



**CITY OF HIGHLAND HEIGHTS  
CUYAHOGA COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



CITY OF HIGHLAND HEIGHTS  
CUYAHOGA COUNTY

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

City of Highland Heights  
Cuyahoga County  
5827 Highland Road  
Highland Heights, Ohio 44143

To the City Council:

We have audited the financial statements of the City of Highland Heights, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2000, and have issued our report thereon dated June 15, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 15, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 15, 2001.

City of Highland Heights  
Cuyahoga County  
Report on Compliance and on Internal Control Required by  
*Government Auditing Standards*  
Page 2

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

**Jim Petro**  
Auditor of State

June 15, 2001

**City Of Highland Heights, Ohio**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**DECEMBER 31, 2000**

*Prepared by:*

**Mary Kovalchik, MBA**  
**Finance Director**

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# CITY OF HIGHLAND HEIGHTS, OHIO

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# CITY OF HIGHLAND HEIGHTS, OHIO

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2000**

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# CITY OF HIGHLAND HEIGHTS

5827 HIGHLAND ROAD • HIGHLAND HEIGHTS, OHIO 44143 • 440/461-2440  
FAX 440/461-9062

June 15, 2001

Honorable Mayor Francine G. Hogg  
Members of City Council and  
the Citizens of the City of Highland Heights, Ohio

The Finance Department of the City of Highland Heights (the "City") has prepared this Comprehensive Annual Financial Report (CAFR) which includes all funds and financial transactions for the year ended December 31, 2000 as well as selected historical data. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section includes this transmittal letter, a list of principal officials, the City's organizational chart, and a copy of the GFOA Certificate of Achievement.
2. The Financial Section includes the general purpose financial statements, including explanatory notes that support a more detailed overview of the City's financial position and result of operation and the combining and individual fund and account group financial statements and schedules, as well as the Independent Accountants' Report on the general purpose financial statements and schedules.
3. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

## **ECONOMIC CONDITION AND OUTLOOK**

The City of Highland Heights is primarily a residential community with several industrial parks.

The residential growth of the City is continuing at a strong rate. During 2000, 62 new house construction permits were issued at a total estimated valuation of \$17,616,650. Table 13 shows the number of new houses started during the past ten years. There were two construction permits issued for non-residential construction during 2000, with a total estimated value of \$2,979,000. Table 13 shows that in 2000, 33 condominium units were constructed with a total value of \$2,764,000. Table 13 shows the number of non-residential construction units started over the past ten years.

Honorable Mayor Francine G. Hogg  
Members of City Council and the  
Citizens of the City of Highland Heights, Ohio

The industrial base of the City continues to maintain its strength in three different industrial park areas with the potential of a fourth. In the southeast corner of the City, Alpha Drive Industrial Park, which is located near the interchange of Wilson Mills Road and Interstate 271, includes the following corporations: The Tranzonic Companies, Cleveland Cotton Products, and Progressive Insurance. This area expanded eight years ago to accommodate expansion of the new industry. The second industrial park, Avion Park, is located in the northwest corner of the City near the interchange of Bishop Road and Interstate 90. The third industrial park is the Aberdeen Business Park, which consists of forty-three acres and is in the process of being developed on the east side of Bishop Road across from the Avion Industrial Park.

At this time, the City is continuing to facilitate discussions with the property owners who are attempting to consolidate sixty-seven primarily vacant acres into a fourth industrial park. This land was rezoned from residential to industrial in March 1996. Three owner-occupied residences and two rental homes are presently on this property. The property is located on Bishop Road directly north of the U.P.S. main distribution facility. To the north it is bound by the Airport Greens Golf Course, to the east by the Aberdeen Golf Course, and directly west across Bishop Road from the Cuyahoga County Regional Airport.

Marconi Medical Systems, Inc., a maker of medical technology products, completed a major remodeling of its world headquarters building located on Miner Road between 1993 and 1996 at a cost of \$11,380,000. In June 1994, the City approved tax abatement for Marconi to construct a new 95,000 square foot manufacturing and distribution center. It is located on eleven acres of land on the west side of Alpha Drive. The construction costs were \$5,000,000, and the building was completed in December 1996. Construction began in early 1999 of the Channel Building a 157,000 square foot, two-story structure. Construction on the first floor was completed in the Fall of 2000 and second floor construction will be completed by the end of 2001, with an estimated cost of \$18,000,000. It will be used for the sales and service staff and health care products. Marconi is expected to increase employment at the World Headquarters Building due to this project.

Gateway Megatech Corp., a manufacturer of wiring harnesses and electrical switches, had a 1994 tax abatement approved, which was to double the size of this facility and provide for the employment of 60 new employees. It was anticipated that this second phase (Expansion Project) would have been finished by March 1999. However, during 1999, Gateway transferred ownership of and responsibility for carrying out the real property improvements which were the subject of an Enterprise Zone Agreement (EZA) approved in 1992 to Brosdfurt Limited Partnership. The City consented to the assignment to Brosdfurt by Gateway of its right to claim the real property tax exemption authorized under this agreement. Simultaneously, Heilind Electronics Corp. acquired the assets of Gateway and Brosdfurt and the respective rights and responsibilities under the Agreement. The City believes that the acquisition by Heilind presents opportunities for expansion of employment at the Gateway site. Construction of the Expansion Project anticipated in the 1994 EZA with Gateway had not been started by mid 1999. Consequently, the Council of the City of Highland Heights terminated the 1994 EZA with Gateway. Since the merger on June 30, 1999, Gateway and Heilind have added 154 new jobs and continues to operate as they had before the merger. In connection with the merger of Gateway and Heilind, an Agreement was executed among the City, Heilind and the Mayfield City School District. This Agreement requires Heilind to make a payment for 1998 and each year subsequent to the merger for the duration of the EZA to the City and the School District. The payment represents the shortfall in municipal income tax revenues that resulted from Gateway not achieving the committed payroll level in the EZA. The City is required by this Agreement to pay the School District 15% of the total income tax receipts.

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The City approved tax abatement in June 1996 for Alloy Bellows & Precision Welding, formerly Allow Bellows, a precision welding and fabricator for precision and high purity applications. Construction on 5.5 acres on Miner Road began in July 1996. When completed in the summer of 1998, it was to employ 92 employees with an anticipated expansion of an additional 122 employees by 1999. At the end of 1999, the Company had created 37 jobs, which was lower than the previous year and substantially below the job creation commitment level in the EZA. The Tax Incentive Council in March 1999 recommended termination of the EZA because of non-compliance with the job creation requirement. City Council has approved an Ordinance to terminate the Alloy Bellows EZA.

As of December 31, 2000, the City has eight active Enterprise Zone Agreements with Marconi Medical Systems, Heiland Electronics, Cyberex, Norman Noble, Radio Parts Company, Masco Machine, and Eighth Day Sound Systems. The Tax Incentive Review Council found all of these companies to be in compliance with their respective Enterprise Zone Agreement. As of December 31, 2000, these companies have created 1,078 new jobs in the City.

Over the period 1995 through 2000, the City approved 12 Community Reinvestment Area Agreements with Nook Industries, Marconi Medical Systems, Inc., formerly Picker International, Shelburne Realty, Cowan Diversified Development, Progressive Insurance, CCP Industries, Heiland Electronics, and Eighth Day Sound. All of these agreements were either in the Avion or Alpha CRA areas. The total real property investment made by these companies and subject to tax exemption is \$37,136,644.

The City is required to share revenue with the Mayfield City School District when the annual payroll from new jobs exceeds \$1,000,000 for any company receiving tax abatement under the City's Enterprise Zone Program or Community Reinvestment Area Program. A total amount of \$90,978 was paid to the School District in 2000.

In December 1994 construction started on a \$277,000,000 golf course-residential community called Aberdeen Development. This project is being built on approximately 400 acres of undeveloped land located in the northwest section of the city. When completed, it will have approximately 880 units out of a potential total of 1,100 units, at an average price of \$300,000. The developer of the project also is the owner of Aberdeen Business Park, which is located on forty-three acres adjacent to the project on Bishop Road.

The City entered into a Tax Increment Financing Agreement with Aberdeen Limited Liability Company in 1994 for the construction of the StoneWater Golf Club. StoneWater, a championship 18-hole golf course, was constructed for approximately \$6,795,000, within the Aberdeen Development. The TIF Agreement has no job creation requirement, however for 2000 the Club employed 44 full time and seasonal individuals.

## **MAJOR INITIATIVES**

The City of Highland Heights continued to maintain its strong financial reserves during 2000. The City's general fund unencumbered cash reserves at year-end were \$ 3,133,792. This represents 45.5% of general fund cash expenditures and transfers out.

The City continued its annual street repair program at no extra cost to the residents of the streets repaired. The total spent in 2000 was \$345,711.

Honorable Mayor Francine G. Hogg  
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The City purchased four new police cruisers in 2000 at a cost of \$62,897. In addition, the City also purchased a fire vehicle at a cost of \$19,623 during 2000.

After the purchase of 5.5 acres for \$68,750 in 1992, the current park site totaled 52 acres. The City purchased an additional 12.5 acres in 1995 for \$301,000. Approximately 10 more acres was purchased in 1999 for approximately \$276,000. In May 1998, the City received a commitment for a NatureWorks reimbursement grant from the Ohio Department of Natural Resources for \$183,000. The City had a balance of \$99,130 in the ParkLand Acquisition Fund as of December 31, 2000.

The City administration continues to develop and implement their Street Tree Planting Program in various parts of the City.

The City approved a Master Plan in April 1996. This plan plots the City's direction and includes demographics, a land use inventory, infrastructure and zoning analysis, assesses commercial and industrial development and projects the future of the City's capital improvement plans and the financing for those plans. This plan took over one and one half years to complete and was prepared by the Cuyahoga County Planning Commission with the help of all city officials and community volunteers. The Master Plan and Capital Improvement Plan Committee met in September 2000 for the purpose of performing the annual review of the Master Plan. The Committee updated the list of streets which need to be reconstructed or resurfaced, and identified and prioritized five city streets for reconstruction. The streets are Lynford Circle, Romford Road, Roy Road, Esther Road, and Renee Road. The cost to reconstruct these streets in 2000 was \$345,711. In addition, the Committee reviewed major equipment and renovation initiatives for the Police, Service, and Fire Departments.

In 2000, the City completed a major sanitary/storm sewer flooding remediation project which started in 1996. The project encompassed the Highland Road Sanitary Sewer and Bishop/Miner Sanitary Sewer as well as Ransome, Woodside, Esther, Renee, Roy, and Strumbly Drives. The last seven streets in the City that were previously serviced by on-site septic systems were started in 2000 with completion scheduled in the Summer of 2001. The City received a grant from the Ohio Public Works Commission (OPWC) for 40% of the project and a 0% loan for twenty years for the remaining costs. The cost for the City of Highland Heights' portion of the project through 2000 was \$2,600,937.

## **FINANCIAL INFORMATION**

In developing the City's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of the financial records for preparing financial statements and maintaining accountability over assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

Honorable Mayor Francine G. Hogg  
Members of City Council and the  
Citizens of the City of Highland Heights, Ohio

## **Budgetary Controls**

Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio Revised Code and the City Charter. With the assistance of the Finance Director, the Mayor is required to submit to Council a tax budget of estimated revenues and expenditures for all funds, except agency funds, of the City for the next succeeding fiscal year by the first council meeting in July. The budget is required to be adopted by the legislative body by July 15 and to be submitted to the County Budget Commission by July 20 of each year. The Finance Director submits to Council an appropriation ordinance, based on the tax budget, for the next succeeding fiscal year. Council is required to adopt the appropriation ordinance (the budget) in its original form, or with those revisions as it may find proper, within ninety days of the beginning of the fiscal year covered by such ordinance.

The City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include salaries and fringe benefits, materials and supplies, purchased service, other expenditures, capital outlay, debt service, and operating transfers.

Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Requisitions for the expenditure of monies are submitted to the Mayor for approval and submitted to the Finance Office for the preparation of a purchase order and certification. The purchase order is reviewed for certification of the availability of funds, and the estimated expenditure is encumbered against the available appropriations. Unencumbered appropriations lapse at the end of each year. The accounting system used by the City provides interim financial reports which detail year-to-date expenditures plus encumbrances versus the original appropriations plus any additional appropriations made to date. The reports permit the Finance Director and other City officials to ascertain the status of a department's appropriations at any time during the year.

During the year, the accounting records are maintained on a cash basis for all fund types. To prepare this report, adjusting entries are prepared for the various funds to convert the cash basis records to modified accrual for all governmental and fiduciary fund types. The modified accrual basis of accounting requires that revenues be recognized when both measurable and available. Expenditures are recorded as liabilities when incurred, except for principal and interest on general and special assessment long term debt, which are recognized when due. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the General Purpose Financial Statements located in the Financial Section of this report.

Honorable Mayor Francine G. Hogg  
 Members of City Council and the  
 Citizens of the City of Highland Heights, Ohio

### General Government Functions

The following schedule represents a summary of all governmental funds (including expendable trust funds) revenues for the fiscal year ended December 31, 2000 and the amounts and percentages of increases and decreases in relation to prior year revenues.

	<u>2000</u>	2000 Percent of Total	<u>1999</u>	Increase (Decrease) from 1999	Percent of Increase (Decrease)
Revenues					
Taxes – 1	\$ 7,829,500	63%	\$ 8,041,341	\$ (211,841)	(2.63)%
Intergovernmental – 2	2,253,623	18	2,752,003	(498,380)	(18.11)
Special Assessments	625,182	5	730,490	(105,308)	(14.42)
Charges for Services	327,437	3	405,465	(78,028)	(19.24)
Fines, Licenses and Permits	432,950	4	487,460	(54,510)	(11.18)
Interest	661,766	5	532,277	129,489	24.33
Miscellaneous – 3	<u>238,292</u>	<u>2</u>	<u>1,431,955</u>	<u>(1,193,663)</u>	<u>(83.36)</u>
Total	\$ <u>12,368,750</u>	<u>100%</u>	\$ <u>14,380,991</u>	\$ <u>(2,012,241)</u>	

The following schedule presents a summary of general governmental (including expendable trust funds) expenditures for the fiscal year ended December 31, 2000 and the percentages of increases and decreases in relation to prior year amounts.

	<u>2000</u>	2000 Percent of Total	<u>1999</u>	Increase (Decrease) from 1999	Percent of Increase (Decrease)
Expenditures					
Current Operations and Maintenance:					
Public Safety	\$ 3,754,647	33%	\$ 3,809,003	\$ (54,356)	(1.43)%
Public Health	13,510	0	-	13,510	100.00
Parks and Recreation	587,632	5	592,328	(4,696)	(0.79)
Community Environment	225,863	2	233,224	(7,361)	(3.16)
Public Works	954,544	8	1,078,337	(123,793)	(11.48)
Streets and Roads	526,122	5	509,788	16,334	3.20
General Government	1,101,501	10	1,394,770	(293,269)	(21.03)
Capital Outlay – 4	2,918,878	25	5,963,387	(3,044,509)	(51.05)
Debt Service:					
Principal Payments – 5	497,262	4	1,830,000	(1,332,738)	(72.83)
Interest Charges	<u>957,512</u>	<u>8</u>	<u>1,021,882</u>	<u>(64,370)</u>	<u>(6.30)</u>
Total	\$ <u>11,537,471</u>	<u>100%</u>	\$ <u>16,432,719</u>	\$ <u>(4,895,248)</u>	



Honorable Mayor Francine G. Hogg  
Members of City Council and the  
Citizens of the City of Highland Heights, Ohio

### **Comments to Significant Changes**

1. Taxes revenue decreased primarily due to a decrease in tax increment financing revenue and estate taxes received in 2000 than in 1999.
2. During 2000, intergovernmental revenue decreased primarily due to less Ohio Public Works grant revenue received and no Park and Land Acquisition or Enforcement Education grants received in 2000 that were received in 1999.
3. Miscellaneous revenue decreased due to the 1999 movement of Capital Project (Aberdeen) receipts to the Debt Service Funds.
4. Capital Outlay expenditures decreased mainly due to the completion of the Strategic Capital Improvement Program in 1999.
5. The Principal Payments decrease in 2000 is the result of the defeasance of a \$1,480,000 Special Assessment Bond Issue in 1999.

### **General Fund Balance**

General Fund revenues and other sources increased by \$104,541, which represented an increase of 1.36 percent from the prior year.

### **Special Revenue Funds**

The Special Revenue Funds are used to account for certain revenue sources, which are restricted by law or other formal action to expenditures for specific purposes. All Special Revenue Funds are subject to an annual budget. The Special Revenue Funds include the Street Construction Maintenance and Repair Fund, Parks and Recreation Fund, Street Lighting Fund, Law Enforcement Trust Fund, Grants Fund, Drug Law Enforcement Fund, Enforcement and Education Fund, U.S. Department of Justice Fund, Juvenile Diversion Fund, Police Pension Fund, and Fire Pension Fund.

### **Capital Projects Funds**

The Capital Projects Funds account for all major capital improvement projects of the City. The Capital Project Funds include the Capital Improvement Fund, Alpha Drive Fund, Issue No. 2 Projects Fund, and Park and Recreation Improvement Fund. The Capital Improvement Fund receives revenue from the interest earnings on its investments, inheritance tax, and other state and local governmental entities.

### **Debt Service Funds**

The City's debt is administered through the Debt Service Funds which consist of the General Obligation Bond Retirement Fund and the Special Assessments Bond Retirement Fund. The City has an Aa3 Bond rating from Moody's Investors Service.

Honorable Mayor Francine G. Hogg  
Members of City Council and the  
Citizens of the City of Highland Heights, Ohio

Under the Charter, the City can levy up to 12.0 mills for Debt Service. For 2000, no mills were levied for General Obligation of Debt Service. The money is levied into the General Fund and transferred as needed during the year. Also, in 2000, \$679,736 of City income and admission tax revenues were used for Debt Service.

### **Cash Management**

Cash Management is a vital component of the City's overall financial strategy. The Finance Director maintains an aggressive cash management program. Major considerations are cash flows necessary to pay City liabilities and available interest rates. As City funds become available, they are invested immediately in sweep accounts maintained at the City approved depository banks, or federal agencies for the Capital Improvement Fund or other securities authorized by state statutes. \$227,457 of interest revenue is recorded in the General Fund and \$434,309 in the Capital Improvement Fund.

### **The Reporting Entity**

The City is segmented into many different departments. Among these are a police department, fire department, service department, building department, parks and recreation system, administration and finance department, all of which are controlled by the City council through the budgetary process and the Mayor through administrative and managerial requirements. All of these departments are included in the primary government.

As described in Note 1 of the Notes to the Combined Financial Statements, there are requirements to include certain entities that are within the City in the financial statements as "component units." See Note 1 for the definition of "component unit."

The Mayfield City School District has been excluded from the financial statements due to the fact that we are not financially accountable for this entity, nor do we have an ongoing financial interest or responsibility to the District.

### **Risk Management**

The City is a member of the Northern Ohio Risk Management Agency (NORMA). Various risk control techniques have been implemented to minimize potential losses. The goal of NORMA is to minimize loss potential in all areas of the City's operations, while delivering services in the most cost efficient manner possible. For the year ended December 31, 2000, the City paid premiums to NORMA of \$41,536.

Honorable Mayor Francine G. Hogg  
Members of City Council and the  
Citizens of the City of Highland Heights, Ohio

## **OTHER INFORMATION**

### **Independent Audit**

Included in this report is an unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2000 by the Auditor of State of Ohio. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

### **Certificate of Achievement**

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 Highland Heights for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 1999. 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, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one-year only. The City of Highland Heights has received a Certificate of Achievement for the last eleven years. We believe our current Comprehensive Annual Financial Report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

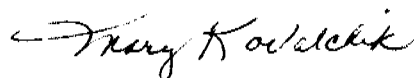
### **Acknowledgments**

Appreciation and gratitude go to Mayor Francine G. Hogg for her enthusiastic support for preparing a Comprehensive Annual Financial report. In addition, appreciation is also extended to members of Council for their support and commitment to responsible fiscal reporting. Also, we would like to thank the employees in the Department of Finance and the employees of the accounting firm of Ciuni & Panichi, Inc. for their assistance in the preparation of the Comprehensive Annual Financial Report.

### **Postscript**

The employees of the City of Highland Heights 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 enhancing the quality of life which our residents have come to expect and enjoy.

Respectfully submitted,



Mary Kovalchik, MBA  
Director of Finance (as of 3/1/01)

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **ELECTED AND APPOINTED OFFICIALS**

### **FOR THE YEAR ENDED DECEMBER 31, 2000**

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#### **ELECTED OFFICIALS**

##### **Mayor**

Francine G. Hogg

##### **Council**

Scott Coleman – President

Patricia L. Divoky

Michael B. Granito

John Nawarskas

Edwin V. Hargate

Virginia Swanson

Patricia Comella – resigned 11/00; Leon Wilneff – appointed 11/00

#### **APPOINTED OFFICIALS**

##### **Director of Law**

Tim Paluf

##### **Prosecutor**

Daniel W. Taylor

##### **Director of Finance**

Frank Gambosi

##### **Police Chief**

James J. Cook

##### **Fire Chief**

Edward S. Bencin

##### **Service Director**

Thomas Evans

##### **Building Commissioner**

Thomas F. Jamieson

##### **City Engineer**

Stephen J. Hovancsek

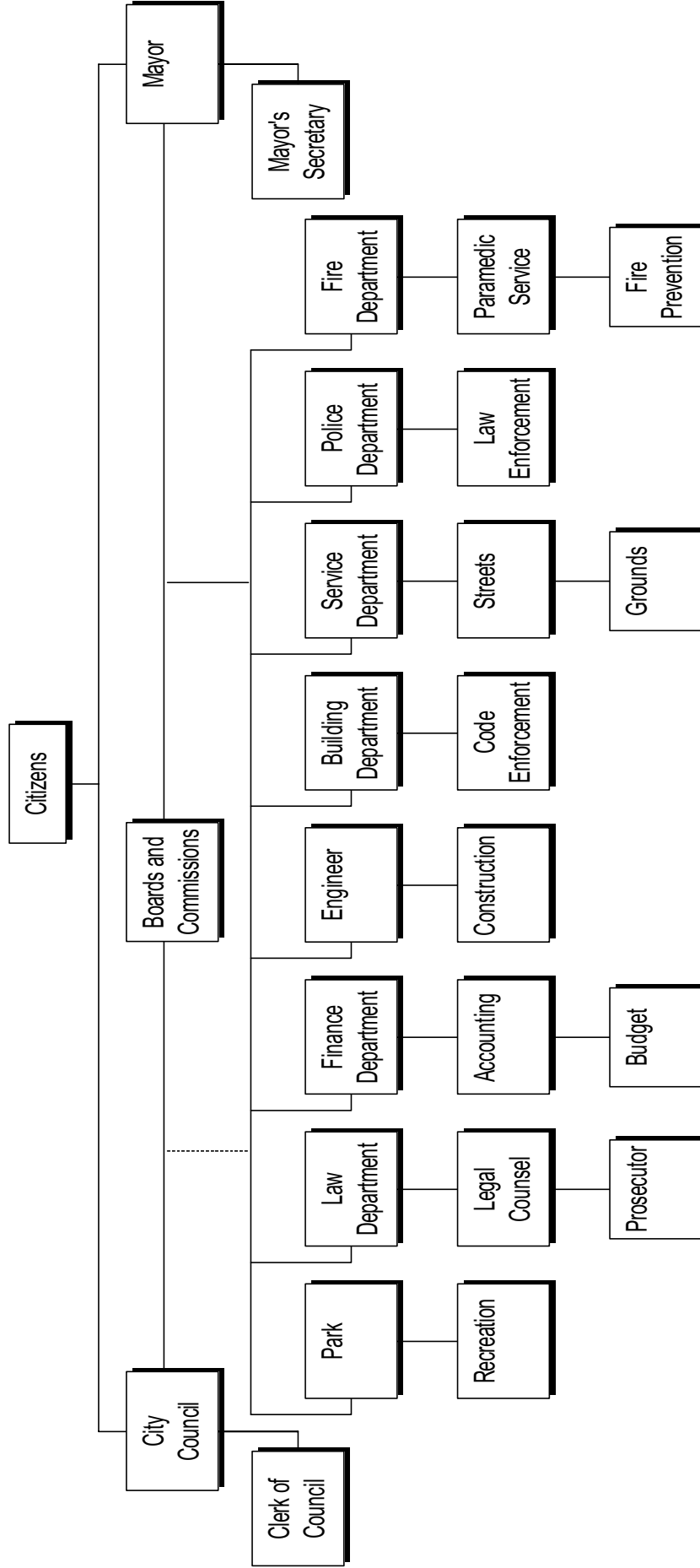
##### **Clerk of Council**

Jean A. Buchak

# CITY OF HIGHLAND HEIGHTS, OHIO

## ORGANIZATIONAL CHART

DECEMBER 31, 2000



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Highland Heights,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1999

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



*Anne Spray Kinsey*  
President

*Jeffrey L. Esser*  
Executive Director



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

Lausche Bldg  
615 W Superior Ave  
Floor 12  
Cleveland OH 44113 - 1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

City of Highland Heights  
Cuyahoga County  
5827 Highland Road  
Highland Heights, Ohio 44143

To the City Council:

We have audited the accompanying general-purpose financial statements of the City of Highland Heights, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Highland Heights, Cuyahoga County, Ohio, as of December 31, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2001 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the City, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

June 15, 2001

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# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

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The general purpose financial statements of the City include the basic combined financial statements, presented by fund type and account group, and notes to the financial statements that are essential to the fair presentation of financial position.

# CITY OF HIGHLAND HEIGHTS, OHIO

## COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS

**DECEMBER 31, 2000**

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	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 3,159,117	\$ 595,381	\$ 2,047,974	\$ 1,830,257
Receivables (Net of Allowance for Uncollectibles):				
Taxes	1,113,578	510,867	35,586	125,031
Accounts	62,714	-	-	-
Intergovernmental	15,090	25,534	-	511,639
Special Assessments	1,291,384	4,261,568	7,360,890	-
Accrued Interest	108,353	-	-	60,949
Interfund Receivable	-	-	-	-
Prepaid Items	6,830	-	-	-
Inventory of Supplies	13,237	10,323	-	-
Fixed Assets:				
Fixed Assets (Net of Accumulated Depreciation)	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	-
Amount to be Provided for Retirement of General Long-Term Obligations	-	-	-	-
Amount to be Provided for Retirement of Special Assessments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	\$ <u>5,770,303</u>	\$ <u>5,403,673</u>	\$ <u>9,444,450</u>	\$ <u>2,527,876</u>

The Accompanying Notes are an Integral Part of These Financial Statements

Fiduciary Fund Types	Account Groups		Totals	
	General	General	(Memorandum Only)	
	Trust and Agency	Fixed Assets	Long-Term Obligations	2000
\$ 628,546	\$ -	\$ -	\$ 8,261,275	\$ 7,113,195
-	-	-	1,785,062	1,654,750
-	-	-	62,714	121,687
-	-	-	552,263	45,028
-	-	-	12,913,842	4,994,001
-	-	-	169,302	62,048
-	-	-	-	26,800
-	-	-	6,830	34,728
-	-	-	23,560	24,356
-	11,115,085	-	11,115,085	11,053,237
-	-	2,083,560	2,083,560	2,351,696
-	-	9,480,547	9,480,547	9,335,846
-	-	5,905,000	5,905,000	6,020,000
\$ <u>628,546</u>	\$ <u>11,115,085</u>	\$ <u>17,469,107</u>	\$ <u>52,359,040</u>	\$ <u>42,837,372</u>

Continued

# CITY OF HIGHLAND HEIGHTS, OHIO

## COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED) DECEMBER 31, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Liabilities</u>				
Accounts Payable	\$ 64,108	\$ 43,754	\$ -	\$ 344,930
Contracts Payable	-	-	-	511,639
Refundable Deposits	-	-	-	-
Accrued Wages and Benefits	14,900	828	-	-
Compensated Absences Payable	34,805	3,291	-	-
Pension Obligation Payable	36,654	128,813	-	-
Interfund Payable	-	-	-	-
Due to Other Governments	23,310	2,292	-	-
Deferred Revenue	1,740,402	4,560,910	7,360,890	31,258
OPWC Loan Payable	-	-	-	-
Bond Anticipation Notes Payable	-	-	-	2,430,000
Accrued Interest Payable	-	-	-	92,340
Special Assessment Bonds Payable	-	-	-	-
General Obligation Bonds Payable	-	-	-	-
Total Liabilities	1,914,179	4,739,888	7,360,890	3,410,167
<u>Equity and Other Credits</u>				
Investment in General Fixed Assets	-	-	-	-
Fund Balances:				
Reserve for Encumbrances	22,552	26,564	-	79,769
Reserve for Contingent Liabilities	228,122	-	-	-
Reserve for Inventory	13,237	10,323	-	-
Reserve for Prepaids	6,830	-	-	-
Reserve for Debt Service	-	-	2,083,560	-
Unreserved - Undesignated	3,585,383	626,898	-	(962,060)
Total Equity and Other Credits	3,856,124	663,785	2,083,560	(882,291)
Total Liabilities, Equity, and Other Credits	\$ 5,770,303	\$ 5,403,673	\$ 9,444,450	\$ 2,527,876

The Accompanying Notes are an Integral Part of These Financial Statements

Fiduciary Fund Types	Account Groups		Totals	
	General	General	(Memorandum Only)	
	Fixed	Long-Term	2000	1999
Trust and Agency	Assets	Obligations		
\$ 4,202	\$ -	\$ -	\$ 456,994	\$ 307,270
-	-	-	511,639	-
436,901	-	-	436,901	307,797
-	-	-	15,728	133,000
-	-	807,342	845,438	806,184
-	-	207,852	373,319	313,129
-	-	-	-	26,800
-	-	-	25,602	13,997
-	-	-	13,693,460	5,697,401
-	-	2,738,913	2,738,913	2,591,948
-	-	-	2,430,000	2,430,000
-	-	-	92,340	-
-	-	5,905,000	5,905,000	6,020,000
-	-	7,810,000	7,810,000	8,185,000
<u>441,103</u>	<u>-</u>	<u>17,469,107</u>	<u>35,335,334</u>	<u>26,832,526</u>
-	11,115,085	-	11,115,085	11,053,237
-	-	-	128,885	649,022
-	-	-	228,122	228,122
-	-	-	23,560	24,356
-	-	-	6,830	34,728
-	-	-	2,083,560	2,351,696
<u>187,443</u>	<u>-</u>	<u>-</u>	<u>3,437,664</u>	<u>1,663,685</u>
<u>187,443</u>	<u>11,115,085</u>	<u>-</u>	<u>17,023,706</u>	<u>16,004,846</u>
\$ <u>628,546</u>	\$ <u>11,115,085</u>	\$ <u>17,469,107</u>	\$ <u>52,359,040</u>	\$ <u>42,837,372</u>

Continued

# CITY OF HIGHLAND HEIGHTS, OHIO

## **COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Revenues</u>				
Taxes	\$ 6,317,045	\$ 424,037	\$ 728,722	\$ 359,696
Intergovernmental	323,675	405,456	-	1,524,492
Special Assessments	46,626	210,291	368,265	-
Charges for Services	63,627	191,810	-	47,700
Fines, Licenses, and Permits	430,557	2,393	-	-
Interest	227,457	-	-	434,309
Miscellaneous Income	232,155	-	6,137	-
Total Revenues	7,641,142	1,233,987	1,103,124	2,366,197
<u>Expenditures</u>				
Current:				
Public Safety	3,264,780	489,867	-	-
Public Health	13,510	-	-	-
Parks and Recreation	167,380	420,252	-	-
Community Environment	225,863	-	-	-
Public Works	939,745	14,799	-	-
Streets and Roads	17,097	509,025	-	-
General Government	1,091,051	-	10,450	-
Capital Outlay	56,948	-	-	2,845,745
Debt Service:				
Note Issuance Costs	-	-	-	-
Principal Retirement	-	-	497,262	-
Interest and Fiscal Charges	-	-	783,615	173,897
Total Expenditures	5,776,374	1,433,943	1,291,327	3,019,642
Excess of Revenues Over (Under)				
Expenditures	1,864,768	(199,956)	(188,203)	(653,445)
<u>Other Financing Sources (Uses)</u>				
OPWC Loan Proceeds	-	-	-	154,227
Proceeds of from Sale of Debt	-	-	-	-
Proceeds from Sale of Fixed Assets	200	-	-	-
Operating Transfers - In	162,261	382,115	-	586,557
Operating Transfers - Out	(833,928)	(215,448)	(81,557)	-
Total Other Financing Sources (Uses)	(671,467)	166,667	(81,557)	740,784

The Accompanying Notes are an Integral Part of These Financial Statements

Fiduciary Fund Types	Totals	
	(Memorandum Only)	
	2000	1999
Expendable Trust		
\$ -	\$ 7,829,500	\$ 8,041,341
-	2,253,623	2,752,003
-	625,182	730,490
24,300	327,437	405,465
-	432,950	487,460
-	661,766	532,277
-	238,292	1,431,955
<u>24,300</u>	<u>12,368,750</u>	<u>14,380,991</u>
-	3,754,647	3,809,003
-	13,510	-
-	587,632	592,328
-	225,863	233,224
-	954,544	1,078,337
-	526,122	509,788
-	1,101,501	1,394,770
16,185	2,918,878	5,963,387
-	-	-
-	497,262	1,830,000
-	957,512	1,021,882
<u>16,185</u>	<u>11,537,471</u>	<u>16,432,719</u>
<u>8,115</u>	<u>831,279</u>	<u>(2,051,728)</u>
-	154,227	1,284,192
-	-	6,755,000
-	200	347
-	1,130,933	12,385,017
-	(1,130,933)	(12,385,017)
<u>-</u>	<u>154,427</u>	<u>8,039,539</u>

Continued

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS – CONTINUED**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,193,301	(33,289)	(269,760)	87,339
Fund Balance at Beginning of Year	2,689,194	699,397	2,353,320	(969,630)
Increase (Decrease) in Reserve for Inventory	1,527	(2,323)	-	-
Increase (Decrease) in Reserve for Prepaids	<u>(27,898)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>3,856,124</u>	\$ <u>663,785</u>	\$ <u>2,083,560</u>	\$ <u>(882,291)</u>

The Accompanying Notes are an Integral Part of These Financial Statements



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Fiduciary Fund Types	Totals	
	(Memorandum Only)	
	<u>2000</u>	<u>1999</u>
Expendable		
Trust		
8,115	985,706	5,987,811
179,328	4,951,609	(1,037,711)
-	(796)	-
<u>-</u>	<u>(27,898)</u>	<u>1,509</u>
\$ <u>187,443</u>	\$ <u>5,908,621</u>	\$ <u>4,951,609</u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### **COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – ALL GOVERNMENTAL AND SIMILAR TRUST FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$ 6,313,109	\$ 6,341,701	\$ 28,592
Intergovernmental	372,660	322,817	(49,843)
Special Assessments	25,427	65,040	39,613
Charges for Services	83,910	70,587	(13,323)
Fines, Licenses and Permits	445,357	429,448	(15,909)
Interest	112,065	155,712	43,647
Miscellaneous	169,274	232,156	62,882
Total Revenues	7,521,802	7,617,461	95,659
<u>Expenditures</u>			
Current:			
General Government	1,483,696	1,268,560	215,136
Public Safety	3,635,030	3,364,179	270,851
Parks and Recreation	191,499	168,704	22,795
Community Environment	246,440	229,028	17,412
Public Works	1,050,723	966,728	83,995
Streets and Roads	18,390	18,390	-
Miscellaneous	251,449	61,703	189,746
Total Expenditures	6,877,227	6,077,292	799,935
Excess of Revenues Over (Under) Expenditures	644,575	1,540,169	895,594
<u>Other Financing Sources (Uses)</u>			
Sale of Assets	300	200	(100)
Advances - In	26,800	26,800	-
Operating Transfers - In	162,261	162,261	-
Operating Transfers - Out	(840,773)	(833,928)	6,845
Total Other Sources (Uses)	(651,412)	(644,667)	6,745
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(6,837)	895,502	902,339
Cash Fund Balance At Beginning of Year	2,238,290	2,238,290	-
Outstanding Encumbrances	25,325	25,325	-
Cash Fund Balance At End of Year	\$ 2,256,778	\$ 3,159,117	\$ 902,339

Continued

The Accompanying Notes are an Integral Part of These Financial Statements

## CITY OF HIGHLAND HEIGHTS, OHIO

### **COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – ALL GOVERNMENTAL AND SIMILAR TRUST FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	Special Revenue Funds		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<u>Revenues</u>			
Taxes	\$ 405,938	\$ 401,973	\$ (3,965)
Intergovernmental	411,049	402,384	(8,665)
Special Assessments	208,000	210,291	2,291
Fines, Licenses And Permits	4,000	2,393	(1,607)
Charges for Services	<u>202,095</u>	<u>191,810</u>	<u>(10,285)</u>
Total Revenues	<u>1,231,082</u>	<u>1,208,851</u>	<u>(22,231)</u>
<u>Expenditures</u>			
Current:			
Public Safety	553,146	476,653	76,493
Parks and Recreation	459,974	433,484	26,490
Streets and Roads	<u>545,545</u>	<u>536,693</u>	<u>8,852</u>
Total Expenditures	<u>1,558,665</u>	<u>1,446,830</u>	<u>111,835</u>
Excess of Revenues Over (Under) Expenditures	<u>(327,583)</u>	<u>(237,979)</u>	<u>89,604</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	382,115	382,115	-
Operating Transfers - Out	<u>(215,448)</u>	<u>(215,448)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>166,667</u>	<u>166,667</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(160,916)	(71,312)	89,604
Cash Fund Balance at Beginning of Year	616,398	616,398	-
Outstanding Encumbrances	<u>50,295</u>	<u>50,295</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>505,777</u>	\$ <u>595,381</u>	\$ <u>89,604</u>

Continued

The Accompanying Notes are an Integral Part of These Financial Statements

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – ALL GOVERNMENTAL AND SIMILAR TRUST FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Debt Service Funds</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 714,133	\$ 738,139	\$ 24,006
Special Assessments	392,392	368,265	(24,127)
Miscellaneous	<u>-</u>	<u>6,137</u>	<u>6,137</u>
Total Revenues	<u>1,106,525</u>	<u>1,112,541</u>	<u>6,016</u>
<u>Expenditures</u>			
Debt Service:			
Purchased Services	27,970	11,800	16,170
Principal Payment	2,977,263	2,927,262	50,001
Interest Charges	<u>868,173</u>	<u>868,172</u>	<u>1</u>
Total Expenditures	<u>3,873,406</u>	<u>3,807,234</u>	<u>66,172</u>
Excess of Revenues Over (Under) Expenditures	(2,766,881)	(2,694,693)	72,188
<u>Other Financing Sources (Uses)</u>			
Proceeds From Sale of Debt	<u>2,520,000</u>	<u>2,430,000</u>	<u>(90,000)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(246,881)	(264,693)	(17,812)
Cash Fund Balance at Beginning of Year	<u>2,312,667</u>	<u>2,312,667</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>2,065,786</u>	\$ <u>2,047,974</u>	\$ <u>(17,812)</u>

Continued

The Accompanying Notes are an Integral Part of These Financial Statements

## CITY OF HIGHLAND HEIGHTS, OHIO

### **COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – ALL GOVERNMENTAL AND SIMILAR TRUST FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Capital Projects Funds</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 125,000	\$ 293,594	\$ 168,594
Intergovernmental	2,975,552	1,088,624	(1,886,928)
Charges For Services	50,000	47,700	(2,300)
Interest	<u>162,160</u>	<u>308,891</u>	<u>146,731</u>
Total Revenues	<u>3,312,712</u>	<u>1,738,809</u>	<u>(1,573,903)</u>
<u>Expenditures</u>			
Capital Outlay:			
General Government			
Capital Outlay	<u>4,917,885</u>	<u>2,466,463</u>	<u>2,451,422</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,605,173)</u>	<u>(727,654)</u>	<u>877,519</u>
<u>Other Financing Sources (Uses)</u>			
OPWC Loan Proceeds	154,227	154,227	-
Operating Transfers - In	509,685	505,000	(4,685)
Advances - Out	<u>(26,800)</u>	<u>(26,800)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>637,112</u>	<u>632,427</u>	<u>(4,685)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(968,061)	(95,227)	872,834
Cash Fund Balance at Beginning of Year	1,456,533	1,456,533	-
Outstanding Encumbrances	<u>379,043</u>	<u>379,043</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>867,515</u>	\$ <u>1,740,349</u>	\$ <u>872,834</u>

Continued

The Accompanying Notes are an Integral Part of These Financial Statements

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – ALL GOVERNMENTAL AND SIMILAR TRUST FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Expendable Trust Funds</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Charges for Services	\$ <u>20,000</u>	\$ <u>24,300</u>	\$ <u>4,300</u>
<u>Expenditures</u>			
Current:			
Streets and Roads			
Capital Outlay	<u>21,575</u>	<u>17,760</u>	<u>3,815</u>
Excess of Revenues Over (Under) Expenditures	(1,575)	6,540	8,115
Cash Fund Balance at Beginning of Year	<u>180,903</u>	<u>180,903</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>179,328</u>	\$ <u>187,443</u>	\$ <u>8,115</u>

The Accompanying Notes are an Integral Part of These Financial Statements

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS**

**DECEMBER 31, 2000**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Highland Heights (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government 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.

#### **THE REPORTING ENTITY**

The City of Highland Heights, Ohio was incorporated as a Village in 1920 after it separated from the Mayfield township. In October 1966, the electors of Highland Heights approved a Charter that established home rule under a Council-Mayor form of government. In 1969, Highland Heights became a City upon attaining a population of 5,000.

The City, in order to provide the necessary services to its citizens, is segmented into many different departments. Among these are the police, fire fighting, street maintenance, planning and zoning, emergency medical technicians, parks and recreation system, public improvements department and general administrative staff to provide support to these service groups. The operation and control of these activities is provided by the city council through the budgetary process and by the mayor through administrative and managerial requirements and procedures. All are responsible to the citizens of Highland Heights and are included as part of the primary government.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; 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 for which the City approves the budget, the issuance of debt, or the levying of taxes. The Mayfield City School District is located fully or partially within the City's boundaries, but is excluded from the City's financial statements based on the above criteria. The City has no component units.

The City is associated with two organizations which are defined as jointly governed organizations. The jointly governed organizations are the Northeast Ohio Public Energy Council and the Eastern Suburban Regional Council of Governments as presented in Note 16 to the General Purpose Financial Statements. The City is also associated with an organization defined as risk sharing pool (Note 11) and a joint venture (Note 15).

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **BASIS OF PRESENTATION**

The accounting policies of the City conform to generally accepted accounting principles applicable to governments as prescribed by the Government Accounting Standards Board (GASB). The following is a summary of the more significant policies.

#### **FUND ACCOUNTING**

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, as appropriate. The various funds are summarized by type in the combined financial statements. The following fund types and account groups are used by the City.

#### **GOVERNMENTAL FUNDS**

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities are accounted for through governmental funds. The following are the City's governmental fund types:

***General Fund*** - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter of the City of Highland Heights and/or the general laws of Ohio.

***Special Revenue Funds*** - To account for revenues derived from specific taxes, grants or other restricted revenue sources. The uses and limitations of each special revenue fund are specified by City ordinances or Federal and State statutes or grant provisions.

***Debt Service Funds*** - To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

***Capital Project Funds*** - To account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.



# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **FIDUCIARY FUNDS**

To account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The following are the City's fiduciary funds:

*Expendable Trust Funds* - These funds are accounted for in essentially the same manner as governmental funds.

*Agency Funds* - These funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations.

#### **ACCOUNT GROUPS**

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

*General Fixed Assets Account Group* - The General Fixed Assets Account Group is used to account for all fixed assets of the City.

*General Long-Term Obligations Account Group* - The General Long-Term Obligations Account Group is used to account for all long-term obligations of the City. This includes the long-term obligations for certain City employee benefits.

#### **BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made.

All governmental fund types and agency funds are accounted for using the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the City is sixty days after year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: income taxes, interest on investments, and State levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **BASIS OF ACCOUNTING – CONTINUED**

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes measurable as of December 31, 2000, whose availability is indeterminate and which are not intended to finance the current period obligations, have been recorded as deferred revenue. Levied special assessments are measurable and have been recorded as a receivable. Since all assessments are due outside of the available period, the entire amount has been deferred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decrease (i.e., expenditures and other financing uses) in net current assets.

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

#### **BUDGETS AND BUDGETARY ACCOUNTING**

An annual budget is prepared for all funds of the City, excluding Agency Funds. The City's budgetary process, which is governed by State law, is described below:

***Tax Budget*** - The City must submit a budget of estimated cash receipts and disbursements for all funds to the County Budget Commission, by July 20 of each year for the following calendar year.

***Estimated Resources*** - The County Budget Commission certifies its actions to the City by September 1 and issues a "Certificate of Estimated Resources" limiting the maximum amount the City may appropriate from a given fund during the year.

On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total appropriations from each fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **BUDGETS AND BUDGETARY ACCOUNTING – CONTINUED**

***Appropriations*** - A temporary appropriation ordinance may be passed to control expenditures for the period January 1 through March 31. Before April 1, an annual appropriation ordinance must be passed for the period January 1 to December 31. The appropriation ordinance, which controls expenditures at the major object level, may be amended or supplemented by Council during the year as required. The major object level is further defined by grouping level. The administration may move budgeted amounts within each object grouping level. During 2000, there were few significant amendments to the appropriations. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

***Budgeted Level of Expenditure*** - Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation ordinance without authority from Council. Expenditures plus encumbrances may not legally exceed appropriations at the level of appropriation adopted by Council. For all funds, Council appropriations are made by department and major object levels, which include salaries and fringe benefits, materials and supplies, purchased services, other expenditures, capital outlay, and transfers, along with individual accounts for bond and note principal retirement, and interest and fiscal charges.

***Encumbrances*** - Encumbrances outstanding at year end represent the estimated amount of expenditures that will ultimately result if unperformed contracts in process (for example, purchase orders and contracted services) are completed. Encumbrances outstanding at year end are reported as reservations of fund balances for subsequent year expenditures in the governmental funds.

***Lapsing of Appropriations*** - At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated.

***Budget Basis of Accounting*** - The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Expendable Trust Funds, is presented on the budget basis to provide a meaningful comparison of actual results with the budget. The budget basis, as provided by law, is based on accounting for certain transactions on the basis of cash receipts and disbursements. The major differences between the budget basis and the GAAP basis are:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the related liabilities are incurred (GAAP basis).

# CITY OF HIGHLAND HEIGHTS, OHIO

## NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**DECEMBER 31, 2000**

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### BUDGETS AND BUDGETARY ACCOUNTING – CONTINUED

- (c) Encumbrances are treated as expenditures for all funds (budget basis) as opposed to a reservation of fund balance (GAAP basis).
- (d) Proceeds from and principal payments on bond and revenue anticipation notes are reported on the operating statement (budget basis) as opposed to balance sheet transactions (GAAP basis).

A reconciliation of the results of operations for the year from the GAAP basis to the budget basis is shown below:

<u>Excess of Revenues and Other Financing Sources Over (Under)</u>			
<u>Expenditures and Other Financing Uses – All Governmental and Expendable Trust Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
GAAP Basis	\$ 1,193,301	\$ (33,289)	\$ (269,760)
<u>Increase (Decrease) Due to:</u>			
Revenue Accruals	3,119	(25,136)	2,439,417
Expenditure Accruals	(275,593)	37,408	(2,434,350)
Net Impact of Encumbrances on Budget Basis Expenditures	<u>(25,325)</u>	<u>(50,295)</u>	<u>-</u>
Budgetary Basis	\$ <u>895,502</u>	\$ <u>(71,312)</u>	\$ <u>(264,693)</u>
	<u>Capital Projects</u>	<u>Expendable Trust Funds</u>	<u>Totals</u>
GAAP Basis	\$ 87,339	\$ 8,115	\$ 985,706
<u>Increase (Decrease) Due to:</u>			
Revenue Accruals	(708,945)	-	1,708,455
Expense Accruals	905,422	(1,575)	(1,768,688)
Net Impact of Encumbrances on Budget Basis Encumbrances	<u>(379,043)</u>	<u>-</u>	<u>(454,663)</u>
Budgetary Basis	\$ <u>(95,227)</u>	\$ <u>6,540</u>	\$ <u>470,810</u>

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **CASH AND CASH EQUIVALENTS**

All short term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and at the day of purchase, they have a maturity date no longer than three months.

Cash balances of all City funds are pooled and invested. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as Cash and Cash Equivalents on the combined balance sheet. Cash equivalents consist of STAR Ohio, repurchase agreements, and federal agency securities. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. However, in 2000, investments in federal agency securities reported had a maturity date of less than one year, therefore, the carrying value is the same as amortized cost. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2000. The allocation of interest earnings from investments to the City's funds is governed by the City Charter.

During fiscal year 2000, investments were limited to STAR Ohio, repurchase agreements, Victory Federal Mutual Funds, and federal agency securities.

#### **INVENTORY OF SUPPLIES**

Inventory items are considered expenditures when purchased (purchases method). Inventory is valued at cost, using the first-in first-out (FIFO) method. Inventory generally consists of fuel and miscellaneous supplies. Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

#### **PREPAID ITEMS**

Prepaid items primarily consist of prepaid insurance and are recognized as expenditures over the term of the related insurance policies.

#### **PROPERTY, PLANT AND EQUIPMENT**

The City's fixed assets are recorded in the General Fixed Assets Account Group. Infrastructure such as roads, bridges, curbs and gutters, streets and sidewalks are not capitalized. All fixed assets are recorded at historical cost except that donated assets are recorded at their estimated fair market value at the date donated. Depreciation expense on general fixed assets is not provided.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **RESERVATION OF FUND EQUITY**

Reservations of fund balances are established to identify the existence of assets that, because of their nonmonetary nature or lack of liquidity, represent financial resources not available for current appropriations or expenditures, including amounts legally segregated for future use. Fund balances are reserved for encumbrances and inventory, prepaid, contingent liabilities, and debt service.

#### **GRANTS AND OTHER INTERGOVERNMENTAL REVENUES**

Federal and/or State grants made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. Local government allocations from the State and County are recorded as receivables and revenue when measurable and available.

#### **COMPENSATED ABSENCES**

Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' right 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. Sick leave benefits are accrued as a liability using the termination method. The liability is based on an estimate of the amount of accumulated sick leave that will probably be paid as termination benefits.

For governmental funds, the current portion of compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term debt account group and will be paid when due in the fund from which the employee was paid.

#### **ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences and contractually required pension contributions are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current expendable available financial resources. Payments made more than sixty days after year end are generally considered not to have been paid with current available financial resources. Bonds and long-term loans are recognized as a liability of the general long-term account group until due.

#### **NOTE ISSUANCE COSTS**

In governmental fund types, note issuance costs are recognized in the current period.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **ESTIMATES**

The preparation of 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.

#### **INTERFUND TRANSACTIONS**

During the course of normal operations, the City has interfund transactions which include operating transfers and residual equity transfers.

1. Quasi-external transactions are accounted for as revenues and expenditures. Reimbursements from one fund to another are treated as expenditures/expenses in the reimbursing fund and as a reduction in expenditures/expenses in the reimbursed fund.
2. Nonrecurring and nonroutine transfers of equity between funds or the transfer of residual balances of discontinued funds or projects to the debt service funds are classified as residual equity transfers.
3. All other interfund transfers are recorded as operating transfers.

#### **TOTAL COLUMNS ON FINANCIAL STATEMENTS**

Total columns on the financial statements are captioned “Total - (Memorandum Only)” to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Interfund type eliminations have not been made in the aggregation of this data.

### **NOTE 2 – LEGAL COMPLIANCE AND ACCOUNTABILITY**

#### **A. ACCOUNTABILITY**

##### **CAPITAL PROJECTS FUNDS**

There is a deficit fund balance in the Capital Improvement Capital Projects Fund of \$947,761. Bond anticipation note proceeds used to finance the construction of miscellaneous projects are not recognized as “other financing sources”, but rather as a fund liability. The deficit within this fund will be eliminated when the resources are provided for the retirement of these notes.

# CITY OF HIGHLAND HEIGHTS, OHIO

## NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**DECEMBER 31, 2000**

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### NOTE 2 – LEGAL COMPLIANCE AND ACCOUNTABILITY – CONTINUED

#### B. COMPLIANCE

The following accounts had expenditures plus encumbrances in excess of appropriations contrary to Ohio Revised Code Section 5705.41(B):

<u>Fund/Program/Activity</u>	<u>Appropriations</u>	<u>Expenditures Plus Encumbrances</u>	<u>Excess</u>
Special Reserve Fund			
Parks and Recreation:			
Other	\$ 3,262	\$ 7,874	\$ 4,612

### NOTE 3 – CASH AND CASH EQUIVALENTS

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

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

Inactive deposits are public deposits that Council has identified as not required for use within the current two 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 pass book accounts. Interim monies may be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;



# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 3 – CASH AND CASH EQUIVALENTS – CONTINUED**

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).

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

1. Bonds of 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.
2. Obligations of the City.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

**Deposits** - At year-end, the carrying amount of the City's deposits was \$656,225, and the bank balance was \$720,158. Of the bank balance:

1. \$270,158 was covered by federal depository insurance.

# CITY OF HIGHLAND HEIGHTS, OHIO

## NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**DECEMBER 31, 2000**

### NOTE 3 – CASH AND CASH EQUIVALENTS – CONTINUED

2. \$450,000 was considered uninsured and uncollateralized even though securities for collateral were held by the pledging financial institutions' trust department in the financial institution's name and all State statutory requirements for the deposit of money had been followed. Non-compliance with federal requirements would potentially subject the City to a successful claim by the FDIC.

**Investments** - GASB Statement No. 3 entitled "Deposits With Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements" requires the City investments to be categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes investments that are insured or registered for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

STAR Ohio, the State Treasurer's Investment Pool, is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	<u>Risk Category 1</u>	<u>Risk Category 2</u>	<u>Risk Category 3</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
State Treasury Asset Reserve Fund (STAR Ohio)				\$ 272,659	\$ 272,659
Repurchase agreements			X	1,488,000	1,488,000
U.S. Government Agency Securities			X	<u>5,844,391</u>	<u>5,844,391</u>
 Total Investments				 \$ <u>7,605,050</u>	 \$ <u>7,605,050</u>

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and cash equivalents and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$ 8,261,275	\$ -
Investments – which are a part of the cash management pool:		
U.S. Government Federal Agency Securities	(5,844,391)	5,844,391
Repurchase agreements	(1,488,000)	1,488,000
STAR Ohio	<u>(272,659)</u>	<u>272,659</u>
GASB Statement No. 3	<u>\$ 656,225</u>	<u>\$ 7,605,050</u>

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 3 – CASH AND CASH EQUIVALENTS – CONTINUED**

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based.

These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require that security for public deposits and investment be maintained in the name of the City.

The City will continue to monitor compliance with applicable statutes in the future pertaining to public deposits and investments.

### **NOTE 4 – TAX REVENUES**

#### **MUNICIPAL INCOME TAXES**

An income tax of 1.5% is levied on substantially all income earned within the City. In addition, residents of the City are required to pay City income taxes on income earned outside the City; however, credit is allowed for income taxes paid to other municipalities up to 100% of the City's current tax rate. The allocation of income tax revenue to the City's various funds is determined by City Ordinance.

Employers within the City are required to withhold income tax on employee compensation and remit this tax to the City's collection agency at least quarterly. Major employers are required to remit withholdings to the City's collection agency at least monthly. Corporations and self employed individual taxpayers are required to pay estimated taxes quarterly and file a declaration annually with the City's collection agency.

#### **PROPERTY TAXES**

Real property taxes and public utility tangible property taxes are levied each January 1 on assessed values listed as of the prior January 1, the lien date. Assessed values are established by the County Auditor at 35% of appraised market values. The County Auditor reappraises all real property every six years with a triennial update. Real property taxes received by the City during 2000 were based upon property values which were last updated in 1999. Public utility tangible property taxes are based upon property values reported on tax returns filed annually with the State of Ohio by the utility companies.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 4 – TAX REVENUES – CONTINUED**

#### **PROPERTY TAXES – CONTINUED**

The full tax rate applied to real and public utility tangible property for the tax year 1999 (collected in 2000) was \$4.00 per \$1,000 of assessed valuation. Real property owners' tax bills are adjusted by rate reduction factors and homestead and rollback reductions, when applicable. The taxes are payable annually or semiannually in the year subsequent to the year for which they are levied. The amount of the homestead and rollback reductions is reimbursed to the City by the State of Ohio.

Owners of tangible personal property are required to file a list of such property, along with related historical costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost. The tax rate applied to tangible personal property for the tax year 2000 was \$4.00 per \$1,000 of assess valuation. Tangible personal property taxes are payable annually or semiannually in the year for which they are levied.

The assessed values of real and tangible personal property upon which 2000 property tax receipts were based were as follows:

Real property – 1999 tax valuation	\$	238,182,700
Public utility tangible property – 1999 tax valuation		4,856,290
Tangible personal property – 1999 tax valuation		<u>40,227,485</u>
Total valuation	\$	<u>283,266,475</u>

The County Treasurer collects property taxes on behalf of all taxing districts within the County. Taxes are payable to the County in two equal installments in January and July and, if not paid, become delinquent after December 31. The County Auditor periodically remits to the City its portion of the taxes payable in the first and second halves of the year, respectively.

#### **OTHER LOCAL TAXES**

With certain exceptions, a tax of three percent is levied by the City on individuals, companies and organizations which collect an admission charge and reported in the Bond Retirement Fund. Additionally, the City receives estate taxes which are used for the purpose of making long-term capital improvements and the improvements of infrastructure including the City Hall Complex and Municipal Park. All estate taxes are reported in the Capital Project Capital Improvement Fund.

### **NOTE 5 – SPECIAL ASSESSMENTS**

Special assessments include annually assessed service assessments and assessments for debt obligations. Service type special assessments are levied against all property owners which benefit from the provided service while special assessments for debt obligations are levied against specific property owners who primarily benefited from the project.

# CITY OF HIGHLAND HEIGHTS, OHIO

## NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**DECEMBER 31, 2000**

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### NOTE 5 – SPECIAL ASSESSMENTS – CONTINUED

Special assessments are payable by the time table and in the manner stipulated in the assessing ordinance and are a lien from the date of the passage of the ordinance.

The City's service assessments include street lighting, sidewalk repair, sewer maintenance, and sewer rehabilitation which are billed by the County Auditor and collected by the County Treasurer. The County Auditor periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year. Since all assessment collections are remitted to the City outside of the available period, the entire amount has been deferred on the combined balance sheet.

### NOTE 6 – GENERAL FIXED ASSETS

A summary of changes in general fixed assets is as follows:

	<u>Balance</u> <u>12/31/99</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/00</u>
Land and land improvements	\$ 2,210,460	\$ 5,600	\$ -	\$ 2,216,060
Buildings	6,404,672	5,281	-	6,409,953
Vehicles, equipment and furnishings	<u>2,438,105</u>	<u>223,135</u>	<u>(172,168)</u>	<u>2,489,072</u>
Total	\$ <u>11,053,237</u>	\$ <u>234,016</u>	\$ <u>(172,168)</u>	\$ <u>11,115,085</u>

### NOTE 7 – BONDS, NOTES AND OTHER LONG-TERM OBLIGATIONS

Changes in the debt of the City for the year ended December 31, 2000 is as follows:

	<u>Balance</u> <u>12/31/99</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/00</u>
<u>General Obligation Bonds</u>				
4% to 6.2% \$1,440,000 various purpose improvements series 1992	\$ 1,115,000	\$ -	\$ (120,000)	\$ 995,000
3.75% to 5.25% \$6,495,000 various purpose improvements bonds, series 1998	6,055,000	-	(235,000)	5,820,000
5.2% to 6.5% \$1,015,000 various purpose improvements bonds, series 1999	<u>1,015,000</u>	<u>-</u>	<u>(20,000)</u>	<u>995,000</u>
Total general obligation bonds	\$ <u>8,185,000</u>	\$ <u>-</u>	\$ <u>(375,000)</u>	\$ <u>7,810,000</u>

# CITY OF HIGHLAND HEIGHTS, OHIO

## NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**DECEMBER 31, 2000**

### NOTE 7 – BONDS, NOTES AND OTHER LONG-TERM OBLIGATIONS – CONTINUED

	<u>Balance</u> <u>12/31/99</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/00</u>
<b><u>Special Assessment Bonds (a)</u></b>				
5.2% to 6.5% \$1,280,000 various purpose improvement bonds, issued 1999	\$ 1,280,000	\$ -	\$ (100,000)	\$ 1,180,000
4.15% to 5.70% \$4,460,000 various purpose improvement bonds, issued 1999	4,460,000	-	-	4,460,000
7.375% \$380,000 street improvement bonds, issued 1990	<u>280,000</u>	<u>-</u>	<u>(15,000)</u>	<u>265,000</u>
Total special assessment bonds	\$ <u>6,020,000</u>	\$ <u>-</u>	\$ <u>(115,000)</u>	\$ <u>5,905,000</u>
<b><u>Bond Anticipation Notes</u></b>				
3.375% bond anticipation notes, issued 1999	\$ 2,430,000	\$ -	\$ (2,430,000)	\$ -
4.75% bond anticipation notes, issued 2000	<u>-</u>	<u>2,430,000</u>	<u>-</u>	<u>2,430,000</u>
Total bond anticipation notes	\$ <u>2,430,000</u>	\$ <u>2,430,000</u>	\$ <u>(2,430,000)</u>	\$ <u>2,430,000</u>
<b><u>Ohio Public Works Commission</u></b>				
Highland Road, sanitary sewer, 0%	\$ 1,575,248	\$ 65,379	\$ -	\$ 1,640,627
Miner & Bishop Roads, sanitary sewer, 0%	871,462	88,848	-	960,310
Millridge water main replacement, 0%	<u>145,238</u>	<u>-</u>	<u>(7,262)</u>	<u>137,976</u>
Total Ohio Public Works Commission	\$ <u>2,591,948</u>	\$ <u>154,227</u>	\$ <u>(7,262)</u>	\$ <u>2,738,913</u>
<b>Compensated absences payable</b>				
Long-term portion – Note 1	\$ <u>769,893</u>	\$ <u>37,449</u>	\$ <u>-</u>	\$ <u>807,342</u>
<b>Pension obligation payable</b>				
Long-term portion	\$ <u>140,701</u>	\$ <u>67,151</u>	\$ <u>-</u>	\$ <u>207,852</u>
Total all long-term obligations	\$ <u>20,137,542</u>	\$ <u>2,688,827</u>	\$ <u>(2,927,262)</u>	\$ <u>19,899,107</u>

(a) Includes only the portion of the bonds expected to be paid from special assessments. The remaining portion (City's share) of the bonds are to be paid from general City revenues and are included under the "General Obligation Bonds" caption.

In 1999, the City defeased a special assessment bond issue by placing proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's General Long-Term Debt Account Group. As of December 31, 2000, the amount of defeased debt outstanding amounted to \$1,265,000.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 7 – BONDS, NOTES AND OTHER LONG-TERM OBLIGATIONS – CONTINUED**

General obligation bonds are the direct obligation of the City and will be paid from the debt service fund using property tax revenues. The bond anticipation notes are a liability of the fund and will be paid from the issuance of long-term bonds. Special assessment bonds will be paid from special assessment proceeds levied against benefitted property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City. The Ohio Public Works Commission (OPWC) Loans will be paid by revenues transferred from the General Fund. The police pension liability will be paid from levied taxes in the Police Pension Special Revenue Fund.

Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2000 from the general resources of the City are as follows:

<u>Year</u>	<u>General Obligation Bonds</u>		<u>Special Assessment Bonds</u>		<u>OPWC 0% Loans</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2001	\$ 390,000	\$ 395,377	\$ 275,000	\$ 316,304	\$ 109,669
2002	420,000	377,392	295,000	302,326	137,309
2003	345,000	357,580	305,000	287,069	137,309
2004	355,000	341,552	320,000	271,156	137,309
2005	375,000	324,797	340,000	254,482	137,309
2006-2010	2,020,000	1,335,488	1,600,000	992,815	686,543
2011-2015	2,225,000	790,310	1,205,000	635,103	686,543
2016-2020	1,350,000	238,426	1,565,000	272,995	682,914
2021-2024	330,000	44,626	-	-	24,008
Total	\$ <u>7,810,000</u>	\$ <u>4,205,548</u>	\$ <u>5,905,000</u>	\$ <u>3,332,250</u>	\$ <u>2,738,913</u>

### **LEGAL DEBT MARGIN**

Under the Uniform Bond Act of the Ohio Revised Code, the City at December 31, 2000 had the capacity to issue \$20,796,103 of additional general obligation debt.

### **NOTE 8 – DEFINED BENEFIT PENSION PLANS**

#### **PUBLIC EMPLOYEES RETIREMENT SYSTEM**

All City full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Public Employees Retirement System of Ohio (PERS), a cost sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio, 43215-4642.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED**

#### **PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED**

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. For calendar year 2000, PERS instituted a temporary employer rate rollback for state and local governments. The 2000 employer pension contribution rate for the City was 6.54 percent of covered payroll, reduced from 9.35 percent in 1999. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 2000, 1999, and 1998 were \$112,401, \$159,156, and \$151,895, respectively. The full amount has been contributed for 1999 and 1998. 84 percent has been contributed for 2000 with the remainder being reported as a liability in the general long-term obligations account group.

#### **OHIO POLICE AND FIRE PENSION FUND**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employee retirement system administered by the OP&F's Board of Trustees. The OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio, 43215-5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 12.25 percent for police and 16.75 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for police and firefighters were \$143,241 and \$140,532 for the year ended December 31, 2000, \$136,919 and \$132,955 for the year ended December 31, 1999, and \$130,438 and \$133,577 for the year ended December 31, 1998. The full amount has been contributed for 1999 and 1998. 76.1 percent and 76.2 percent, respectively, have been contributed for 2000 with the remainder being reported as a liability in the general long-term obligations account group.

### **NOTE 9 – POST-EMPLOYMENT BENEFITS**

#### **PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The Public Employees Retirement System (PERS) of Ohio provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care based on authority granted by State statute. The 2000 employer contribution rate was 10.84 percent of covered payroll, 4.30 percent was the portion that was used to fund health care for 2000. For 1999, the contribution rate was 13.55 percent of covered payroll; 4.20 percent was the portion that was used to fund health care.



# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 9 - POSTEMPLOYMENT BENEFITS – CONTINUED**

#### **PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED**

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on PERS' latest actuarial review performed as of December 31, 1999, include a rate of return on investments of 7.75 percent, an annual increase in active employee total payroll of 4.75 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .54 percent and 5.1 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.75 percent annually.

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

The number of active contributing participants was 401,339. The City's annual contributions for 2000 which were used to fund postemployment benefits were \$73,903. The actual contribution and the actuarially required contribution amounts are the same. PERS' net assets available for payment of benefits at December 31, 1999 (the latest information available) were \$10,805,500,000. The actuarially accrued liability and the unfunded actuarial accrued liability were \$12,473,600,000 and \$1,668,100,000, respectively.

For 2000, PERS elected to return to an actuarially pre-funded type of disclosure because it is a better presentation of PERS' actual funding methodology. Since 1997, disclosures had been based on a pay-as-you-go funding basis.

#### **OHIO POLICE AND FIRE PENSION FUND**

The Ohio Police and Fire Pension Fund ("OP&F") provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of eighteen whether or not the child is attending school or under the age of twenty-two if attending school full-time or on a two-thirds basis.

The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the OP&F's Board of Trustees to provide health care coverage and states that health care costs paid from the OP&F fund shall be included in the employer's contribution rate. Health care funding and accounting are on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.25 percent of covered payroll was applied to the postemployment health care program during 2000. For 1999, the percent used to fund health care was 7 percent. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 9 - POSTEMPLOYMENT BENEFITS – CONTINUED**

#### **OHIO POLICE AND FIRE PENSION FUND – CONTINUED**

The City's actual contributions for 2000 that were used to fund postemployment benefits were \$84,775 for police and \$60,827 for fire. OP&F's total health care expenses for the year ended December 31, 1999 (the latest information available) were \$95,004,633, which was net of member contributions of \$5,518,098. The number of OP&F participants eligible to receive health care benefits as of December 31, 1999 was 12,467 for police and 9,807 for firefighters.

### **NOTE 10 – INTERFUND TRANSACTIONS**

The following represents all interfund activity for the year ended December 31, 2000.

	<u>Operating Transfers – In</u>	<u>Operating Transfers – Out</u>
General Fund	\$ 162,261	\$ 833,928
Special Revenue Funds:		
Street Construction, Maintenance and Repair	107,055	-
Grants	1,833	-
Law Enforcement Trust	-	3,187
U.S. Department of Justice	10,000	-
Juvenile Diversion Revenue	1,300	-
Police Pension	143,020	-
Fire Pension	117,020	-
Parks and Recreation	-	50,000
Enforcement and Education	1,887	162,261
Capital Projects Funds:		
Capital Improvement	586,557	-
Debt Service Funds:		
General Bond Retirement	<u>-</u>	<u>81,557</u>
Total	\$ <u>1,130,933</u>	\$ <u>1,130,933</u>

### **NOTE 11 – NORTHERN OHIO RISK MANAGEMENT ASSOCIATION**

The Northern Ohio Risk Management Association is a shared risk pool comprised of the Cities of Bedford Heights, Chagrin Falls, Highland Heights, Mayfield Heights, Richmond Heights, South Euclid, Eastlake, Solon, Maple Heights and Hudson for the purpose of enabling its members to obtain property and liability insurance, including vehicles, and provide for a formalized, jointly administered self-insurance fund. The members formed a not-for-profit corporation known as NORMA, Inc. to administer the pool. NORMA is governed by a board of trustees that consists of the mayor from each of the participating members. Each entity must remain a member for at least three years from its initial entry date. After the initial three years, each City may extend its term by an additional three years.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 11 – NORTHERN OHIO RISK MANAGEMENT ASSOCIATION- CONTINUED**

Each member provides operating resources to NORMA based on actuarially determined rates. In the event of losses, the first \$2,500 of any valid claim will be paid by the member. The next payment, generally a maximum of \$147,500 per occurrence, will come from the self-insurance pool with any excess paid from the stop loss coverage carried by the pool. Any loss over these amounts would be the obligation of the individual member. If the aggregate claims paid by the pool exceed the available resources, the pool may require the members to make additional supplementary payments up to a maximum of the regular annual payment.

In 2000, the City of Highland Heights paid \$41,536 in premiums from the general fund, which represents 7.8 percent of total premiums. Financial information can be obtained by contacting the fiscal agent, the Finance Director at the City of Bedford Heights, 5661 Perkins Road, Bedford Heights, Ohio, 44146.

### **NOTE 12 – RISK MANAGEMENT**

NORMA provides a pool of self-insurance for liability and property damage, vehicles, boiler and machinery, theft, bonding of city employees, and public officials' errors and omissions. The City's share of NORMA's claims and expenses are accounted among General Fund departments and other funds in proportion to the protection provided for the assets in those General Fund departments and other funds. The agreement of formation of NORMA provides that NORMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of the limits described in the agreement.

Settled claims have not exceeded commercial coverage in any of the past three years. Also, there have been no significant reductions in the limits of liability.

All employees of the City are covered by a blanket bond, while certain individuals in policy-making roles are covered by separate, higher limit bond coverage.

The City pays the State Worker's Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The City provides medical, dental, and prescription benefits for all full-time employees. All payments are made from the General Fund based on amounts needed to pay prior and current year claims. Costs are based on actuarial estimations, demographics and the City's claim history.

The medical and prescription benefits are provided through Medical Mutual of Ohio and dental benefits are provided through FORTIS. Payments are made from the General Fund on a monthly basis. The expenses are allocated by the number of employees in each department multiplied by the fixed premium rate for each employee. The monthly premium for medical and prescription benefits is \$219.17 for single coverage and \$551.04 for family coverage. The monthly premium for dental benefits is \$26.50 for single coverage and \$79.76 for family coverage.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

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### **NOTE 13 – CONTINGENT LIABILITIES**

The City is a defendant in a number of lawsuits. City management, after consultation with City's Director of Law, is of the opinion that the ultimate disposition of such lawsuits will not result in a material adverse effect on the City's financial position.

### **NOTE 14 – CONSTRUCTION COMMITMENTS**

As of December 31, 2000, the City had the following significant contractual commitments:

<u>Project</u>	<u>Contractor</u>	<u>Amount Remaining on Contract</u>
Stanwell/Rose Storm Relief Sewer	Monte Construction	\$ 241,725
Street Resurfacing Program	Osterland Company	<u>123,557</u>
		<u>\$ 365,282</u>

### **NOTE 15 – JOINT VENTURE**

#### **TRI-CITY CONSORTIUM ON AGING COUNCIL OF GOVERNMENTS**

The Tri-City Consortium on Aging (Consortium) is a joint venture among the Cities of Highland Heights, Lyndhurst and South Euclid, formed for the purpose of coordinating among the Cities all matters related to assistance and programs for the aged. Consortium revenues consist of contributions from the member cities and federal grants. The governing board of the Consortium is a Council of Governments composed of the Mayors of Highland Heights, Lyndhurst and South Euclid with the advice of a nine-member commission. Continued existence of the Consortium is dependent on the City, however, the City has no explicit and measurable equity interest in the Consortium. The Consortium is not accumulating financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. In 2000, the City contributed \$47,574 which represents 16.2% of total revenue. To obtain a copy of the Consortium's financial statements, write to the Tri-City Consortium on Aging, 1370 Victory Drive, South Euclid, Ohio 44121.

### **NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS**

#### **EASTERN SUBURBAN REGIONAL COUNCIL OF GOVERNMENTS**

The Eastern Suburban Regional Council of Governments (ESCOG) was formed in 1972 to foster cooperation between member municipalities through sharing of facilities for mutual benefit. The governing body of ESCOG is a council comprised of one representative from each of the six participating municipalities. The Council operates in accordance with a written agreement establishing ESCOG pursuant to Ohio Revised Code Chapter 167.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2000**

---

### **NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS – CONTINUED**

#### **EASTERN SUBURBAN REGIONAL COUNCIL OF GOVERNMENTS – CONTINUED**

The Council established one subsidiary organization, the Suburban Police Anti-Crime Network (SPAN) which provides for the mutual interchange and sharing of police personnel and police equipment to be utilized by all participating members.

The Council adopts a budget for ESCOG annually. Each member municipality's degree of control is limited to its representation on the Council. In 2000, the City contributed \$7,000 which represents 16.7% percent of the total contributions.

#### **NORTHEAST OHIO PUBLIC ENERGY COUNCIL**

The City is a member of the Northeast Ohio Public Energy Council ("NOPEC"). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 92 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 of Directors oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board of Directors. The City of Highland Heights did not contribute to NOPEC in 2000. Financial information can be obtained by contacting Dan DiLiberto, Treasurer, 35150 Lakeshore Boulevard, Eastlake, Ohio, 44095.

### **NOTE 17 – SUBSEQUENT EVENTS**

In 2001, the City rolled over the 2000 Bond anticipation notes for \$2,430,000. The new note matures on December 13, 2001.

Additionally in 2001, the City issued \$1,500,000 in Bond anticipation notes for various improvements.

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **GENERAL FUND**

**DECEMBER 31, 2000**

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The General Fund is the general operating fund of the City. It is used to account for all financial resources of the City, except for those required by law or contract to be accounted for in another fund. The following is the "Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Budget Basis)," as required by law for the level of appropriations as budgeted by the City.

# CITY OF HIGHLAND HEIGHTS, OHIO

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)

**YEAR ENDED DECEMBER 31, 2000**

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<u>Revenues</u>			
Taxes	\$ 6,313,109	\$ 6,341,701	\$ 28,592
Intergovernmental	372,660	322,817	(49,843)
Special Assessments	25,427	65,040	39,613
Charges for Services	83,910	70,587	(13,323)
Fines, Licenses and Permits	445,357	429,448	(15,909)
Interest	112,065	155,712	43,647
Miscellaneous	<u>169,274</u>	<u>232,156</u>	<u>62,882</u>
Total Revenues	<u>7,521,802</u>	<u>7,617,461</u>	<u>95,659</u>
<u>Expenditures</u>			
Current:			
General Government:			
City Hall:			
Salaries and Fringe Benefits	65,544	64,552	992
Purchased Services	547,577	415,433	132,144
Materials and Supplies	14,929	14,324	605
Capital Outlay	201,170	172,877	28,293
Other	<u>6,080</u>	<u>4,388</u>	<u>1,692</u>
Total City Hall	835,300	671,574	163,726
Mayor:			
Salaries and Fringe Benefits	68,655	64,211	4,444
Purchased Services	1,425	1,285	140
Materials and Supplies	<u>100</u>	<u>4</u>	<u>96</u>
Total Mayor	70,180	65,500	4,680
Finance:			
Salaries and Fringe Benefits	207,423	194,288	13,135
Purchased Services	37,804	34,412	3,392
Materials and Supplies	5,529	4,951	578
Capital Outlay	<u>12,000</u>	<u>7,623</u>	<u>4,377</u>
Total Finance	262,756	241,274	21,482
Law:			
Salaries and Fringe Benefits	34,683	34,683	-
Purchased Services	<u>130,712</u>	<u>122,940</u>	<u>7,772</u>
Total Law	165,395	157,623	7,772

Continued

# CITY OF HIGHLAND HEIGHTS, OHIO

## **SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Engineer:			
Salaries and Fringe Benefits	8,235	8,034	201
Purchased Services	25,000	17,442	7,558
Other	10,000	10,000	-
Total Engineer	43,235	35,476	7,759
City Council:			
Salaries and Fringe Benefits	69,195	66,187	3,008
Purchased Services	795	795	-
Materials and Supplies	395	395	-
Total City Council	70,385	67,377	3,008
Civil Service:			
Salaries and Fringe Benefits	10,300	8,419	1,881
Purchased Services	5,925	2,137	3,788
Total Civil Service	16,225	10,556	5,669
Board of Ethics:			
Other	1,220	1,216	4
Economic Development:			
Salaries and Fringe Benefits	18,000	17,964	36
Other	1,000	-	1,000
Total Economic Development	19,000	17,964	1,036
Total General Government	1,483,696	1,268,560	215,136
Public Safety:			
Police:			
Salaries and Fringe Benefits	1,920,555	1,777,663	142,892
Purchased Services	135,910	127,940	7,970
Materials and Supplies	79,194	64,265	14,929
Capital Outlay	141,895	111,542	30,353
Other	5,100	1,730	3,370
Total Police	2,282,654	2,083,140	199,514

Continued



**CITY OF HIGHLAND HEIGHTS, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>General Fund</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Fire:			
Salaries and Fringe Benefits	1,201,700	1,148,576	53,124
Purchased Services	52,486	50,819	1,667
Materials and Supplies	27,529	24,740	2,789
Capital Outlay	<u>70,661</u>	<u>56,904</u>	<u>13,757</u>
Total Fire	<u>1,352,376</u>	<u>1,281,039</u>	<u>71,337</u>
Total Public Safety	<u>3,635,030</u>	<u>3,364,179</u>	<u>270,851</u>
 Parks and Recreation:			
Commission on Aging:			
Salaries and Fringe Benefits	4,405	3,998	407
Purchased Services	47,781	47,574	207
Materials and Supplies	<u>593</u>	<u>592</u>	<u>1</u>
Total Commission on Aging	52,779	52,164	615
 Park and Recreation Commission:			
Salaries and Fringe Benefits	<u>4,875</u>	<u>3,778</u>	<u>1,097</u>
 Community Center:			
Salaries and Fringe Benefits	64,895	56,524	8,371
Purchased Services	19,475	15,968	3,507
Materials and Supplies	3,300	3,004	296
Capital Outlay	9,400	7,254	2,146
Other	<u>10,000</u>	<u>3,947</u>	<u>6,053</u>
Total Community Center	107,070	86,697	20,373
 Community Service:			
Salaries and Fringe Benefits	11,775	11,775	-
Purchased Services	<u>15,000</u>	<u>14,290</u>	<u>710</u>
Total Community Service	<u>26,775</u>	<u>26,065</u>	<u>710</u>
Total Parks and Recreation	<u>191,499</u>	<u>168,704</u>	<u>22,795</u>

Continued

## CITY OF HIGHLAND HEIGHTS, OHIO

### **SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	General Fund		Variance
	Revised	Actual	Favorable
	Budget		(Unfavorable)
Building:			
Salaries and Fringe Benefits	201,075	186,898	14,177
Purchased Services	11,119	11,119	-
Materials and Supplies	2,907	2,907	-
Capital Outlay	<u>12,974</u>	<u>11,228</u>	<u>1,746</u>
Total Building	228,075	212,152	15,923
Architecture:			
Salaries and Fringe Benefits	<u>3,970</u>	<u>3,500</u>	<u>470</u>
Planning and Zoning:			
Salaries and Fringe Benefits	14,295	13,376	919
Materials and Supplies	<u>100</u>	<u>-</u>	<u>100</u>
Total Planning and Zoning	<u>14,395</u>	<u>13,376</u>	<u>1,019</u>
Total Community Environment	<u>246,440</u>	<u>229,028</u>	<u>17,412</u>
Public Works:			
Service:			
Salaries and Fringe Benefits	541,860	477,171	64,689
Purchased Services	383,799	381,536	2,263
Materials and Supplies	47,243	38,640	8,603
Capital Outlay	<u>77,821</u>	<u>69,381</u>	<u>8,440</u>
Total Service	1,050,723	966,728	83,995
Streets and Roads:			
Capital Outlay	<u>18,390</u>	<u>18,390</u>	<u>-</u>
Miscellaneous:			
Capital Outlay	<u>251,449</u>	<u>61,703</u>	<u>189,746</u>
Total Public Works	<u>1,320,562</u>	<u>1,046,821</u>	<u>273,741</u>
Total Expenditures	<u>6,877,227</u>	<u>6,077,292</u>	<u>799,935</u>
Excess of Revenues Over (Under) Expenditures	644,575	1,540,169	895,594

Continued

## CITY OF HIGHLAND HEIGHTS, OHIO

### **SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>General Fund</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Other Financing Sources (Uses)</u>			
Sale of Assets	300	200	(100)
Advances - In	26,800	26,800	-
Operating Transfers - In	162,261	162,261	-
Operating Transfers - Out	<u>(840,773)</u>	<u>(833,928)</u>	<u>6,845</u>
Total Other Financing Sources (Uses)	<u>(651,412)</u>	<u>(644,667)</u>	<u>6,745</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(6,837)	895,502	902,339
Cash Fund Balance at Beginning of Year	2,238,290	2,238,290	-
Outstanding Encumbrances	<u>25,325</u>	<u>25,325</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>2,256,778</u>	\$ <u>3,159,117</u>	\$ <u>902,339</u>

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **SPECIAL REVENUE FUNDS**

**DECEMBER 31, 2000**

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

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

### **Park and Recreation Fund**

Accounts for fees collected and property taxes levied for the purpose of paying the costs of acquiring, constructing, improving, operating or maintaining the City's recreational facilities and programs.

### **Street Lighting**

Accounts for special assessments levied to pay the costs of street lighting in certain areas of the City.

### **Law Enforcement Trust**

Accounts for funds received from the County Prosecutor from the sale of contraband seized during the commission of a crime in the City by law enforcement authorities.

### **Grants Fund**

Accounts for miscellaneous or small grants received from state or local entities for various purposes.

### **Drug Law Enforcement Trust**

Accounts for forfeited and intergovernmental monies and is used to cover costs of complex investigations, technical training, matching funds to obtain federal grants, to support dare programs, or for other law enforcement purposes such as capital improvements to enhance law enforcement capabilities.

### **Enforcement and Education**

Accounts for funds received for DUI fines. These funds are to be used for educating and increasing the awareness of the City's police force regarding the DUI crime.

### **U.S. Department of Justice Fund**

Accounts for monies received from the Federal and State government to be used to establish or expand community policing programs.

### **Juvenile Diversion Fund**

Accounts for grant and fine monies to be used for the Community Juvenile Diversion Program.

### **Police Pension Fund**

Accounts for property taxes levied to pay the City's share of its current accrued police pension liabilities due the state-administered pension fund.

**CITY OF HIGHLAND HEIGHTS, OHIO**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

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**Fire Pension Fund**

Accounts for property taxes levied to pay the City's share of its current and accrued firefighters' pension liabilities due the state-administered pension fund.

# CITY OF HIGHLAND HEIGHTS, OHIO

## COMBINING BALANCE SHEET – SPECIAL REVENUE FUNDS

**DECEMBER 31, 2000**

	<u>Street Construction Maintenance and Repair</u>	<u>Park and Recreation</u>	<u>Street Lighting</u>	<u>Law Enforcement Trust</u>	<u>Grants</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 177,691	\$ 57,666	\$ 238,653	\$ 9,939	\$ -
Receivables (Net of Allow- ance for Uncollectibles):					
Taxes	-	319,293	-	-	-
Intergovernmental	19,284	-	-	-	-
Special Assessments	-	-	4,261,568	-	-
Inventory of Supplies	10,323	-	-	-	-
Total Assets	<u>\$ 207,298</u>	<u>\$ 376,959</u>	<u>\$ 4,500,221</u>	<u>\$ 9,939</u>	<u>\$ -</u>
<u>Liabilities</u>					
Accounts Payable	\$ 14,799	\$ 14,959	\$ 13,996	\$ -	\$ -
Accrued Wages and Benefits	828	-	-	-	-
Compensated Absences Payable	3,291	-	-	-	-
Pension Obligation Payable	558	305	-	-	-
Due to Other Governments	725	1,567	-	-	-
Deferred Revenue	-	187,090	4,261,568	-	-
Total Liabilities	<u>20,201</u>	<u>203,921</u>	<u>4,275,564</u>	<u>-</u>	<u>-</u>
<u>Fund Equity</u>					
Fund Balances:					
Reserve for Encumbrances	8,870	14,450	-	-	-
Reserve for Inventory	10,323	-	-	-	-
Unreserved –					
Undesignated	167,904	158,588	224,657	9,939	-
Total Fund Equity	<u>187,097</u>	<u>173,038</u>	<u>224,657</u>	<u>9,939</u>	<u>-</u>
Total Liabilities and Fund Equity	<u>\$ 207,298</u>	<u>\$ 376,959</u>	<u>\$ 4,500,221</u>	<u>\$ 9,939</u>	<u>\$ -</u>

<u>Drug Law Enforcement</u>	<u>Enforcement and Education</u>	<u>U.S. Dept. of Justice</u>	<u>Juvenile Diversion Fund</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Total</u>
\$ 18,732	\$ 3,230	\$ 21,901	\$ 5,363	\$ 30,798	\$ 31,408	\$ 595,381
-	-	-	-	95,787	95,787	510,867
-	-	6,250	-	-	-	25,534
-	-	-	-	-	-	4,261,568
-	-	-	-	-	-	10,323
<u>\$ 18,732</u>	<u>\$ 3,230</u>	<u>\$ 28,151</u>	<u>\$ 5,363</u>	<u>\$ 126,585</u>	<u>\$ 127,195</u>	<u>\$ 5,403,673</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,754
-	-	-	-	-	-	828
-	-	-	-	-	-	3,291
-	-	-	-	68,464	59,486	128,813
-	-	-	-	-	-	2,292
-	-	-	-	56,126	56,126	4,560,910
-	-	-	-	124,590	115,612	4,739,888
-	-	3,244	-	-	-	26,564
-	-	-	-	-	-	10,323
<u>18,732</u>	<u>3,230</u>	<u>24,907</u>	<u>5,363</u>	<u>1,995</u>	<u>11,583</u>	<u>626,898</u>
<u>18,732</u>	<u>3,230</u>	<u>28,151</u>	<u>5,363</u>	<u>1,995</u>	<u>11,583</u>	<u>663,785</u>
<u>\$ 18,732</u>	<u>\$ 3,230</u>	<u>\$ 28,151</u>	<u>\$ 5,363</u>	<u>\$ 126,585</u>	<u>\$ 127,195</u>	<u>\$ 5,403,673</u>

# CITY OF HIGHLAND HEIGHTS, OHIO

## **COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – SPECIAL REVENUE FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Street Construction Maintenance and Repair</u>	<u>Park and Recreation</u>	<u>Street Lighting</u>	<u>Law Enforcement Trust</u>	<u>Grants</u>
<u>Revenues</u>					
Taxes	\$ -	\$ 265,023	\$ -	\$ -	\$ -
Intergovernmental	280,214	30,813	-	-	3,674
Special Assessments	-	-	210,291	-	-
Charges for Services	-	191,810	-	-	-
Fines, Licenses, and Permits	-	-	-	-	-
Total Revenues	<u>280,214</u>	<u>487,646</u>	<u>210,291</u>	<u>-</u>	<u>3,674</u>
<u>Expenditures</u>					
Current:					
Public Safety	-	-	-	5,433	-
Parks and Recreation	-	414,745	-	-	5,507
Streets and Roads	343,044	-	165,981	-	-
Public Works	<u>14,799</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>357,843</u>	<u>414,745</u>	<u>165,981</u>	<u>5,433</u>	<u>5,507</u>
Excess of Revenues Over (Under) Expenditures	<u>(77,629)</u>	<u>72,901</u>	<u>44,310</u>	<u>(5,433)</u>	<u>(1,833)</u>
<u>Other Financing Sources (Uses)</u>					
Operating Transfers - In	107,055	-	-	-	1,833
Operating Transfers - Out	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>(3,187)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>107,055</u>	<u>(50,000)</u>	<u>-</u>	<u>(3,187)</u>	<u>1,833</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	29,426	22,901	44,310	(8,620)	-
Fund Balance at Beginning of Year	159,994	150,137	180,347	18,559	-
Decrease in Reserve for Inventory	<u>(2,323)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 187,097</u>	<u>\$ 173,038</u>	<u>\$ 224,657</u>	<u>\$ 9,939</u>	<u>\$ -</u>



<u>Drug Law Enforcement</u>	<u>Enforcement and Education</u>	<u>U.S. Dept. of Justice</u>	<u>Juvenile Diversion Fund</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 79,507	\$ 79,507	\$ 424,037
5,114	-	57,803	9,350	9,244	9,244	405,456
-	-	-	-	-	-	210,291
-	-	-	-	-	-	191,810
-	1,343	-	1,050	-	-	2,393
<u>5,114</u>	<u>1,343</u>	<u>57,803</u>	<u>10,400</u>	<u>88,751</u>	<u>88,751</u>	<u>1,233,987</u>
-	8,333	39,652	6,337	226,823	203,289	489,867
-	-	-	-	-	-	420,252
-	-	-	-	-	-	509,025
-	-	-	-	-	-	14,799
<u>-</u>	<u>8,333</u>	<u>39,652</u>	<u>6,337</u>	<u>226,823</u>	<u>203,289</u>	<u>1,433,943</u>
<u>5,114</u>	<u>(6,990)</u>	<u>18,151</u>	<u>4,063</u>	<u>(138,072)</u>	<u>(114,538)</u>	<u>(199,956)</u>
-	1,887	10,000	1,300	143,020	117,020	382,115
<u>-</u>	<u>(162,261)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(215,448)</u>
<u>-</u>	<u>(160,374)</u>	<u>10,000</u>	<u>1,300</u>	<u>143,020</u>	<u>117,020</u>	<u>166,667</u>
5,114	(167,364)	28,151	5,363	4,948	2,482	(33,289)
13,618	170,594	-	-	(2,953)	9,101	699,397
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,323)</u>
\$ <u>18,732</u>	\$ <u>3,230</u>	\$ <u>28,151</u>	\$ <u>5,363</u>	\$ <u>1,995</u>	\$ <u>11,583</u>	\$ <u>663,785</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Street Construction, Maintenance and Repair</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Intergovernmental	\$ <u>271,000</u>	\$ <u>280,779</u>	\$ <u>9,779</u>
<u>Expenditures</u>			
Current:			
Streets and Roads:			
Salaries and Fringe Benefits	139,555	134,758	4,797
Purchased Services	99,366	97,365	2,001
Materials and Supplies	<u>140,624</u>	<u>139,036</u>	<u>1,588</u>
Total Expenditures	<u>379,545</u>	<u>371,159</u>	<u>8,386</u>
Excess of Revenues Over (Under) Expenditures	(108,545)	(90,380)	18,165
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	<u>107,055</u>	<u>107,055</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,490)	16,675	18,165
Cash Fund Balance at Beginning of Year	141,035	141,035	-
Outstanding Encumbrances	<u>19,981</u>	<u>19,981</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>159,526</u></u>	\$ <u><u>177,691</u></u>	\$ <u><u>18,165</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Parks and Recreation</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 253,710	\$ 251,233	\$ (2,477)
Intergovernmental	29,556	30,813	1,257
Charges for Services	<u>202,095</u>	<u>191,810</u>	<u>(10,285)</u>
Total Revenues	<u>485,361</u>	<u>473,856</u>	<u>(11,505)</u>
<u>Expenditures</u>			
Current:			
Parks and Recreation:			
Salaries and Fringe Benefits	244,905	218,198	26,707
Purchased Services	80,112	80,112	-
Materials and Supplies	68,509	68,509	-
Capital Outlay	57,679	53,284	4,395
Other	<u>3,262</u>	<u>7,874</u>	<u>(4,612)</u>
Total Expenditures	<u>454,467</u>	<u>427,977</u>	<u>26,490</u>
Excess of Revenues Over (Under) Expenditures	30,894	45,879	14,985
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(19,106)	(4,121)	14,985
Cash Fund Balance at Beginning of Year	34,717	34,717	-
Outstanding Encumbrances	<u>27,070</u>	<u>27,070</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>42,681</u>	\$ <u>57,666</u>	\$ <u>14,985</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Street Lighting</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Special Assessments	\$ <u>208,000</u>	\$ <u>210,291</u>	\$ <u>2,291</u>
<u>Expenditures</u>			
Current:			
Streets and Roads:			
Capital Outlay	<u>166,000</u>	<u>165,534</u>	<u>466</u>
Excess of Revenues Over (Under) Expenditures	42,000	44,757	2,757
Cash Fund Balance at Beginning of Year	<u>193,896</u>	<u>193,896</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>235,896</u></u>	\$ <u><u>238,653</u></u>	\$ <u><u>2,757</u></u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### **COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Law Enforcement Trust</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Fines, Licenses, and Permits	\$ <u>1,000</u>	\$ <u>-</u>	\$ <u>(1,000)</u>
<u>Expenditures</u>			
Current:			
Public Safety:			
Salaries and Fringe Benefits	<u>15,372</u>	<u>5,433</u>	<u>9,939</u>
Excess of Revenues Over (Under) Expenditures	(14,372)	(5,433)	8,939
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - Out	<u>(3,187)</u>	<u>(3,187)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(17,559)	(8,620)	8,939
Cash Fund Balance at Beginning of Year	<u>18,559</u>	<u>18,559</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>1,000</u>	\$ <u>9,939</u>	\$ <u>8,939</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Grants Fund</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Intergovernmental	\$ <u>3,674</u>	\$ <u>3,674</u>	\$ <u>-</u>
<u>Expenditures</u>			
Current:			
Parks and Recreation:			
Materials and Supplies	<u>5,507</u>	<u>5,507</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(1,833)	(1,833)	-
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	<u>1,833</u>	<u>1,833</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Drug Law Enforcement</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Intergovernmental	\$ <u>7,700</u>	\$ <u>7,727</u>	\$ <u>27</u>
<u>Expenditures</u>			
Current:			
Public Safety:			
Salaries and Fringe Benefits	5,000	-	5,000
Purchased Services	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Total Expenditures	<u>12,000</u>	<u>-</u>	<u>12,000</u>
Excess of Revenues Over (Under) Expenditures	(4,300)	7,727	12,027
Cash Fund Balance at Beginning of Year	<u>11,005</u>	<u>11,005</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>6,705</u>	\$ <u>18,732</u>	\$ <u>12,027</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Enforcement and Education</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Fines, Licenses, and Permits	\$ <u>1,500</u>	\$ <u>1,343</u>	\$ <u>(157)</u>
<u>Expenditures</u>			
Current:			
Public Safety:			
Purchased Services	<u>3,387</u>	<u>-</u>	<u>3,387</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,887)</u>	<u>1,343</u>	<u>(3,230)</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	1,887	1,887	-
Operating Transfers - Out	<u>(162,261)</u>	<u>(162,261)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(160,374)</u>	<u>(160,374)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(162,261)	(159,031)	3,230
Cash Fund Balance at Beginning of Year	<u>162,261</u>	<u>162,261</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>-</u></u>	\$ <u><u>3,230</u></u>	\$ <u><u>3,230</u></u>



## CITY OF HIGHLAND HEIGHTS, OHIO

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)

**YEAR ENDED DECEMBER 31, 2000**

	U. S. Department of Justice		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$ <u>71,187</u>	\$ <u>51,553</u>	\$ <u>(19,634)</u>
<u>Expenditures</u>			
Current:			
Public Safety:			
Salaries and Fringe Benefits	55,279	27,028	28,251
Purchased Services	15,868	15,868	-
Capital Outlay	<u>10,040</u>	<u>-</u>	<u>10,040</u>
Total Expenditures	<u>81,187</u>	<u>42,896</u>	<u>38,291</u>
Excess of Revenues Over (Under) Expenditures	(10,000)	8,657	18,657
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	18,657	18,657
Cash Fund Balance at Beginning of Year	-	-	-
Outstanding Encumbrances	<u>3,244</u>	<u>3,244</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>3,244</u></u>	\$ <u><u>21,901</u></u>	\$ <u><u>18,657</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Juvenile Diversion</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Intergovernmental	\$ 10,200	\$ 9,350	\$ (850)
Fines, Licenses, and Permits	<u>1,500</u>	<u>1,050</u>	<u>(450)</u>
Total Revenues	<u>11,700</u>	<u>10,400</u>	<u>(1,300)</u>
<u>Expenditures</u>			
Current:			
Public Safety:			
Salaries and Fringe Benefits	5,200	4,840	360
Purchased Services	3,000	297	2,703
Capital Outlay	<u>3,000</u>	<u>1,200</u>	<u>1,800</u>
Total Expenditures	<u>11,200</u>	<u>6,337</u>	<u>4,863</u>
Excess of Revenues Over (Under) Expenditures	500	4,063	3,563
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	<u>1,300</u>	<u>1,300</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,800	5,363	3,563
Cash Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Cash Fund Balance at End of Year	<u>\$ 1,800</u>	<u>\$ 5,363</u>	<u>\$ 3,563</u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)

**YEAR ENDED DECEMBER 31, 2000**

	Police Pension		Variance
	Revised Budget	Actual	Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$ 76,114	\$ 75,370	\$ (744)
Intergovernmental	8,866	9,244	378
Total Revenues	<u>84,980</u>	<u>84,614</u>	<u>(366)</u>
<u>Expenditures</u>			
Current:			
Public Safety:			
Salaries and Fringe Benefits	<u>228,000</u>	<u>224,546</u>	<u>3,454</u>
Excess of Revenues Over (Under) Expenditures	(143,020)	(139,932)	3,088
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	<u>143,020</u>	<u>143,020</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>-</u>	<u>3,088</u>	<u>3,088</u>
Cash Fund Balance at Beginning of Year	<u>27,710</u>	<u>27,710</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>27,710</u>	\$ <u>30,798</u>	\$ <u>3,088</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Fire Pension</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 76,114	\$ 75,370	\$ (744)
Intergovernmental	<u>8,866</u>	<u>9,244</u>	<u>378</u>
Total Revenues	<u>84,980</u>	<u>84,614</u>	<u>(366)</u>
 <u>Expenditures</u>			
Current:			
Public Safety:			
Salaries and Fringe Benefits	<u>202,000</u>	<u>197,441</u>	<u>4,559</u>
Excess of Revenues Over (Under) Expenditures	(117,020)	(112,827)	4,193
 <u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	<u>117,020</u>	<u>117,020</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	4,193	4,193
Cash Fund Balance at Beginning of Year	<u>27,215</u>	<u>27,215</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>27,215</u>	\$ <u>31,408</u>	\$ <u>4,193</u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)

**YEAR ENDED DECEMBER 31, 2000**

	Totals		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$ 405,938	\$ 401,973	\$ (3,965)
Intergovernmental	411,049	402,384	(8,665)
Special Assessments	208,000	210,291	2,291
Fines, Licenses, and Permits	4,000	2,393	(1,607)
Charges for Services	<u>202,095</u>	<u>191,810</u>	<u>(10,285)</u>
Total Revenues	<u>1,231,082</u>	<u>1,208,851</u>	<u>(22,231)</u>
<u>Expenditures</u>			
Current:			
Public Safety:			
Salaries and Fringe Benefits	510,851	459,288	51,563
Purchased Services	29,255	16,165	13,090
Capital Outlay	<u>13,040</u>	<u>1,200</u>	<u>11,840</u>
Total Public Safety	553,146	476,653	76,493
Parks and Recreation:			
Salaries and Fringe Benefits	244,905	218,198	26,707
Purchased Services	80,112	80,112	-
Materials and Supplies	74,016	74,016	-
Capital Outlay	57,679	53,284	4,395
Other	<u>3,262</u>	<u>7,874</u>	<u>(4,612)</u>
Total Parks and Recreation	459,974	433,484	26,490
Streets and Roads:			
Salaries and Fringe Benefits	139,555	134,758	4,797
Purchased Services	99,366	97,365	2,001
Materials and Supplies	140,624	139,036	1,588
Capital Outlay	<u>166,000</u>	<u>165,534</u>	<u>466</u>
Total Streets and Roads	<u>545,545</u>	<u>536,693</u>	<u>8,852</u>
Total Expenditures	<u>1,558,665</u>	<u>1,446,830</u>	<u>111,835</u>
Excess of Revenues Over (Under) Expenditures	<u>(327,583)</u>	<u>(237,979)</u>	<u>89,604</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - In	382,115	382,115	-
Operating Transfers - Out	<u>(215,448)</u>	<u>(215,448)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>166,667</u>	<u>166,667</u>	<u>-</u>

Continued

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – SPECIAL REVENUE FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Totals</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(160,916)	(71,312)	89,604
Cash Fund Balance at Beginning of Year	616,398	616,398	-
Outstanding Encumbrances	<u>50,295</u>	<u>50,295</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>505,777</u>	\$ <u>595,381</u>	\$ <u>89,604</u>

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **DEBT SERVICE FUNDS**

**DECEMBER 31, 2000**

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### **General Bond Retirement Fund**

Accounts for monies accumulated for the payment of all general long-term debt principal and interest which is not self supporting.

### **Special Assessment Fund**

Accounts for special assessments levied to pay principal and interest on debt issued to finance the benefited property owners' share of the cost of various projects.

# CITY OF HIGHLAND HEIGHTS, OHIO

## COMBINING BALANCE SHEET – DEBT SERVICE FUNDS

**DECEMBER 31, 2000**

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	General Bond <u>Retirement</u>	Special Assessments	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 1,257,537	\$ 790,437	\$ 2,047,974
Receivables (Net of Allowance for Uncollectibles):			
Taxes	35,586	-	35,586
Special Assessments	-	7,360,890	7,360,890
Total Assets	\$ <u>1,293,123</u>	\$ <u>8,151,327</u>	\$ <u>9,444,450</u>
<u>Liabilities</u>			
Deferred Revenue	\$ -	\$ 7,360,890	\$ 7,360,890
<u>Fund Equity</u>			
Fund Balances:			
Reserve for Debt Service	<u>1,293,123</u>	<u>790,437</u>	<u>2,083,560</u>
Total Liabilities and Fund Equity	\$ <u>1,293,123</u>	\$ <u>8,151,327</u>	\$ <u>9,444,450</u>



# CITY OF HIGHLAND HEIGHTS, OHIO

## **COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – DEBT SERVICE FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	<u>General Bond Retirement</u>	<u>Special Assessments</u>	<u>Total</u>
<u>Revenues</u>			
Taxes	\$ 670,319	\$ 58,403	\$ 728,722
Special Assessments	-	368,265	368,265
Miscellaneous	<u>6,137</u>	<u>-</u>	<u>6,137</u>
Total Revenues	<u>676,456</u>	<u>426,668</u>	<u>1,103,124</u>
<u>Expenditures</u>			
Current:			
General Government	225	10,225	10,450
Debt Service:			
Principal Retirement	365,768	131,494	497,262
Interest and Fiscal Charges	<u>367,978</u>	<u>415,637</u>	<u>783,615</u>
Total Expenditures	<u>733,971</u>	<u>557,356</u>	<u>1,291,327</u>
Excess of Revenues Over (Under) Expenditures	(57,515)	(130,688)	(188,203)
<u>Other Financing Sources (Uses)</u>			
Operating Transfers - Out	<u>(81,557)</u>	<u>-</u>	<u>(81,557)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(139,072)	(130,688)	(269,760)
Fund Balance at Beginning of Year	<u>1,432,195</u>	<u>921,125</u>	<u>2,353,320</u>
Fund Balances at End of Year	\$ <u>1,293,123</u>	\$ <u>790,437</u>	\$ <u>2,083,560</u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### **SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – DEBT SERVICE FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	<u>General Bond Retirement</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 663,000	\$ 679,736	\$ 16,736
Miscellaneous	-	6,137	6,137
Total Revenues	<u>663,000</u>	<u>685,873</u>	<u>22,873</u>
<u>Expenditures</u>			
Debt Service:			
Purchased Services	14,545	1,575	12,970
Principal Payment	2,845,768	2,795,768	50,000
Interest Charges	<u>449,536</u>	<u>449,535</u>	<u>1</u>
Total Expenditures	<u>3,309,849</u>	<u>3,246,878</u>	<u>62,971</u>
Excess of Revenues Over (Under) Expenditures	(2,646,849)	(2,561,005)	85,844
<u>Other Financing Sources (Uses)</u>			
Proceeds From Sale of Debt	<u>2,520,000</u>	<u>2,430,000</u>	<u>(90,000)</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(126,849)	(131,005)	(4,156)
Cash Fund Balance at Beginning of Year	<u>1,388,542</u>	<u>1,388,542</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>1,261,693</u>	\$ <u>1,257,537</u>	\$ <u>(4,156)</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – DEBT SERVICE FUNDS  
(CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Special Assessments</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 51,133	\$ 58,403	\$ 7,270
Special Assessments	<u>392,392</u>	<u>368,265</u>	<u>(24,127)</u>
Total Revenues	<u>443,525</u>	<u>426,668</u>	<u>(16,857)</u>
<u>Expenditures</u>			
Debt Service:			
Purchased Services	13,425	10,225	3,200
Principal Payment	131,495	131,494	1
Interest Charges	<u>418,637</u>	<u>418,637</u>	<u>-</u>
Total Expenditures	<u>563,557</u>	<u>560,356</u>	<u>3,201</u>
Excess of Revenues Over (Under) Expenditures	(120,032)	(133,688)	(13,656)
Cash Fund Balance at Beginning of Year	<u>924,125</u>	<u>924,125</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>804,093</u>	\$ <u>790,437</u>	\$ <u>(13,656)</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – DEBT SERVICE FUNDS  
(CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	Totals		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<u>Revenues</u>			
Taxes	\$ 714,133	\$ 738,139	\$ 24,006
Special Assessments	392,392	368,265	(24,127)
Miscellaneous	-	6,137	6,137
Total Revenues	<u>1,106,525</u>	<u>1,112,541</u>	<u>6,016</u>
<u>Expenditures</u>			
Debt Service:			
Purchased Services	27,970	11,800	16,170
Principal Payment	2,977,263	2,927,262	50,001
Interest Charges	868,173	868,172	1
Total Expenditures	<u>3,873,406</u>	<u>3,807,234</u>	<u>66,172</u>
Excess of Revenues Over (Under) Expenditures	(2,766,881)	(2,694,693)	72,188
<u>Other Financing Sources (Uses)</u>			
Proceeds From Sale of Debt	<u>2,520,000</u>	<u>2,430,000</u>	<u>(90,000)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(246,881)	(264,693)	(17,812)
Cash Fund Balance at Beginning of Year	<u>2,312,667</u>	<u>2,312,667</u>	-
Cash Fund Balance at End of Year	\$ <u>2,065,786</u>	\$ <u>2,047,974</u>	\$ <u>(17,812)</u>

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **CAPITAL PROJECT FUNDS**

**DECEMBER 31, 2000**

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### **Capital Improvement Fund**

Accounts for interest earnings on the City's general treasury investments, Ohio Public Works grant and loan proceeds, estate tax revenues, and transfers which must be used for the acquisition or major repair of infrastructure or general fixed assets.

### **Alpha Drive Fund**

Accounts for the construction of the extension of Alpha Drive (a street) and sewers for which special assessments were levied (industrial park area).

### **Issue 2 Project Fund**

Accounts for state grants and local matching funds to be used for sewerage system improvement within the City.

### **Park and Recreation Improvement Fund**

Accounts for fees paid to the City by developers for the purpose of improving parks and recreation areas in the City.

# CITY OF HIGHLAND HEIGHTS, OHIO

## COMBINING BALANCE SHEET – CAPITAL PROJECTS FUNDS

**DECEMBER 31, 2000**

	<u>Capital Improvement</u>	<u>Alpha Drive</u>	<u>Issue 2 Projects</u>	<u>Park and Recreation Improvement</u>	<u>Total</u>
<u>Assets</u>					
Cash and Cash					
Equivalents	\$ 1,764,787	\$ 29,068	\$ 15,458	\$ 20,944	\$ 1,830,257
Receivables (Net of Allow- ance for Uncollectibles):					
Taxes	125,031	-	-	-	125,031
Intergovernmental	511,639	-	-	-	511,639
Accrued Interest	60,949	-	-	-	60,949
Total Assets	<u>\$ 2,462,406</u>	<u>\$ 29,068</u>	<u>\$ 15,458</u>	<u>\$ 20,944</u>	<u>\$ 2,527,876</u>
<u>Liabilities</u>					
Accounts Payable	\$ 344,930	\$ -	\$ -	\$ -	\$ 344,930
Contracts Payable	511,639	-	-	-	511,639
Deferred Revenue	31,258	-	-	-	31,258
Bond Anticipation Notes Payable	2,430,000	-	-	-	2,430,000
Accrued Interest Payable	92,340	-	-	-	92,340
Total Liabilities	<u>3,410,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,410,167</u>
<u>Fund Equity</u>					
Fund Balances:					
Reserve for					
Encumbrances	79,769	-	-	-	79,769
Unreserved – Undesig- nated (Deficit)	<u>(1,027,530)</u>	<u>29,068</u>	<u>15,458</u>	<u>20,944</u>	<u>(962,060)</u>
Total Fund Equity (Deficit)	<u>(947,761)</u>	<u>29,068</u>	<u>15,458</u>	<u>20,944</u>	<u>(882,291)</u>
Total Liabilities and Fund Equity	<u>\$ 2,462,406</u>	<u>\$ 29,068</u>	<u>\$ 15,458</u>	<u>\$ 20,944</u>	<u>\$ 2,527,876</u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – CAPITAL PROJECTS FUNDS

**YEAR ENDED DECEMBER 31, 2000**

	<u>Capital Improvement</u>	<u>Alpha Drive</u>	<u>Issue 2 Projects</u>	<u>Park and Recreation Improvement</u>	<u>Total</u>
<u>Revenues</u>					
Taxes	\$ 359,696	\$ -	\$ -	\$ -	\$ 359,696
Intergovernmental	1,524,492	-	-	-	1,524,492
Charges for Services	-	-	-	47,700	47,700
Interest	434,309	-	-	-	434,309
Total Revenues	<u>2,318,497</u>	<u>-</u>	<u>-</u>	<u>47,700</u>	<u>2,366,197</u>
<u>Expenditures</u>					
Capital Outlay	2,845,745	-	-	-	2,845,745
Debt Service:					
Interest and Fiscal					
Charges	<u>173,897</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>173,897</u>
Total Expenditures	<u>3,019,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,019,642</u>
Excess of Revenues Over (Under) Expenditures	<u>(701,145)</u>	<u>-</u>	<u>-</u>	<u>47,700</u>	<u>(653,445)</u>
<u>Other Financing Sources (Uses)</u>					
OPWC Loan Proceeds	154,227	-	-	-	154,227
Operating Transfers - In	<u>586,557</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>586,557</u>
Total Other Financing Sources (Uses)	<u>740,784</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>740,784</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	39,639	-	-	47,700	87,339
Fund Balance (Deficit) at Beginning of Year	<u>(987,400)</u>	<u>29,068</u>	<u>15,458</u>	<u>(26,756)</u>	<u>(969,630)</u>
Fund Balance (Deficit) at End of Year	\$ <u><u>(947,761)</u></u>	\$ <u><u>29,068</u></u>	\$ <u><u>15,458</u></u>	\$ <u><u>20,944</u></u>	\$ <u><u>(882,291)</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – CAPITAL PROJECTS FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Capital Improvements</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 125,000	\$ 293,594	\$ 168,594
Intergovernmental	2,975,552	1,088,624	(1,886,928)
Interest	<u>162,160</u>	<u>308,891</u>	<u>146,731</u>
Total Revenues	<u>3,262,712</u>	<u>1,691,109</u>	<u>(1,571,603)</u>
<u>Expenditures</u>			
Capital Outlay:			
General Government			
Capital Outlay	<u>4,917,885</u>	<u>2,466,463</u>	<u>2,451,422</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,655,173)</u>	<u>(775,354)</u>	<u>879,819</u>
<u>Other Financing Sources (Uses)</u>			
OPWC Loan Proceeds	154,227	154,227	-
Operating Transfers - In	<u>509,685</u>	<u>505,000</u>	<u>(4,685)</u>
Total Other Financing Sources (Uses)	<u>663,912</u>	<u>659,227</u>	<u>(4,685)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(991,261)	(116,127)	875,134
Cash Fund Balance at Beginning of Year	1,411,963	1,411,963	-
Outstanding Encumbrances	<u>379,043</u>	<u>379,043</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>799,745</u>	\$ <u>1,674,879</u>	\$ <u>875,134</u>



**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – CAPITAL PROJECTS FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

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	<u>Alpha Drive</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Cash Fund Balance at Beginning of Year	\$ <u>29,068</u>	\$ <u>29,068</u>	\$ <u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>29,068</u></u>	\$ <u><u>29,068</u></u>	\$ <u><u>-</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – CAPITAL  
PROJECTS FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

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	<u>Issue 2 Projects</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Cash Fund Balance at Beginning of Year	\$ <u>15,458</u>	\$ <u>15,458</u>	\$ <u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>15,458</u></u>	\$ <u><u>15,458</u></u>	\$ <u><u>-</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – CAPITAL PROJECTS FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

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	<u>Park and Recreation Improvements</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Charges for Services	\$ <u>50,000</u>	\$ <u>47,700</u>	\$ <u>(2,300)</u>
Excess of Revenues Over (Under) Expenditures	50,000	47,700	(2,300)
<u>Other Financing Sources (Uses)</u>			
Advances - Out	<u>(26,800)</u>	<u>(26,800)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	23,200	20,900	(2,300)
Cash Fund Balance at Beginning of Year	<u>44</u>	<u>44</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>23,244</u></u>	\$ <u><u>20,944</u></u>	\$ <u><u>(2,300)</u></u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – CAPITAL PROJECTS FUNDS (CONTINUED)

**YEAR ENDED DECEMBER 31, 2000**

	Totals		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<u>Revenues</u>			
Taxes	\$ 125,000	\$ 293,594	\$ 168,594
Intergovernmental	2,975,552	1,088,624	(1,886,928)
Charges for Services	50,000	47,700	(2,300)
Interest	<u>162,160</u>	<u>308,891</u>	<u>146,731</u>
Total Revenues	<u>3,312,712</u>	<u>1,738,809</u>	<u>1,573,903</u>
<u>Expenditures</u>			
Capital Outlay:			
General Government			
Capital Outlay	<u>4,917,885</u>	<u>2,466,463</u>	<u>2,451,422</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,605,173)</u>	<u>(727,654)</u>	<u>877,519</u>
<u>Other Financing Sources (Uses)</u>			
OPWC Loan Proceeds	154,227	154,227	-
Operating Transfers - In	509,685	505,000	(4,685)
Advances - Out	<u>(26,800)</u>	<u>(26,800)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>637,112</u>	<u>632,427</u>	<u>(4,685)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(968,061)	(95,227)	872,834
Cash Fund Balance at Beginning of Year	1,456,533	1,456,533	-
Outstanding Encumbrances	<u>379,043</u>	<u>379,043</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>867,515</u>	\$ <u>1,740,349</u>	\$ <u>872,834</u>

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **TRUST AND AGENCY FUNDS**

**DECEMBER 31, 2000**

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### **Trust Funds**

#### **Street Tree Fund**

Accounts for monies collected from certain property owners primarily for the furnishing and planting of trees within the City.

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

Accounts for monies collected from developers to assist in the purchase of additional park land for the City.

### **Agency Funds**

#### **Performance Bond Fund**

Accounts for monies received from contractors, developers or individuals which are held as deposits to insure performance under the City's building and construction codes.

#### **Inspection Deposit Fund**

Accounts for monies received from contractors, developers or individuals that are used to pay for inspections needed to ascertain that all work is done in conformity with City laws and regulations.

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING BALANCE SHEET – EXPENDABLE TRUST AND AGENCY FUNDS**

**DECEMBER 31, 2000**

	<u>Expendable Trust Funds</u>		<u>Total Agency Funds</u>	<u>Total</u>
	<u>Street Tree</u>	<u>Park Land Acquisition</u>		
<u>Assets</u>				
Cash and Cash Equivalents	\$ <u>88,313</u>	\$ <u>99,130</u>	\$ <u>441,103</u>	\$ <u>628,546</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ 4,202	\$ 4,202
Refundable Deposits	<u>-</u>	<u>-</u>	<u>436,901</u>	<u>436,901</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>441,103</u>	<u>441,103</u>
<u>Fund Equity</u>				
Fund Balances:				
Unreserved - Undesignated	<u>88,313</u>	<u>99,130</u>	<u>-</u>	<u>187,443</u>
Total Liabilities and Fund Equity	\$ <u>88,313</u>	\$ <u>99,130</u>	\$ <u>441,103</u>	\$ <u>628,546</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – EXPENDABLE TRUST FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

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	<u>Street Tree</u>	<u>Park Land Acquisition</u>	<u>Total</u>
<u>Revenues</u>			
Charges for Services	\$ <u>24,300</u>	\$ <u>-</u>	\$ <u>24,300</u>
<u>Expenditures</u>			
Capital Outlay	<u>16,185</u>	<u>-</u>	<u>16,185</u>
Excess of Revenues Over (Under) Expenditures	8,115	-	8,115
Fund Balance at Beginning of Year	<u>80,198</u>	<u>99,130</u>	<u>179,328</u>
Fund Balance at End of Year	\$ <u><u>88,313</u></u>	\$ <u><u>99,130</u></u>	\$ <u><u>187,443</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – EXPENDABLE TRUST FUNDS**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Street Tree</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Charges for Services	\$ <u>20,000</u>	\$ <u>24,300</u>	\$ <u>4,300</u>
<u>Expenditures</u>			
Current:			
Streets and Roads			
Capital Outlay	<u>21,575</u>	<u>17,760</u>	<u>3,815</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(1,575)</u>	<u>6,540</u>	<u>8,115</u>
Cash Fund Balance at Beginning of Year	<u>81,773</u>	<u>81,773</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>80,198</u></u>	\$ <u><u>88,313</u></u>	\$ <u><u>8,115</u></u>



**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – EXPENDABLE TRUST FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Park Land Acquisition</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Cash Fund Balance at Beginning of Year	\$ <u>99,130</u>	\$ <u>99,130</u>	\$ <u>-</u>
Cash Fund Balance at End of Year	\$ <u><u>99,130</u></u>	\$ <u><u>99,130</u></u>	\$ <u><u>-</u></u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – EXPENDABLE TRUST FUNDS (CONTINUED)**

**YEAR ENDED DECEMBER 31, 2000**

	<u>Totals</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Charges for Services	\$ <u>20,000</u>	\$ <u>24,300</u>	\$ <u>4,300</u>
<u>Expenditures</u>			
Current:			
Streets and Roads			
Capital Outlay	<u>21,575</u>	<u>17,760</u>	<u>3,815</u>
Excess of Revenues Over (Under) Expenditures	(1,575)	6,540	8,115
Cash Fund Balance at Beginning of Year	<u>180,903</u>	<u>180,903</u>	<u>-</u>
Cash Fund Balance at End of Year	\$ <u>179,328</u>	\$ <u>187,443</u>	\$ <u>8,115</u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS

**DECEMBER 31, 2000**

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
<u>PERFORMANCE BOND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>305,946</u>	\$ <u>249,365</u>	\$ <u>130,154</u>	\$ <u>425,157</u>
Total assets	\$ <u>305,946</u>	\$ <u>249,365</u>	\$ <u>130,154</u>	\$ <u>425,157</u>
<u>Liabilities</u>				
Accounts payable	\$ 300	\$ 75	\$ -	\$ 375
Refundable deposits	<u>305,646</u>	<u>249,290</u>	<u>130,154</u>	<u>424,782</u>
Total liabilities	\$ <u>305,946</u>	\$ <u>249,365</u>	\$ <u>130,154</u>	\$ <u>425,157</u>
<u>INSPECTION DEPOSIT</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>2,458</u>	\$ <u>52,414</u>	\$ <u>38,926</u>	\$ <u>15,946</u>
Total assets	\$ <u>2,458</u>	\$ <u>52,414</u>	\$ <u>38,926</u>	\$ <u>15,946</u>
<u>Liabilities</u>				
Accounts payable	\$ 307	\$ 3,827	\$ 307	\$ 3,827
Refundable deposits	<u>2,151</u>	<u>48,587</u>	<u>38,619</u>	<u>12,119</u>
Total liabilities	\$ <u>2,458</u>	\$ <u>52,414</u>	\$ <u>38,926</u>	\$ <u>15,946</u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>308,404</u>	\$ <u>301,779</u>	\$ <u>169,080</u>	\$ <u>441,103</u>
Total assets	\$ <u>308,404</u>	\$ <u>301,779</u>	\$ <u>169,080</u>	\$ <u>441,103</u>
<u>Liabilities</u>				
Accounts payable	\$ 607	\$ 3,902	\$ 307	\$ 4,202
Refundable deposits	<u>307,797</u>	<u>297,877</u>	<u>168,773</u>	<u>436,901</u>
Total liabilities	\$ <u>308,404</u>	\$ <u>301,779</u>	\$ <u>169,080</u>	\$ <u>441,103</u>

# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **GENERAL FIXED ASSETS**

**DECEMBER 31, 2000**

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### **General Fixed Asset Account Group**

This account group presents the general fixed assets of the City utilized in its general operations. General fixed assets include land and land improvements, buildings, vehicles, equipment and furnishings.

# CITY OF HIGHLAND HEIGHTS, OHIO

## SCHEDULE OF GENERAL FIXED ASSETS BY SOURCES

**DECEMBER 31, 2000**

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General Fixed Assets

Land and Land Improvements	\$ 2,216,060
Buildings	6,409,953
Vehicles, Equipment, and Furnishings	<u>2,489,072</u>
Total General Fixed Assets	\$ <u>11,115,085</u>

Investment in General Fixed Assets

General Fund	\$ 4,190,856
Special Revenue Fund	104,164
Capital Projects Fund	6,447,421
Expendable Trust Funds	<u>372,644</u>
Total Investment in General Fixed Assets	\$ <u>11,115,085</u>

# CITY OF HIGHLAND HEIGHTS, OHIO

## SCHEDULE OF GENERAL FIXED ASSETS – BY FUNCTION AND ACTIVITY

**DECEMBER 31, 2000**

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	Land and Land <u>Improvement</u>	<u>Buildings</u>	Machinery and <u>Equipment</u>	<u>Total</u>
General government	\$ 458,847	\$ 2,986,002	\$ 858,224	\$ 4,303,073
Public safety	431,828	2,543,040	1,236,144	4,211,012
Public works	184,609	654,624	342,497	1,181,730
Parks and recreation	1,056,377	226,287	27,733	1,310,397
Community environment	-	-	23,423	23,423
Streets and roads	-	-	1,051	1,051
Capital outlay	<u>84,399</u>	<u>-</u>	<u>-</u>	<u>84,399</u>
Total general fixed assets	\$ <u>2,216,060</u>	\$ <u>6,409,953</u>	\$ <u>2,489,072</u>	\$ <u>11,115,085</u>

## CITY OF HIGHLAND HEIGHTS, OHIO

### SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS – BY FUNCTION AND ACTIVITY

YEAR ENDED DECEMBER 31, 2000

	Balance January 1, <u>2000</u>	<u>Additions</u>	<u>Disposals</u>	Balance December 31, <u>2000</u>
General government	\$ 4,298,394	\$ 15,320	\$ 10,641	\$ 4,303,073
Public safety	4,168,202	145,260	102,450	4,211,012
Public works	1,188,716	49,243	56,229	1,181,730
Parks and recreation	1,300,169	10,228	-	1,310,397
Community environment	12,306	13,965	2,848	23,423
Streets and roads	1,051	-	-	1,051
Capital outlay	<u>84,399</u>	<u>-</u>	<u>-</u>	<u>84,399</u>
Total general fixed assets	\$ <u>11,053,237</u>	\$ <u>234,016</u>	\$ <u>172,168</u>	\$ <u>11,115,085</u>

**CITY OF HIGHLAND HEIGHTS, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2000**

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**STATISTICAL TABLES**

The following unaudited statistical tables reflect social and economic data, financial trends and fiscal capacity of the City.



**CITY OF HIGHLAND HEIGHTS, OHIO**

**GENERAL GOVERNMENT EXPENDITURES BY FUNCTION (1)**

**LAST TEN FISCAL YEARS** **TABLE 1**

Year	Public Safety	Public Health	Park and Recreation	Community Environment	Public Works	Streets and Roads	General Government	Capital Outlay	Debt (2) Service	Total
1991	\$ 2,631,582	\$ 11,019	\$ 370,081	\$ 152,889	\$ 888,166	\$ 790,126	\$ 1,105,356	\$ 403,755	\$ 830,856	\$ 7,183,830
1992 (3)	2,467,331	6,937	413,257	170,838	649,953	258,356	865,813	809,894	712,474	6,354,853
1993 (3)	2,814,380	13,873	473,230	198,379	784,171	279,662	1,206,581	1,314,657	881,632	7,966,565
1994 (3)	2,913,632	13,873	412,575	202,852	770,158	388,108	1,300,484	1,120,861	688,974	7,811,517
1995 (3)	3,129,612	15,248	510,598	231,907	806,265	706,078	1,325,660	7,023,830	851,121	14,600,319
1996	2,954,638	15,248	604,963	193,033	839,635	436,030	963,574	445,909	901,962	7,354,992
1997	3,330,431	16,122	426,766	220,042	871,851	589,109	984,006	2,004,821	2,523,066	10,966,214
1998	3,424,600	16,122	552,788	228,459	877,728	446,002	1,043,427	6,322,076	7,659,233	20,570,435
1999	3,809,003	-	592,328	233,224	1,078,337	509,788	1,394,770	5,963,387	2,851,882	16,432,719
2000	3,754,647	13,510	587,632	225,863	954,544	526,122	1,101,501	2,918,878	1,454,774	11,537,471

(1) Includes all governmental fund types and expendable trust fund type expenditures.

(2) Represents all interest paid on bonds and notes in addition to payments made to reduce the principal or the actual amount borrowed. Does not include the gross effect of note rollovers.

(3) No breakdown between police and fire services for these four years was performed for reporting purposes.

SOURCE: City of Highland Heights, Finance Department

**CITY OF HIGHLAND HEIGHTS, OHIO**

**GENERAL GOVERNMENT REVENUES BY SOURCE (1)**

**LAST TEN FISCAL YEARS** **TABLE 2**

Year	Taxes (2)	Intergov- ernmental	Special (3) Assessments	Charges for Services	Fines, Licenses and Permits	Interest Earnings	Miscellaneous	Total
1991	\$ 4,615,925	\$ 384,717	\$ 363,155	\$ 149,867	\$ 787,942	\$ 147,137	\$ 1,287,439	\$ 7,736,182
1992	5,269,804	344,484	380,844	175,441	696,383	135,219	76,921	7,079,096
1993	5,038,553	309,243	400,707	204,064	684,490	208,850	22,674	6,868,581
1994	5,357,762	475,908	418,285	220,382	421,482	147,318	473,220	7,514,357
1995	5,032,531	390,163	440,080	194,900	609,871	381,782	958,752	8,008,079
1996	5,270,733	521,130	467,053	200,999	355,707	163,149	941,433	7,920,204
1997	5,624,018	422,148	474,926	240,213	425,947	249,131	577,759	8,014,142
1998	7,262,243	1,988,292	462,570	422,649	353,380	403,740	720,874	11,613,748
1999	8,041,341	2,752,003	730,490	405,465	487,460	532,277	1,431,955	14,380,991
2000	7,829,500	2,253,623	625,182	327,437	432,950	661,766	238,292	12,368,750

(1) Includes all governmental fund types and expendable trust fund type expenditures.

(2) Includes municipal income taxes, property taxes, and other taxes.

(3) Includes both special assessments collected by the Cuyahoga County Auditor and prepayments collected by the City of Highland Heights Finance Department.

SOURCE: City of Highland Heights, Finance Department

**CITY OF HIGHLAND HEIGHTS, OHIO**

**PROPERTY TAXES LEVIED AND COLLECTED**

**LAST TEN FISCAL YEARS** **TABLE 3**

Collection Year	Total Tax Levy	Current Tax Collections (1)	Percent Levy Collected	Accumulated Outstanding Delinquent Taxes	Percent of Accumulated Delinquent Taxes to Total Tax Levy
	\$	\$	%	\$	%
1991	781,270	755,628	96.7%	28,462	3.6%
1992	880,519	861,310	97.8	17,832	2.0
1993	921,822	900,964	97.7	26,724	2.9
1994	920,686	897,368	97.5	24,622	2.7
1995	995,078	966,229	97.1	20,565	2.1
1996	996,904	946,535	94.9	26,876	2.7
1997	1,026,933	982,671	95.7	28,637	2.8
1998	1,148,171	1,097,863	95.6	28,561	2.5
1999	1,148,004	1,096,202	95.5	20,989	1.8
2000	1,151,034	1,107,200	96.2	45,546	4.0

(1) Represents amounts collected by the County for the City during the year indicated.

SOURCE: Cuyahoga County Auditor

**CITY OF HIGHLAND HEIGHTS, OHIO**

**ASSESSED VALUE OF ALL TAXABLE PROPERTY (1)**

**LAST TEN FISCAL YEARS**

**TABLE 4**

Collection Year	Real Property		Public Utility Tangible Property		Tangible Personal Property		Total		Ratio of Assessed Value to Estimated Actual Value
	Assessed Value	Estimated Value	Assessed Value	Estimated Value	Assessed Value	Estimated Value	Assessed Value	Estimated Value	
1991	\$ 129,658,340	\$ 370,452,400	\$ 5,945,430	\$ 6,756,170	\$ 48,784,959	\$ 180,685,033	\$ 184,388,729	\$ 557,893,603	33.05%
1992	154,906,490	442,589,971	6,218,580	7,065,568	51,444,561	197,863,696	212,569,631	647,519,235	32.83
1993	162,772,890	465,065,400	5,990,520	6,807,409	50,612,970	202,451,880	219,376,380	674,324,689	32.53
1994	172,857,490	493,878,543	6,010,340	6,829,932	50,944,469	203,777,876	229,812,299	704,486,351	32.62
1995	196,112,560	560,321,600	6,109,200	6,942,273	43,770,134	175,080,536	245,991,894	742,344,409	33.14
1996	203,787,280	582,249,371	5,782,570	6,571,102	39,964,555	159,858,220	249,534,405	748,678,693	33.33
1997	209,720,300	599,200,857	5,898,500	6,702,841	33,139,732	132,558,928	248,758,532	738,462,626	33.69
1998	230,067,690	657,336,257	5,605,090	6,369,420	35,261,512	141,046,048	270,934,292	804,751,725	33.67
1999	234,995,310	671,415,171	5,384,850	6,119,148	43,313,706	173,254,824	283,693,866	850,789,143	33.34
2000	238,182,700	680,522,000	4,856,290	5,518,511	40,227,485	160,909,940	283,266,475	846,950,451	33.45

(1) The assessed valuation is computed at approximately the following percentage of estimated actual value:

- a. Real property – 35%.
- b. Public utility tangible property – 88%.
- c. Tangible personal property in 1991 – 27%
- d. Tangible personal property in 1992 – 26%
- e. Tangible personal property in 1993-2000 – 25%

SOURCE: Cuyahoga County Auditor

**CITY OF HIGHLAND HEIGHTS, OHIO**

**PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 OF ASSESSED VALUE)**

**LAST TEN FISCAL YEARS** **TABLE 5**

Tax Year	Collection Year	City	(1)		
			County and Special Taxing Districts	Mayfield School District	Total
1991	1992	4.00	17.80	56.30	78.10
1992	1993	4.00	17.80	56.10	77.90
1993	1994	4.00	17.80	56.10	77.90
1994	1995	4.00	18.20	55.90	78.10
1995	1996	4.00	18.00	58.90	80.90
1996	1997	4.00	18.00	58.90	80.90
1997	1998	4.00	18.00	58.90	80.90
1998	1999	4.00	16.70	59.40	80.10
1999	2000	4.00	16.70	59.40	80.10
2000	2001	4.00	17.60	59.30	80.90

(1) Cleveland Metropolitan Park District, Cuyahoga Community College District, Cleveland-Cuyahoga Port Authority and Cuyahoga County Library and Cuyahoga County Services.

SOURCE: Cuyahoga County Auditor

**CITY OF HIGHLAND HEIGHTS, OHIO**

**PROPERTY TAX RATES – COMPARED TO CHARTER LIMITATIONS (PER \$1,000 OF ASSESSED VALUE)**

**LAST TEN FISCAL YEARS** **TABLE 6**

Tax Year/ Collection Year	5.0 Mill		12.0 Mill		1.0 Mill		0.3 Mill		0.3 Mill		Total	
	Limit for General Fund		Limit for Debt Service		Limit for Recreation Purpose		Limit for Police Pension		Limit for Fire Pension		City Millage	
1991/1992	2.18		0.22		1.00		0.30		0.30		4.00	
1992/1993	2.20		0.20		1.00		0.30		0.30		4.00	
1993/1994	2.20		0.20		1.00		0.30		0.30		4.00	
1994/1995	2.20		0.20		1.00		0.30		0.30		4.00	
1995/1996	2.20		0.20		1.00		0.30		0.30		4.00	
1996/1997	2.22		0.18		1.00		0.30		0.30		4.00	
1997/1998	2.40				1.00		0.30		0.30		4.00	
1998/1999	2.40				1.00		0.30		0.30		4.00	
1999/2000	2.40				1.00		0.30		0.30		4.00	
2000/2001	2.40				1.00		0.30		0.30		4.00	

SOURCE: Cuyahoga County Auditor

**CITY OF HIGHLAND HEIGHTS, OHIO**

**SPECIAL ASSESSMENT COLLECTIONS**

**LAST TEN FISCAL YEARS** **TABLE 7**

Collection Year	Amount Billed	(1) Amount Collected	Percent Collected
1991	\$ 375,289	\$ 366,784	97.7%
1992	392,070	380,844	97.1
1993	411,769	400,708	97.3
1994	427,592	418,285	97.8
1995	466,236	438,297	94.0
1996	466,236	467,053	100.2
1997	473,768	474,926	100.2
1998	462,542	456,350	98.6
1999	465,264	460,781	99.0
2000	570,766	566,736	99.3

(1) Collections made by County Auditor only.

SOURCE: Cuyahoga County Auditor

# CITY OF HIGHLAND HEIGHTS, OHIO

## COMPUTATION OF LEGAL DEBT MARGIN – STATUTORY DEBT LIMITATIONS

**DECEMBER 31, 2000**

**TABLE 8**

Total Assessed Valuation		\$ <u>283,266,475</u>
Overall Debt Limitation – 10-½% of assessed valuation		\$ 29,742,980
Gross Indebtedness (2)	\$ 16,145,000	
Less: Debt outside limitations	<u>5,905,000</u>	
Debt within 10-½% limitation	10,240,000	
Less: Amount available in Debt Service Fund (1)	<u>1,293,123</u>	
Net debt within 10-½% limitation		<u>8,946,877</u>
Legal debt margin within 10-½% limitation		\$ <u>20,796,103</u>
Unvoted Debt Limitation – 5-½% of assessed valuation		\$ 15,579,656
Gross Indebtedness authorized by Council (2)	\$ 16,145,000	
Less: Debt outside limitations	<u>5,905,000</u>	
Debt within 5-½% limitation	10,240,000	
Less: Amount available in Debt Service Fund (1)	<u>1,293,123</u>	
Net debt within 5-½% limitation		<u>8,946,877</u>
Legal debt margin within 5-½% limitation		\$ <u>6,632,779</u>

(1) Excludes balance in Special Assessment Bond Retirement Fund.

(2) Excludes loans

SOURCE: City of Highland Heights, Finance Department



# **CITY OF HIGHLAND HEIGHTS, OHIO**

## **COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

**DECEMBER 31, 2000**

**TABLE 9**

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to City of Highland Heights</u>	<u>Amount Applicable to City of Highland Heights</u>
City of Highland Heights (1)	\$ 16,145,000	100.00%	\$ 16,145,000
Mayfield City School District	9,864,994	26.85	2,648,751
Cuyahoga County	231,044,636	1.11	2,564,595
Greater Cleveland Regional Transit Authority	98,030,000	1.11	1,088,133

The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing the overlapping subdivisions' assessed valuation within the City by its total assessed valuation.

(1) Excludes loans.

SOURCE: Cuyahoga County Auditor

**CITY OF HIGHLAND HEIGHTS, OHIO**

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUATION AND NET BONDED DEBT PER CAPITA**

**LAST TEN FISCAL YEARS** **TABLE 10**

Year	Population	Assessed Value	Gross Debt	Special Assessment Debt	General Obligation Debt	General Obligation Service Money Available	(1) Net General Obligation Debt	(1) Ratio of Net Debt to Assessed Valuation	(1) Net General Obligation Debt per Capita
1991	6,300	\$ 184,388,729	\$ 5,512,000	\$ 2,529,426	\$ 2,982,574	\$ 396,883	\$ 2,585,691	1.4	410
1992	6,500	212,569,631	6,628,000	2,444,439	4,183,561	372,384	3,811,177	1.8	586
1993	6,600	219,376,380	4,849,000	2,349,448	2,499,552	335,624	2,163,928	1.0	328
1994	6,700	229,812,299	11,990,000	2,249,461	9,740,539	330,677	9,409,862	4.1	1,404
1995	6,750	245,991,894	11,866,000	2,144,477	9,721,523	258,925	9,462,598	3.8	1,402
1996	7,000	249,534,405	11,527,000	2,024,527	9,502,473	88,645	9,413,828	3.8	1,345
1997	7,647	248,758,532	9,928,000	1,899,500	8,028,500	89,757	7,938,743	3.19	1,038
1998	7,800	270,934,292	9,280,000	1,775,000	7,505,000	291,776	7,213,224	2.66	925
1999	7,800	283,693,866	14,205,000	6,020,000	8,185,000	1,432,195	6,752,805	2.38	866
2000	8,082	283,266,475	13,715,000	5,905,000	7,810,000	1,293,123	6,516,877	2.3	806

(1) Does not include Special Assessment Debt.

SOURCE: Cuyahoga County Auditor

**CITY OF HIGHLAND HEIGHTS, OHIO**

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION DEBT TO TOTAL GENERAL EXPENDITURES**

**DECEMBER 31, 2000**

**TABLE 11**

Year	(1) General Obligation		General Obligation Interest	(2) General Obligation		Total General Operating Expenditures	Ratio of General Obligation Debt Service to General Operating Expenditures
	Principal			Debt Service			
1991	\$ 239,013	\$	112,716	\$ 351,729	\$	7,183,829	4.89
1992	239,013		98,471	337,484		6,421,220	5.26
1993	244,013		184,046	428,059		7,966,565	5.37
1994	259,013		149,135	408,148		7,811,517	5.22
1995	219,013		133,464	352,477		22,300,319	1.58
1996	219,050		119,643	338,693		15,054,992	2.25
1997	268,973		105,571	374,544		18,666,214	2.01
1998	523,500		396,854	920,354		20,577,435	4.47
1999	335,000		369,823	704,823		16,432,719	4.29
2000	375,000		426,311	801,311		11,537,471	6.95

(1) Does not include the rollover of principal due under bond anticipation notes.

(2) Debt service on General Obligation Bonds and Notes does not include debt service on Special Assessment Bonds and Notes.

# CITY OF HIGHLAND HEIGHTS, OHIO

## DEMOGRAPHIC STATISTICS

### LAST TEN FISCAL YEARS

**TABLE 12**

<u>Year</u>	(1) <u>Population</u>	(2) Mayfield School District <u>Enrollment</u>	(3) Cuyahoga County Unemployment <u>Rate</u>
1991	6,300	3,386	5.50
1992	6,500	3,813	6.60
1993	6,600	3,903	6.80
1994	6,700	3,995	5.80
1995	6,750	4,065	5.00
1996	7,000	4,057	5.00
1997	7,647	4,166	4.50
1998	7,800	4,033	4.50
1999	7,800	4,047	4.50
2000	8,082	4,028	4.20

(1) City Estimate

(2) Mayfield Board of Education (Mayfield Heights, Highland Heights, Mayfield Village and Gates Mills).

(3) Ohio Bureau of Employment Services, Division of Labor Force Research and Statistics.

**CITY OF HIGHLAND HEIGHTS, OHIO**

**PROPERTY VALUE, NEW CONSTRUCTION AND BANK DEPOSITS**

**LAST TEN FISCAL YEARS** **TABLE 13**

Year	(1) Residential Construction		(1) Commercial Construction		(1) Commercial Construction		(5) Condominium Construction		(5) Condominium Construction		(2) County Bank Deposits (In Thousands)		(3) and (4) Total Assessed Property Values
	Value	Units	Value	Units	Value	Units	Value	Units	Value	Units	Thousands	Thousands	
1991	\$ 18,325,950	94	-	-	-	-	-	-	-	-	\$ 18,392,243	\$	184,388,729
1992	24,393,800	120	-	-	-	-	-	-	-	-	-	-	212,569,631
1993	17,542,881	82	3,800,000	2	-	-	-	-	-	21,900,421	21,900,421	-	219,376,380
1994	17,203,000	70	2,000,000	1	-	-	-	-	-	20,885,453	20,885,453	-	229,812,299
1995	7,776,300	27	1,105,000	3	-	-	-	-	-	22,694,304	22,694,304	-	245,991,894
1996	6,997,650	19	1,500,000	1	-	-	-	-	-	27,068,211	27,068,211	-	249,534,405
1997	12,151,900	38	1,035,000	2	-	-	-	-	-	53,941,971	53,941,971	-	248,758,532
1998	13,210,000	43	-	-	-	-	-	-	-	58,904,596	58,904,596	-	270,934,292
1999	16,141,000	63	1,430,000	2	3,374,000	33	33	33	33	57,816,942	57,816,942	-	283,693,866
2000	17,616,650	62	2,979,000	2	2,764,000	33	33	33	33	61,942,764	61,942,764	-	283,266,475

- (1) City of Highland Heights Building Department.
- (2) Federal Reserve Bank of Cleveland (total demand, time and savings deposits in Cuyahoga County).
- (3) Cuyahoga County Auditor's Office.
- (4) Represents the values assessed for taxation which range from 25% to 88% of estimated true value.
- (5) The Condominium values are being reported for the first time in 1999.

# CITY OF HIGHLAND HEIGHTS, OHIO

## PRINCIPAL TAXPAYERS – REAL PROPERTY

### LAST TEN FISCAL YEARS

**TABLE 14**

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Derf Limited	\$ 5,712,020	2.40%
Developers Diversified Realty Corporation	5,363,580	2.25
Progressive Casualty Insurance Company	4,507,830	1.89
Marconi Systems, Inc.	3,640,950	1.53
Crawford Fitting Company	3,089,630	1.30
Cleveland Electric Illuminating Company	2,408,300	1.01
Cleveland Company	2,210,320	0.93
Ohio Bell Telephone Company	2,187,920	0.92
Alpha Investment Company	2,120,070	0.89
Cole National Corporation	<u>1,578,400</u>	<u>0.66</u>
	\$ <u>32,819,020</u>	<u>13.78%</u>
Total Assessed Valuation	\$ <u>238,182,700</u>	

Source: Cuyahoga County Real Property Tax/Description 1999.

**CITY OF HIGHLAND HEIGHTS, OHIO**

**PRINCIPAL TAXPAYERS – PERSONAL PROPERTY**

**LAST TEN FISCAL YEARS**

**TABLE 15**

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Whitey Company	\$ 9,697,700	21.51%
Marconi Systems, Inc.	7,913,650	17.55
Falon Company	1,572,480	3.49
Hechinger Investment Co.	1,522,610	3.38
Rockwell International Corp.	1,420,190	3.15
IBM Credit Corp.	1,205,170	2.67
Royal Appliance Manufacturing Co.	1,163,120	2.58
Masco Machine, Inc.	1,157,150	2.57
S.G. Morris Co.	942,190	2.09
American Consolidated	<u>928,770</u>	<u>2.06</u>
	\$ <u>27,523,030</u>	<u>61.05%</u>
Total Assessed Valuation	\$ <u>45,083,775</u>	

# CITY OF HIGHLAND HEIGHTS, OHIO

## OTHER STATISTICS

**DECEMBER 31, 2000**

**TABLE 16**

Date of incorporation .....	1920
Form of government .....	Mayor/Council
Area.....	5.7 square miles
Miles of streets.....	47.1
Number of street lights.....	796
Fire protection:	
Number of stations .....	1
Number of full-time firemen and officers .....	14
Police protection:	
Number of stations .....	1
Number of full-time policemen and officers .....	22
Sewers:	
Miles of sanitary sewers .....	41
Water:	
Miles of water mains .....	45
Fire hydrants.....	667
Building permits issued:	
Residential .....	824
Nonresidential .....	115
Recreation:	
Number of parks.....	2
Employees:	
Full-time (classified) .....	55
Full-time (unclassified) .....	6
Part-time .....	143





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

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**CITY OF HIGHLAND HEIGHTS**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 3, 2001**