a Percentage of the Debt Limit	83.66%	83.80%	83.34%	81.24%
Unvoted Debt Limitation				
5 1/2% of Assessed Valuation	<u>\$46,638,593</u>	<u>\$46,638,593</u>	<u>\$47,081,458</u>	<u>\$44,465,814</u>
Total Gross Indebtedness	21,875,721	19,715,164	20,411,090	22,542,866
Less:				
Special Assessment Bonds	(1,760,000)	(1,890,000)	(2,015,000)	(2,140,000)
OPWC Loans	(1,872,977)	(1,918,011)	(1,332,284)	(1,422,713)
Notes	(2,701,611)	(959,611)	(722,000)	(1,285,000)
General Bond Retirement Fund Balance	<u>(834,873)</u>	<u>(349,410)</u>	<u>(1,182,631)</u>	<u>(1,564,354)</u>
Net Debt Within 5 1/2% Limitations	<u>14,706,260</u>	<u>14,598,132</u>	<u>15,159,175</u>	<u>16,130,799</u>
Unvoted Legal Debt Margin Within 5 1/2% Limitations	<u>\$31,932,333</u>	<u>\$32,040,461</u>	<u>\$31,922,283</u>	<u>\$28,335,015</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	68.47%	68.70%	67.80%	63.72%

Source: City Financial Records

2016	2015	2014	2013	2012	2011
<u>\$780,677,640</u>	<u>\$818,671,420</u>	<u>\$849,994,610</u>	<u>\$861,088,460</u>	<u>\$865,300,800</u>	<u>\$911,825,870</u>
12,307,000	12,902,000	12,085,000	10,680,000	12,290,000	14,125,000
2,260,000	2,375,000	2,490,000	2,505,000	2,595,000	2,685,000
1,345,630	1,461,069	1,576,509	1,679,271	1,286,753	1,307,256
0	0	0	0	0	0
329,838	0	0	0	0	0
1,526,211	1,752,527	1,976,277	2,193,000	2,126,000	1,703,000
<u>17,768,679</u>	<u>18,490,596</u>	<u>18,127,786</u>	<u>17,057,271</u>	<u>18,297,753</u>	<u>19,820,256</u>
(2,260,000)	(2,375,000)	(2,490,000)	(2,505,000)	(2,595,000)	(2,685,000)
(1,345,630)	(1,461,069)	(1,576,509)	(1,679,271)	(1,286,753)	(1,307,256)
0	0	0	0	0	0
(1,526,211)	(1,752,527)	(1,976,277)	(2,193,000)	(2,126,000)	(1,703,000)
<u>(1,773,910)</u>	<u>(277,889)</u>	<u>(482,039)</u>	<u>(1,306,909)</u>	<u>(1,817,733)</u>	<u>(3,485,699)</u>
<u>10,862,928</u>	<u>12,624,111</u>	<u>11,602,961</u>	<u>9,373,091</u>	<u>10,472,267</u>	<u>10,639,301</u>
<u>81,971,152</u>	<u>85,960,499</u>	<u>89,249,434</u>	<u>90,414,288</u>	<u>90,856,584</u>	<u>95,741,716</u>
<u>\$71,108,224</u>	<u>\$73,336,388</u>	<u>\$77,646,473</u>	<u>\$81,041,197</u>	<u>\$80,384,317</u>	<u>\$85,102,415</u>
86.75%	85.31%	87.00%	89.63%	88.47%	88.89%
<u>\$42,937,270</u>	<u>\$45,026,928</u>	<u>\$46,749,704</u>	<u>\$47,359,865</u>	<u>\$47,591,544</u>	<u>\$50,150,423</u>
17,768,679	18,490,596	18,127,786	17,057,271	18,297,753	19,820,256
(2,260,000)	(2,375,000)	(2,490,000)	(2,505,000)	(2,595,000)	(2,685,000)
(1,345,630)	(1,461,069)	(1,576,509)	(1,679,271)	(1,286,753)	(1,307,256)
(1,526,211)	(1,752,527)	(1,976,277)	(2,193,000)	(2,126,000)	(1,703,000)
<u>(1,773,910)</u>	<u>(277,889)</u>	<u>(482,039)</u>	<u>(1,306,909)</u>	<u>(1,817,733)</u>	<u>(3,485,699)</u>
<u>10,862,928</u>	<u>12,624,111</u>	<u>11,602,961</u>	<u>9,373,091</u>	<u>10,472,267</u>	<u>10,639,301</u>
<u>\$32,074,342</u>	<u>\$32,402,817</u>	<u>\$35,146,743</u>	<u>\$37,986,774</u>	<u>\$37,119,277</u>	<u>\$39,511,122</u>
74.70%	71.96%	75.18%	80.21%	78.00%	78.79%



**City of Cleveland Heights, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2020*

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Cleveland Heights
<b>Direct Debt</b>			
City of Cleveland Heights			
General Obligation Bonds	\$15,265,000	100.00%	\$15,265,000
Special Assessment Bonds	1,760,000	100.00	1,760,000
OPWC Loans	1,872,977	100.00	1,872,977
OWDA Loans	159,579	100.00	159,579
State Infrastructure Bank Loan	116,554	100.00	116,554
Long-Term Notes	2,295,916	100.00	2,295,916
Capital Leases	1,020,212	100.00	1,020,212
<b>Total Direct Debt</b>	<b>22,490,238</b>		<b>22,490,238</b>
<b>Overlapping Debt:</b>			
Payable from Property Taxes			
Cuyahoga County Bonds	279,060,534	2.48	6,920,701
Regional Transit Authority Bonds	138,064,434	2.48	3,423,998
Cleveland Heights-			
University Heights City School District	166,969,660	76.67	128,015,638
East Cleveland City School District	768,210	15.78	121,224
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	496,276,119	2.48	12,307,648
Cuyahoga County Certificates of Participation	210,750,127	2.48	5,226,603
Cuyahoga County Loans	1,285,374	2.48	31,877
Cuyahoga County Leases	279,007,697	2.48	6,919,391
Cleveland Heights -			
University Heights City School District Leases	176,079	76.67	135,000
<b>Total Overlapping Debt</b>	<b>1,572,358,234</b>		<b>163,102,080</b>
<b>Total</b>	<b>\$1,594,848,472</b>		<b>\$185,592,318</b>

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government.

**City of Cleveland Heights, Ohio**

*Principal Employers*

2020 and 2011

2020	
Employer	Employees
Cleveland Heights - University Heights City School District	900
City of Cleveland Heights	714
MetroHealth System	583
Minutemen Select, Inc	527
Hebrew Academy of Cleveland	397
Home Depot USA Inc.	327
Cuyahoga County Auditor	317
International Securities	145
City of Cleveland	145
Charter Communications	140
<b>Total</b>	<b>4,195</b>
Total City Employment	n/a

2011		
Employer	Employees	Percentage of Total City Employment
Cleveland Heights - University Heights City School District	1,470	4.81 %
City of Cleveland Heights	789	2.58
Kaiser Foundation	313	1.02
C A S Health Investors, Inc.	234	0.77
Home Depot	223	0.73
Toyota on the Heights	144	0.47
Cleveland Heights Library	129	0.42
Motorcars	128	0.42
<b>Total</b>	<b>3,430</b>	<b>11.22 %</b>
Total City Employment	30,572	

**Source:** City of Cleveland Heights, Department of Income Tax - 2010  
Regional Income Tax Agency (RITA)

n/a - not available

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

Year	Population (a)	Total Personal Income	Per Capita Personal Income	Median Household Income	Median Age	Educational Attainment: High School or higher
2020	45,312	\$1,665,759,744	\$36,762	\$57,768	35.2	94.9
2019	46,121	1,395,621,460	30,260	47,529	35.2	93.7
2018	46,121	1,395,621,460	30,260	47,529	35.2	93.7
2017	46,121	1,395,621,460	30,260	47,529	35.2	93.7
2016	46,121	1,395,621,460	30,260	47,529	35.2	93.7
2015	46,121	1,395,621,460	30,260	47,529	35.2	93.7
2014	46,121	1,395,621,460	30,260	47,529	35.2	93.7
2013	46,121	1,395,621,460	30,260	47,529	35.2	93.7
2012	46,121	1,395,621,460	30,260	47,966	35.3	92.4
2011	46,121	1,395,621,460	30,260	49,056	35.7	92.3

(a) Source: U. S. Census, Census of population  
2010- 2019: 2010 Federal Census

(b) Source: Cuyahoga County Fiscal Officer

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

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School Enrollment ( c )	Cuyahoga County Unemployment Rate	Total Assessed Property Value ( b )
4,943	10.4 %	\$847,974,420
5,062	3.6	856,026,510
5,214	5.1	808,469,340
4,957	4.9	780,677,640
5,393	5.4	818,671,420
5,393	5.0	849,994,610
5,693	5.3	861,088,460
5,300	7.2	865,300,800
5,870	6.6	911,825,870
5,870	8.0	924,844,430

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

<u>Function/program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>General Government:</b>					
Council	3.0	2.5	3.0	3.0	3.0
City Management	5.0	2.0	2.0	2.0	2.0
Finance	6.0	5.0	6.5	6.5	6.0
Administrative	35.5	0.0	0.0	0.0	0.0
Municipal Court	19.0	25.0	27.0	28.0	26.0
<b>Public Safety:</b>					
Police					
Officers	95.0	97.0	100.0	100.0	98.0
Civilians/Crossing Guards	3.0	9.0	12.0	16.0	17.5
Fire					
Firefighters and officers	76.0	75.0	75.0	73.0	78.0
Civilians/Dispatch	1.0	0.0	0.0	10.0	11.0
Traffic Signs & Signals	1.0	0.0	0.0	0.0	0.0
Public Health	2.0	0.0	0.0	0.0	0.0
Culture and Recreation:	12.5	82.5	82.5	82.5	75.0
<b>Planning/Community</b>					
Planning & Development	9.5	9.5	9.0	8.0	8.0
Building/Inspectional	9.0	11.0	11.0	11.0	10.0
Other	15.5	18.5	18.5	18.5	21.0
Sanitation	25.0	25.0	26.0	26.0	29.0
Transportation	30.0	20.0	20.0	20.0	17.0
Off-Street Parking	0.0	2.0	2.0	2.0	2.0
Other Public Works Departments	0.0	32.0	32.0	32.0	35.5
<b>Public Utilities:</b>					
Water	0.0	0.0	0.0	1.0	15.0
Wastewater	16.0	17.0	16.0	12.0	13.0
<b>Totals:</b>	<u>364.0</u>	<u>433.0</u>	<u>442.5</u>	<u>451.5</u>	<u>467.0</u>

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

**Method:** Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee.  
 Count taken at December 31.

2015	2014	2013	2012	2011
6.0	7.2	7.1	6.1	7.0
0.0	0.0	0.0	0.0	0.0
6.0	6.5	6.6	6.6	7.5
0.0	0.0	0.0	0.0	0.0
29.0	26.3	25.4	24.9	29.0
115.8	114.6	113.8	113.1	113.0
5.0	4.0	5.0	8.0	4.0
73.0	78.0	69.0	75.0	71.0
8.0	10.3	8.6	9.9	10.5
0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0
55.0	55.9	58.6	57.0	56.5
12.0	12.0	11.9	11.1	12.0
15.0	16.1	15.0	17.4	16.5
14.5	18.0	20.2	18.4	19.0
28.0	27.3	30.0	27.9	30.0
20.0	22.0	22.0	20.0	19.0
3.0	3.0	3.0	3.0	3.0
22.0	22.0	23.0	23.0	21.0
14.0	14.0	15.0	17.0	18.0
12.0	12.0	13.0	13.0	10.0
<u>438.3</u>	<u>449.2</u>	<u>447.2</u>	<u>451.3</u>	<u>447.0</u>

**City of Cleveland Heights, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/program	2020	2019	2018	2017
<b>General Government</b>				
<b>Council and Clerk</b>				
Number of ordinances passed	42	35	40	123
Number of resolutions passed	98	76	97	135
Number of Planning Commission docket items	11	31	31	25
Number of Board of Zoning Appeals docket items	20	29	29	25
<b>Finance Department</b>				
Number of checks/ accounts payable vouchers issued	5,611	8,970	5,866	6,905
Amount of checks written	\$27,927,046	\$22,826,017	\$21,841,704	\$22,125,138
Interest earnings for fiscal year (cash basis)	\$237,513	\$128,603	\$379,426	\$242,847
Number of journal entries issued	3,974	2,514	1,814	964
Agency Ratings - Moody's Financial Services	A1	A1	A1	A1
<b>Income Tax Department</b>				
Number of refund checks/vouchers issued	*	*	*	*
Amount of checks written	*	*	*	*
Number of individual returns	*	*	*	*
Number of business returns	*	*	*	*
Number of business withholding returns	*	*	*	*
Amount of penalties and interest collected	*	*	*	*
Annual number of corporate withholding forms processed	*	*	*	*
Annual number of balance due statements processed	*	*	*	*
Annual number of estimated payment forms processed	*	*	*	*
Annual number of reconciliations of withholdings processed	*	*	*	*
<b>Municipal Court</b>				
Number of civil cases	1,766	1,980	1,849	1,718
Number of criminal cases	1,636	2,206	2,461	1,683
<b>Public Safety</b>				
<b>Fire</b>				
EMS calls	5,700	5,692	5,654	5,305
Fire calls	1,371	1,537	1,478	1,294
Fires with loss	62	27	70	62
Fire safety inspections/re-inspections	0	857	2,269	2,066
Number of times mutual aid given to Fire and EMS	128	122	217	129
Number of times mutual aid received from Fire and EMS	62	65	160	150
<b>Civil Service</b>				
Number of police entry tests administered	1	1	2	1
Number of fire entry tests administered	0	0	0	1
Number of fire promotional tests administered	0	0	1	2
Number of hires of police officers from certified lists	3	10	8	8
Number of hires of fire/medics from certified lists	0	2	7	4
Number of promotions from fire certified lists	0	0	4	2
Number of promotions from police certified lists	3	0	6	2
<b>Culture and Recreation</b>				
Senior activity center receipts	\$19,102	\$41,352	\$10,981	\$43,209
Swimming pools receipts	\$3,154	\$119,884	\$112,203	\$110,138
Ice program receipts	\$14,084	\$66,732	\$27,038	\$50,066
General recreation program receipts	\$8,424	\$45,358	\$35,885	\$42,758
Sports programs receipts	\$12,272	\$194,913	\$180,583	\$204,299
Community center program receipts	\$305,054	\$662,642	\$694,500	\$728,019
Cain park program receipts	\$96,135	\$837,388	\$797,374	\$783,820

2016	2015	2014	2013	2012	2011
22	29	36	68	47	52
85	115	102	143	142	112
27	38	34	52	27	22
22	31	22	36	25	28
7,948	5,881	5,984	6,498	6,752	6,363
\$38,756,617	\$34,186,263	\$30,936,718	\$29,020,478	\$30,468,399	\$27,736,616
\$140,731	\$78,721	\$71,505	\$77,695	\$93,503	\$98,115
606	499	526	501	438	415
A1	A1	Aa2	Aa2	Aa2	Aa3
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
1,687	1,075	1,559	1,511	1,365	1,126
2,849	2,642	3,020	3,359	2,685	2,287
5,129	4,934	4,559	4,733	4,817	4,631
1,288	1,288	1,387	1,399	1,296	1,211
16	59	50	62	64	54
1,616	2,137	980	957	1000+	1000+
40	98	99	110	101	76
34	78	60	82	128	91
1	0	0	1	0	1
0	67	0	1	0	1
0	0	3	2	2	3
6	5	4	2	2	7
4	0	13	2	8	6
0	0	5	4	3	4
0	8	3	0	2	2
\$50,298	\$37,829	\$39,914	\$0	\$60,962	\$57,911
\$104,225	\$99,904	\$105,963	\$97,222	\$108,284	\$98,739
\$44,621	\$49,129	\$36,747	\$36,356	\$46,901	\$53,505
\$62,773	\$60,356	\$99,785	\$94,312	\$90,404	\$96,470
\$219,884	\$201,040	\$171,016	\$183,743	\$197,133	\$208,882
\$674,170	\$655,843	\$640,367	\$587,822	\$584,432	\$627,573
\$560,335	\$644,005	\$603,585	\$564,682	\$689,853	\$428,296



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

Function/program	2020	2019	2018	2017
<b>Community Development</b>				
<b>Building Department</b>				
Construction permits issued - residential	2,689	3,296	5,366	3,052
Construction permits issued - commercial	262	161	413	220
Estimated value of construction - residential	\$25,940,072	\$18,528,289	\$31,470,611	\$23,228,320
Estimated value of construction - commercial	\$46,023,300	\$10,769,357	\$14,767,246	\$12,682,607
Number of permits issued	2,951	3,499	5,779	3,274
Amount of revenue generated from permits	\$1,606,592	\$425,604	\$847,183	\$309,645
Amount of revenue generated from fees/contractors licenses	\$195,642	\$167,899	\$299,750	\$196,430
Number of contractor registrations issued	1,080	1,194	1,100	1,173
Number of inspections performed	3,159	3,584	3,142	3,414
<b>Community Development</b>				
Annual entitled grant award	\$1,625,378	\$1,604,297	\$1,577,102	\$1,437,209
Program income received	\$254,161	\$212,032	\$216,972	\$165,606
Neighborhood stabilization program	\$0	\$0	\$0	\$0
<b>Transportation</b>				
Crackseal Coating Program (lbs.)	4,500	6,700	6,750	10,000
Street repair (curb, aprons, berms, asphalt) (hours)	4,898	7,680	8,000	6,560
Line striping (hours)	n/a	n/a	n/a	n/a
Street Sweeping (hours)	600	3,000	3,520	3,113
Cold Patch (hours)	3,000	4,400	4,420	5,066
Snow and ice removal - regular hours	6,032	6,180	6,120	4,200
Snow and ice removal - overtime hours	1,008	1,020	1,063	645
Landscaping Stump-Chipper Service (hours)	408	300	300	500
Leaf collection - fall (hours)	10,120	12,000	13,780	16,160
Equipment repair/body shop (hours)	n/a	n/a	n/a	1,800
Number of trees planted per year	408	300	339	369
Tons of snow melting salt purchased	5,598	5,700	6,621	6,232
Cost of snow/calcium chloride purchased	\$0	\$406,000	\$422,288	\$182,515
<b>Water Department (1)</b>				
Water rates per 1,000 cu ft of water used	0.0	0.0	0.0	0.0
Average number of water accounts billed monthly (cu ft)	0	0	0	0
Total water collections annually (including P&I)	\$0	\$0	\$0	\$3,131,604
Payments to Cleveland for bulk water purchases	\$0	\$0	\$0	\$1,893,113
<b>Wastewater Department</b>				
Wastewater rates per 1,000 cu ft of water used (local)	43.5	43.5	41.6	41.0
Sewer and sanitary calls for service	164	420	672	519

Source: City of Cleveland Heights departments

Notes:

\* The City contracted with Regional Income Tax Agency for the collection of its municipal income tax effective July 7, 2011. Therefore, due to mid-year conversion, accurate statistics are not available.

(1) The City transferred their water operations to the City of Cleveland, effective January 1, 2017.

2016	2015	2014	2013	2012	2011
464	110	1,010	807	906	792
229	92	125	105	95	92
\$16,592,300	\$11,042,945	\$12,536,148	\$9,610,449	\$10,674,213	\$10,638,000
\$20,249,000	\$8,749,163	\$14,159,210	\$8,644,284	\$5,656,276	\$9,091,000
3,058	3,364	3,234	3,185	3,291	3,172
\$846,063	\$604,164	\$389,340	\$365,424	\$314,110	\$311,809
\$245,205	\$247,495	\$262,655	\$113,318	\$120,724	\$113,420
812	965	1,111	1,080	1,134	853
3,153	1,533	5,721	7,843	7,090	8,193
\$2,031,567	\$1,461,454	\$1,476,666	\$1,496,443	\$1,446,726	\$1,601,941
\$136,984	\$253,078	\$192,129	\$283,408	\$208,548	\$506,829
\$0	\$0	\$0	\$0	\$0	\$250,000
6,720	9,000	6,750	11,153	6,761	5,065
5,520	8,640	5,520	2,880	5,520	5,520
n/a	n/a	1,432	2,152	1,736	1,792
3,080	2,960	3,300	2,800	2,960	2,960
4,960	4,800	5,440	4,960	5,440	5,760
4,816	6,832	6,384	8,400	3,360	6,720
724	1,169	4,434	3,488	3,002	3,191
5,716	5,716	5,716	5,716	5,500	5,668
14,680	12,168	17,744	13,332	11,433	11,047
16,640	16,640	14,560	15,680	16,818	16,640
313	203	263	246	273	250
5,400	4,001	13,077	7,225	4,977	4,469
\$214,867	\$0	\$424,383	\$237,629	\$226,927	\$210,907
88.0	70.0	70.0	70.0	56.6	56.6
15,350	15,536	15,476	15,487	15,460	15,419
\$18,637,752	\$17,757,000	\$17,063,701	\$16,154,339	\$11,083,365	\$10,050,111
\$4,132,247	\$12,217,352	\$10,752,942	\$10,314,487	\$8,993,685	\$779,438
11.1	11.1	11.1	11.1	11.1	11.1
473	535	350	350	318	326

**City of Cleveland Heights, Ohio**  
*Capital Asset Statistics by Function/Program*  
*Last Ten Years*

<b>Function/program</b>	2020	2019	2018	2017
<b>General Government</b>				
Square Footage Occupied	68,000	68,000	68,000	68,000
Administrative Vehicles	11	12	12	12
Inspectional Vehicles	8	10	10	10
Municipal Court Vehicles	2	2	2	2
Land and Building Vehicles	19	20	20	20
<b>Police</b>				
Stations	1	1	1	1
Square Footage of Building	18,877	18,877	18,877	18,877
Vehicles	104	101	101	116
<b>Fire</b>				
Stations	2	2	2	2
Square Footage of Building	24,068	24,068	24,068	24,068
Vehicles	16	16	16	15
<b>Recreation</b>				
Number of Parks	7	7	7	7
Number of Pools	1	1	1	1
Number of Ice Rinks	2	2	2	2
Number of Tennis Courts	18	18	18	18
Number of Skateboarding Areas	1	1	1	1
Number of Baseball Diamonds	9	9	9	9
Number of Basketball Courts	5	5	5	5
Community Center Square Footage	150,000	150,000	150,000	150,000
Vehicles	19	13	13	13
<b>Other public works</b>				
Streets (miles)	137	137	137	137
Curbs (miles)	249	249	249	249
Square footage of Garage/Transfer Station	42,244	42,244	42,244	42,244
Service Vehicles	120	125	125	125
<b>Wastewater</b>				
Sanitary sewers (miles)	150	150	150	150
Storm sewers (miles)	150	150	150	150

Sources:

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

2016	2015	2014	2013	2012	2011
68,000	68,000	68,000	68,000	68,000	68,000
1	10	9	9	14	14
14	15	18	18	14	14
3	3	3	3	2	2
5	5	21	21	14	14
1	1	1	1	1	1
18,877	18,877	18,877	18,877	18,877	18,877
109	92	99	99	100	100
2	2	2	2	2	2
24,068	24,068	24,068	24,068	24,068	24,068
18	19	18	18	19	19
7	6	6	6	6	6
1	1	1	1	1	1
2	2	2	2	2	2
18	18	18	18	18	18
1	1	1	1	1	1
9	9	9	9	9	9
5	5	5	5	5	5
150,000	150,000	150,000	150,000	150,000	150,000
11	5	7	7	12	12
137	137	137	137	137	137
249	249	249	249	249	249
42,244	42,244	42,244	42,244	42,244	42,244
125	129	105	105	105	105
150	150	150	150	150	150
150	150	150	150	150	150

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

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2020**

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

**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	Under Separate Cover
Comprehensive Annual Financial Report	Under Separate Cover
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	2-3
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	4-5
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	6-8
Schedule of Findings and Questioned Costs	9-11
Status of Prior Findings and Recommendations	12

**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>Federal Grantor/ Pass-Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Number</b>	<b>Amount Passed Through to Subrecipient</b>	<b>Total Federal Expenditures</b>
<b><u>U.S. Department of the Treasury</u></b>				
<i>Passed through Ohio Department of Budget and Management</i>				
Coronavirus Relief Fund	21.019	HB481-CRF-Local-130	\$ 0	\$ 3,731,925
<i>Passed through Ohio Department of Aging</i>				
Coronavirus Relief Fund	21.019	OBM0100138-CRF-AGE	0	40,000
<i>Passed through Cuyahoga County, Ohio</i>				
Coronavirus Relief Fund	21.019	07-690-3970	0	118,000
<b>Total U.S. Department of the Treasury</b>			<u>0</u>	<u>3,889,925</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>				
<i>Direct Programs</i>				
CDBG-Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	N/A	329,503	1,586,744
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	N/A	117,642	150,286
Total CDBG-Entitlement Grants Cluster			<u>447,145</u>	<u>1,737,030</u>
<i>Total Direct Programs</i>			<u>447,145</u>	<u>1,737,030</u>
<i>Passed Through Cuyahoga County Housing Consortium</i>				
HOME Investment Partnerships Program	14.239	M-05-DC-390216	0	116,380
<i>Passed Through Cuyahoga County Department of Development</i>				
Lead-Based Paint Hazard Control in Privately Owned Housing	14.900	OHLHB0633-17	0	202,061
<i>Total Passed Through Programs</i>			<u>0</u>	<u>318,441</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>447,145</u>	<u>2,055,471</u>
<b><u>U.S. Department of Health and Human Services</u></b>				
<i>Passed Through Western Reserve Area Agency on Aging</i>				
Aging Cluster				
Special Programs for the Aging-Title III, Part B- Grants for Supportive Services and Senior Centers	93.044	N/A	0	9,846
Total Aging Cluster			<u>0</u>	<u>9,846</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>0</u>	<u>9,846</u>
<b><u>U.S. Department of Justice</u></b>				
<i>Direct Program</i>				
Equitable Sharing Program	16.922	OH0181500	0	198,987
<b>Total U.S. Department of Justice</b>			<u>0</u>	<u>198,987</u>
<b><u>U.S. Department of Transportation</u></b>				
<i>Passed Through the Ohio Department of Transportation (ODOT)</i>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	PID 103700	0	27,903
Highway Planning and Construction	20.205	PID 97322	0	1,779
Total Highway Planning and Construction Cluster			<u>0</u>	<u>29,682</u>
<b>Total U.S. Department of Transportation</b>			<u>0</u>	<u>29,682</u>
<b><u>U.S. Department of Homeland Security</u></b>				
<i>Direct Program</i>				
Assistance to Firefighters Grant	97.044	EMW-2018-FO-03327	0	140,000
Assistance to Firefighters Grant	97.044	EMW-2019-FO-1458	0	207,145
<b>Total U.S. Department of Homeland Security</b>			<u>0</u>	<u>347,145</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 447,145</u>	<u>\$ 6,531,056</u>

See notes to the Schedule of Expenditures of Federal Awards.



**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Cleveland Heights, Ohio, under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented 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 of Cleveland Heights, Ohio, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Cleveland Heights, Ohio.

**NOTE 2: 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3: INDIRECT COST RATE**

The City of Cleveland Heights, Ohio, has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4: MATCHING REQUIREMENTS**

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

**CITY OF CLEVELAND HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2020  
 (CONTINUED)**

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**NOTE 5: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS**

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

These loans are collateralized by equipment and mortgages.

Activity in the CDBG revolving loan fund during 2020 is as follows:

Beginning Loans Receivable balance as of January 1, 2020	\$ 1,156,759
Write offs	0
Loans made	124,935
Loan Principal Repaid	<u>(207,344)</u>
Ending Loans Receivable balance as of December 31, 2020	1,074,350
Cash Balance on hand in the Revolving Loan Fund as of December 31, 2020	<u>925,500</u>
Total value of Revolving Loan Fund portion of the CDBG 14.218 Program	1,999,850
Other grants administered through the 14.218 Program	<u>1,737,030</u>
<b>Total CDBG 14.218 Program</b>	<b><u>\$ 3,736,880</u></b>

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

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

The Honorable Keith Faber  
Auditor of State  
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cleveland Heights, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 29, 2021, wherein we noted the City restated its governmental activities' net position at December 31, 2019 for economic development properties. Also, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City.

***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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we considered a material weakness as item **2020-002**.

### ***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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item **2020-001**.

### ***City's Response to Findings***

The City's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on them.

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

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



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

November 29, 2021

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

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

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**REPORT ON COMPLIANCE FOR EACH MAJOR 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 City Council  
City of Cleveland Heights  
Cleveland Heights, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

***Report on Compliance for Each Major Federal Program***

We have audited the City of Cleveland Heights, Cuyahoga County, Ohio's (the City) compliance with the types of compliance requirements described 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, 2020. 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.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Cleveland Heights complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

### ***Report on Internal Control over Compliance***

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated November 29, 2021, which contained unmodified opinions on those financial statements, wherein we noted the City restated its governmental activities' net position at December 31, 2019 for economic development properties. Also, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. 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 the purpose 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 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.

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.



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

November 29, 2021

**CITY OF CLEVELAND HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2020**

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

2020(i)	Type of Financial Statement Opinion	Unmodified
2020(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
2020(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2020(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
2020(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2020(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2020(v)	Type of Major Programs' Compliance Opinions	Unmodified
2020(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2020(vii)	Major Programs (list):  Coronavirus Relief Fund - CFDA #21.019	
2020(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2020(ix)	Low Risk Auditee?	No



**CITY OF CLEVELAND HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2020  
 (CONTINUED)**

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

**Finding No. 2020-001 – Material Noncompliance – Negative Cash Fund Balances**

**Condition/Criteria**

Ohio Revised Code Section 5705.10(I) provides money paid into any fund shall be used only for the purposes for which such fund is established. A fund with a negative cash balance signifies that monies from other funds were used to meet the fund’s obligations. During our review of the City’s general ledger, we noted that four funds had negative cash balances at December 31, 2020.

<u>Fund</u>	<u>Amount</u>
<i>Special Revenue Funds:</i>	
Foundation Grants	\$ 50,138
Community Development Block Grant	550,099
Community Development Block Grant - COVID-19 Relief	150,286
Lead Safe	111,820

**Cause/Effect**

Negative cash balances infer revenues from other sources were borrowed to pay obligations of these funds. For reporting purposes, the deficit cash balances were reported as part of the “interfund payable” liability and the funds with positive cash balances offsetting these deficits reported an “interfund receivable” asset.

**Recommendation**

We recommend that the City ensure its fund appropriations and expenditures are consistent with the purposes for which the funds were established. We also recommend that the City monitor its cash balances on a regular basis in order to ensure that sufficient cash is on hand to pay for obligations and that the City utilize advances when necessary.

**City’s Response**

All of the funds indicated are grant funded on a reimbursement basis meaning the City must first spend the funds and the grantor will then reimburse the City at a later date. As of year-end, the City had not received reimbursement for these grants. It was management’s decision to not advance cash to these funds on a temporary basis to hide these negative cash balances because that is not a proper use of cash advances. We will continue to request reimbursement on a timely basis to shorten the amount of time the funds are negative.

**CITY OF CLEVELAND HEIGHTS  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(CONTINUED)**

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

**Finding No. 2020-002 – Material Weakness - Restatement**

**Condition/Criteria**

During 2020, the City determined that certain properties were owned by the city for future development and should be included in the financial statements. These properties will be sold to developers at a reduced price and will not be converted to cash.

**Cause/Effect**

As a result of the City determining that these properties should be included in its financial statements, the City restated its governmental activities net position at December 31, 2019 for \$2,710,100.

**Recommendation**

We recommend the City continuously review and update its records for all assets that are owned by the City.

**City's Response**

The City discovered this issue due to the Finance Director being newer and discovering the non-disclosure of assets held by the City. This material weakness is a result of the City doing a better job to properly present the financial condition of the City.

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

None.

**CITY OF CLEVELAND HEIGHTS  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2020**

The prior audit report, as of December 31, 2019, included instances of material weaknesses and non-compliance.

Finding Number	Finding Summary	Status	Additional Information
2019-001	Cash Reconciliation	Corrected	None
2019-002	Payroll	Partially Corrected	Re-issued as a management comment
2019-003	Expenditures Plus Encumbrances Exceeding Appropriations Plus Prior Year Encumbrances	Corrected	None
2019-004	Negative Cash Fund Balances	Not Corrected	Repeated as Finding 2020-001
2019-005	Financial Reporting	Corrected	None
2019-006	Appropriations Exceed Estimated Resources	Partially Corrected.	Re-issued as a management comment
2019-007	Capital Assets	Partially Corrected.	Re-issued as a management comment

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

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF CLEVELAND 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 12/28/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)