

CITY OF MAPLE HEIGHTS, OHIO

SINGLE AUDIT REPORT

DECEMBER 31, 2004



**Auditor of State
Betty Montgomery**

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

We have reviewed the *Independent Auditor's Report* of the City of Maple Heights, Cuyahoga County, prepared by James G. Zupka, C.P.A., Inc., for the audit period January 1, 2004 through December 31, 2004. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

BETTY MONTGOMERY
Auditor of State

October 24, 2005

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CITY OF MAPLE HEIGHTS, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2004

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

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Ohio Society of Certified Public Accountants

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of and for the year ended December 31, 2004, which collectively comprise the City of Maple Heights, Ohio's basic financial statements and have issued our report thereon dated August 10, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Maple Heights, Ohio's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings and Questioned Costs as Item 2004-1.

We also noted certain matters that we reported to the management of City of Maple Heights, Ohio, in a separate letter dated August 10, 2005.

This report is intended solely for the information and use of the audit committee, management, members of City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

August 10, 2005

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

Certified Public Accountants

5240 East 98th Street

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**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

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

Compliance

We have audited the compliance of the City of Maple Heights, Ohio, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2004. The City of Maple Heights, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Maple Heights, Ohio's management. Our responsibility is to express an opinion on the City of Maple Heights, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Maple Heights, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Maple Heights, Ohio's compliance with those requirements.

In our opinion, the City of Maple Heights, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004.

Internal Control Over Compliance

The management of the City of Maple Heights, Ohio, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Maple Heights, Ohio's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of and for the year ended December 31, 2004, and have issued our report thereon dated August 10, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Maple Heights, Ohio's basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of members of the audit committee, management, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

August 10, 2005

CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2004

Federal Grantor/ Pass Through Grantor/Expenditures/ Program Title	Federal CFDA Number	Pass-Through Identifying Number	Federal Expenditures
<u>United States Department of Transportation</u>			
<i>Passed through the Ohio Department of Transportation</i>			
Highway Planning and Construction	20.205	TE21g000000222	\$ <u>259,590</u>
Total United States Department of Transportation			<u>259,590</u>
<u>United States Department of Housing and Urban Development</u>			
<i>Passed through Cuyahoga County Department of Development</i>			
CDBG Entitlement Grant	14.218	ce-0300112-01	<u>174,808</u>
Total United States Department of Housing and Urban Development			<u>174,808</u>
<u>United States Department of Health and Human Services</u>			
<i>Direct Program</i>			
Special Programs for the Aging - Title III - Part C - Nutrition Services	93.045	N/A	<u>33,786</u>
Total United States Department of Health and Human Services			<u>33,786</u>
<u>United States Department of Homeland Security</u>			
<i>Passed through Ohio Department of Public Safety</i>			
Federal Emergency Management Agency - Disaster	97.036	N/A	12,357
<i>Direct Program</i>			
Federal Emergency Management Agency - Fire Grant	97.044	EMW-2003-FG-00348	<u>272,674</u>
Total United States Department of Homeland Security			<u>285,031</u>
Total Expenditures of Federal Awards			<u>\$ 753,215</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1: **SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the City's federal award program. The schedule has been prepared on the accrual basis of accounting.

CITY OF MAPLE HEIGHTS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 DECEMBER 31, 2004

1. **SUMMARY OF AUDITOR'S RESULTS**

2004(i)	Type of Financial Statement Opinion	Unqualified
2004(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2004(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
2004(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	Yes
2004(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
2004(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
2004(v)	Type of Major Programs' Compliance Opinions	Unqualified
2004(vi)	Are there any reportable findings under .510?	No
2004(vii)	Major Programs (list):	97.044 - Federal Emergency Management Agency - Fire Grant
2004(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2004(ix)	Low Risk Auditee?	Yes

CITY OF MAPLE HEIGHTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2004

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

Item 2004-1 - Negative Cash Fund Balance

Condition/Criteria

Contrary to Ohio Revised Code Section 5705.10, at year end, the following fund of the City had a negative cash balance as follows:

Northfield Road Improvements Fund	\$ (741,499)
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Cause/Effect

The City requested payment from the Ohio Department of Transportation prior to year end, but payment was not received until after year end, resulting in a negative cash fund balance.

Recommendation

We recommend that the City advance funds to prevent a negative fund balance and comply with Ohio Revised Code Section 5705.10.

Corrective Action Plan

In this case, the City did not advance funds since it was a timing issue relating to availability of grant funds. In the future, the City will advance funds if any negative fund balances exist.

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

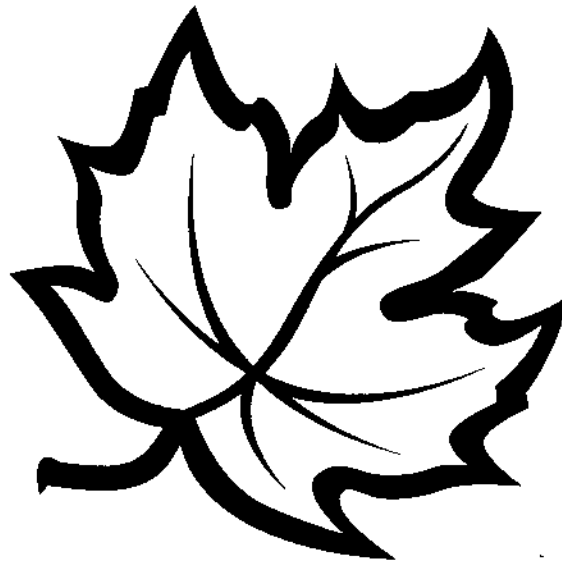
None.

CITY OF MAPLE HEIGHTS, OHIO
STATUS OF PRIOR CITATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2004

The prior audit report, as of December 31, 2003, included no citations. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

Comprehensive Annual Financial Report

**For The Fiscal Year Ended
December 31, 2004**



**The City of
Maple Heights, Ohio**

CITY OF MAPLE HEIGHTS, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2004

PREPARED BY
THE DEPARTMENT
OF FINANCE

Keith D. Schuster, CPA
Director

Gary S. Vargo
Assistant Director

**INTRODUCTORY
SECTION**

City of Maple Heights, Ohio
Comprehensive Annual Financial Report
For The Year Ended December 31, 2004
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Michael G. Ciaravino
Mayor

Keith D. Schuster, CPA
Director of Finance



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August 10, 2005

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

We are pleased to submit the Comprehensive Annual Financial Report of the City of Maple Heights, Ohio for the year ended December 31, 2004. We believe this report, prepared by the Department of Finance, presents comprehensive financial and operating information about the City's activities during 2004 that should be useful to citizens and taxpayers. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and the results of operations of the City; and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial activity have been included.

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

CITY ORGANIZATION

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

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

Legislative authority is vested in an eight-member Council. The President of Council is elected at-large, and seven members are elected from districts, all for two-year terms. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The Charter establishes certain administrative departments; the Council may establish divisions of those departments and additional departments.

The City's chief executive and administrative officer is the Mayor who is elected by the voters specifically to that office for a four-year term. The Mayor is also the Safety Director and presides over the Mayor's Court.

The Mayor appoints, subject to the approval of Council, the directors of the City's departments, including the Director of Finance. The Mayor also appoints members to a number of boards and commissions and appoints and removes, in accordance with applicable civil service requirements, most appointed officers and employees. The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of all members of the Council. The present term of the Council members expires on December 6, 2005. The present term of the Mayor expires on December 4, 2007. All elected officials, except the Mayor, serve part-time.

REPORTING ENTITY

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. This definition of the reporting entity is found in GASB Statement No. 14, "The Financial Reporting Entity."

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

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 reporting entity of the City does not include any component units.

As discussed in the notes, the City participates in several jointly governed organizations, including the Northern Ohio Risk Management Association, the Northeast Ohio Public Energy Council, the Southeast Area Law Enforcement Agency, and the Chagrin Southeast Council of Governments. Note 20 describes the City's relationship to these entities.

ECONOMIC CONDITIONS AND OUTLOOK

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

During 2004, the local economy reflected the significant changes that occurred on the national level. Income tax collections for the year increased less than 1% over 2003. This decrease in addition to reductions in State assistance played a significant role in the reduction to fund balance for the general fund in 2004. In addition, increases in wages, health care and workers compensation were also pivotal in 2004 and will play a significant role in the City's fiscal health in 2005. During 2004, the City did not replace 12 full-time employees to offset a projected deficit in 2005. The budget for 2005 includes additional employee and service reductions.

The City expects to be a participant in the Cuyahoga County Brownfield Redevelopment Program. This program will address the redevelopment of the former Cook United building, which has been vacant since

1984. This program is earmarked for sites in the County that cannot be redeveloped without substantial environmental remediation. It is anticipated that this site may be available for redevelopment during 2004.

The City was awarded a grant and loan from the State of Ohio Issue II program for the year 2002. This project will include the complete reconstruction and widening of Northfield Road, from I-480 to Rockside Road. This work will be a joint effort for the cities of Maple Heights, Bedford, and Bedford Heights, as well as the Cleveland Division of Water. The \$3 million dollar project cost will be funded with a grant of \$1.6 million and a 20 year no interest loan of \$1.4 million. Construction began in December 2002 and is expected to be completed by July 2005.

The public investment in infrastructure is reflected in what is going on in the private sector.

In 1989, the City entered into an agreement with the neighboring Village of Valley View to operate a joint enterprise zone, named the 'Southport Business Center.' Since its inception, the Southport Business Center has created more than 700 jobs. Under the joint enterprise zone agreement, 10% of all tax revenues generated by the existence of the enterprise zone will be turned over to the City during the term of the tax abatement, but in no case for fewer than 10 years. This agreement expired in 1999. For 2004 and 2003 the amounts paid to the City were \$49,715 and \$51,076, respectively.

Community Development

The City has initiated a variety of programs to assist property owners in improving their properties. All of these programs and improvements have been implemented to the extent possible by leveraging local City funds with available State and Federal funds. For example, the City has created a tool lending program, a senior assistance program which includes free driveway snow plowing, and a federally funded home exterior maintenance program, which offers grants to homeowners to correct housing violations through linkages with the Cuyahoga County Department of Development (CDBG). Numerous Community Development projects were in progress in 2004. These projects include:

- **Broadway Streetscape** - During 2001, the City completed Phase I and Phase II of the beautification of Broadway Avenue. The City received \$300,000 in Community Development Block Grant (CDBG) funds to assist with the project. The City also contributed \$ 400,000 for this project. In addition, the City has been awarded an additional \$150,000 from CDBG monies in 2002 for Phase III, which will consist of renovations to Library Lane and additional curb work along Broadway Avenue. The project was completed in 2004.
- **Home Exterior Maintenance Program** - This program, administered by the City, provides financial assistance to low to moderate homeowners to repair their homes. Assistance is provided to those in violation of the housing code or those in need of maintenance. In 2004, the City received a \$35,000 grant from Community Development Block Grant funds that assisted 15 homeowners.
- **Cuyahoga County Link-Deposit Program** - Since 1993, the Cuyahoga County Treasurers Office offered this program to Maple Heights residents. The program offers participants a 3% interest rate reduction on any property improvement loan. To date, 126 loans were made to Maple Heights single family and multi family residents for a total of \$985,200.
- **Cuyahoga County Home Loan Rehabilitation Program** - In 2004, The Cuyahoga County Office of Development offered these loans to Maple Heights residents. The program offers reduced interest rates to those who qualify. During 2004, three loans valued at \$16,278 were granted to residents.

Proprietary Functions

The City began operating the Maple Heights Transit System in 1935. In 1975 the City contracted with the Greater Cleveland Regional Transit Authority (GCRTA) (which provides public transportation services throughout the County), establishing a uniform fare structure and mutual transfer privileges as part of an effort to coordinate transit service within the County. The Authority reimburses the City for costs of transportation services provided and furnishes some equipment as required. In 1999, the City renegotiated a new five-year operating agreement with GCRTA that expires on December 31, 2004. During 2004, the City and GCRTA reached an agreement for an extension of the current agreement to March 31, 2005, with the intention that GCRTA would acquire the Maple Heights Transit System. The City's transit system currently provides service, to residents of and employees in the City, between the City and nearby communities and downtown Cleveland. It has 32 employees, operates 21 buses, and maintains a bus storage and maintenance garage.

During 2004, the City continued operating a "Community Circulator" route utilizing buses much smaller than the standard 50 passenger coaches. The intent of the "circulator" is to provide neighborhood bus service to major shopping areas and as a connector with major cross-town and downtown destinations.

For more information regarding the acquisition of the Maple Heights Transit System by GCRTA please refer to note 23 of the financial statements.

FINANCIAL CONDITION

This is the second year that the City of Maple Heights has prepared financial statements in accordance with GASB Statement No. 34, "Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the City's financial activities as follows;

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

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

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

As part of the new reporting model, management is responsible for preparing a discussion and analysis of the City. The discussion follows the Independent Auditors' Report providing an assessment of the City's finances for 2004.

Cash Management

All City cash is pooled for investment purposes in order to generate the highest possible yield. A majority of the City's deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least one hundred five percent (105%) of the public funds on deposit. Trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions, hold the collateral.

Risk Management

In 2004, the City continued to participate in the Northern Ohio Risk Management Association (NORMA) municipal insurance pool. Originally formed in 1987, this pool is currently comprised of eleven member cities that pool resources for the purpose of gaining maximum general liability, property and casualty coverages at the least possible cost. Losses are paid in a three step process. Each member city has an individual self insurance limit (currently \$2,500). The overall pool has a retention limit (currently \$147,500) and various insurance coverages protect members of the pool to a maximum of up to \$11 million. In addition, the pool has implemented risk control techniques to minimize potential losses to member cities.

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

Pension Plans

All City employees are covered by the Ohio Public Employees Retirement System or The Ohio Police and Fire Pension Fund. The city's employer contribution is based on a percentage of employee's salaries. State law requires the City to pay the employer's share as determined by each retirement system. A more detailed discussion of pension plans can be found in notes 12 and 13 of the basic financial statement in the financial section of this report.

OTHER INFORMATION

Independent Audit

In accordance with Ohio law, annual independent audits are required to be performed on all financial operations of the City. These audits are conducted by either the Auditor of the State of Ohio or, if the Auditor permits, an independent public accounting firm. The City of Maple Heights has engaged the independent accounting firm of James G. Zupka, C.P.A., Inc. to perform an annual audit for 2004, their report is included in the Financial Section of this report.

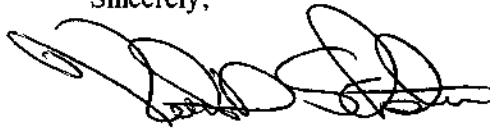
AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Maple Heights, Ohio for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2003. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting and is awarded to governmental entities who publish an easily readable and efficiently organized CAFR. The report must conform to program standards established by the GFOA. These standards included generally accepted accounting principles and all applicable legal standards. The Certificate is valid for a one year period. The City of Maple Heights has received a Certificate of Achievement for the last 19 consecutive years (fiscal years ended 1985-2003). We believe the current report continues to conform to the Certificate of Achievement requirements, and we are submitting it to the GFOA to determine its eligibility for a succeeding certificate.

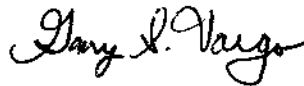
ACKNOWLEDGMENTS

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

Sincerely,

A handwritten signature in black ink, appearing to read "Keith D. Schuster". The signature is fluid and cursive, with a prominent loop at the end.

Keith D. Schuster, CPA
Director of Finance

A handwritten signature in black ink, appearing to read "Gary S. Vargo". The signature is cursive and somewhat stylized.

Gary S. Vargo
Assistant Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Maple Heights,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2003

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.



Nancy L. Zjella

President

Jeffrey R. Enow

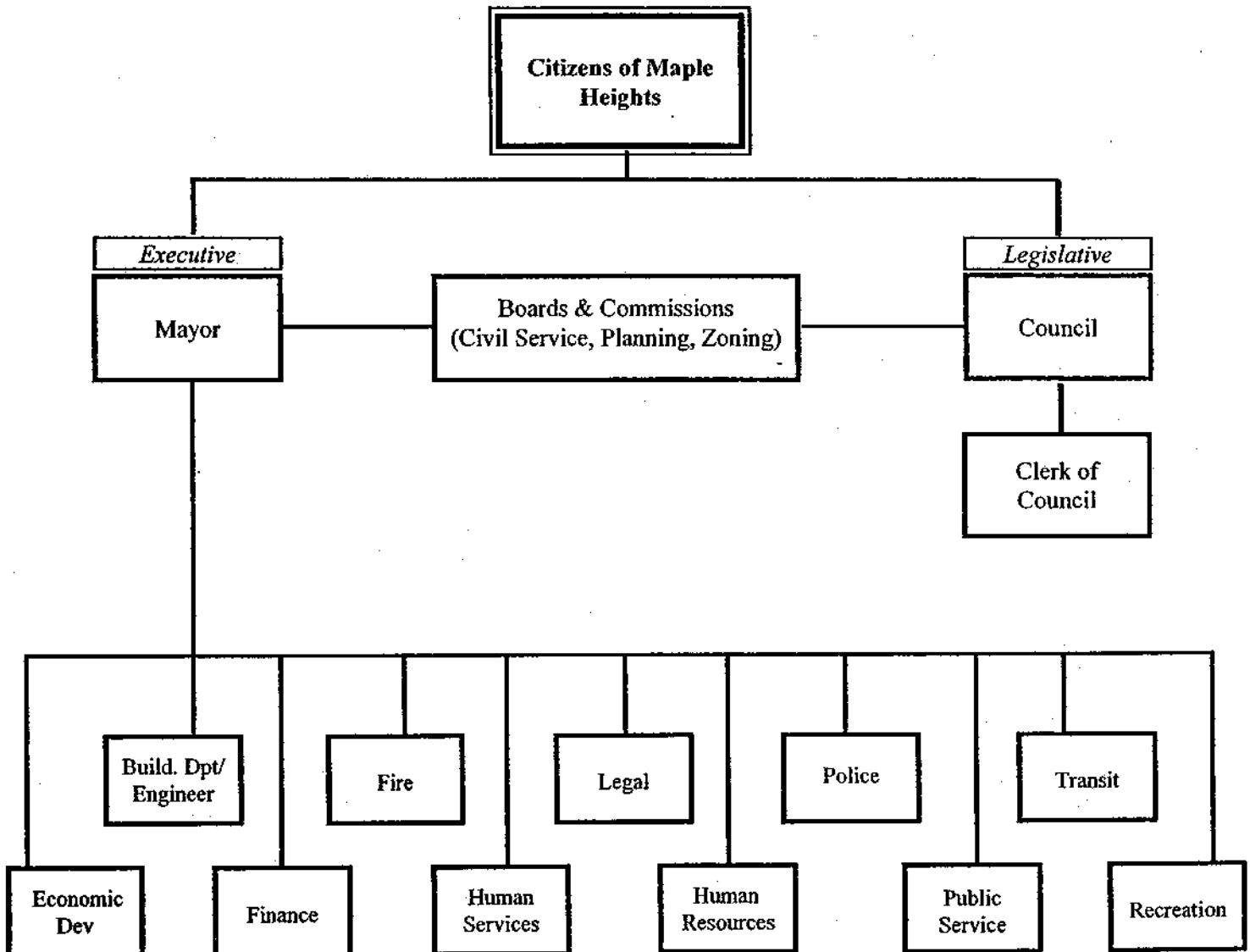
Executive Director

City of Maple Heights, Ohio

Principal City Officials
December 31, 2004

<u>Title</u>	<u>Name</u>
<u>Elected Officials</u>	
Mayor	Michael G. Ciaravino
Council President	Michael A. White
Council Member - District One	Paul O. Priebe III
Council Member - District Two	Theodore Lockmiller, Jr.
Council Member - District Three	Frank C. Artino, Jr.
Council Member - District Four	Freddie Jackson
Council Member - District Five	Richard A. Taylor
Council Member - District Six	Michelle R. Lowrey
Council Member - District Seven	B. Lee Miami
<u>Appointed Officials</u>	
Building Commissioner	Robert Apanasewicz
Chief of Fire	James Castelucci
Director of Human Resources	Wanda Deadwyler
Chief of Police	Richard Maracz
Interim Director of Service	Lynn Rogers
Director of Finance	Keith D. Schuster
Clerk of Council	Linda J. Sigado
Director of Law	Timothy Toma
Manager of Development	Gerald Trafis
Interim City Engineer	Kenneth Tyrpak
Assistant Director of Finance	Gary S. Vargo
Director of Transit	Kevin Vest
Director of Human Services	Linda Vopat

CITY OF MAPLE HEIGHTS, OHIO ORGANIZATION CHART - DECEMBER 2004



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**FINANCIAL
SECTION**

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

The Honorable Betty Montgomery
Auditor of State
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the general fund and the Municipal Income Tax major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2005 on our consideration of the City of Maple Heights, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

James G. Zupka, CPA, Inc.

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

August 10, 2005

City of Maple Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

As management of the City of Maple Heights, Ohio, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2004. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the City's financial statements, which follow this section.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2004 by \$35,283,030. Of this amount, \$2,875,891 million is considered unrestricted. The unrestricted net assets of the City's governmental activities are \$2,455,088 and may be used to meet the government's on-going obligations. The unrestricted net assets of the City's business type activities are \$420,803 and may be used to meet the on-going obligations of the City's solid waste collection, public transit and advertising business-type activities.
- The City's total net assets increased \$541,932 in 2004. Net assets of the governmental activities increased \$539,952, which represents a 1.58 percent increase from 2003. Net assets of the business-type activities increased \$ 1,980 which represents a .41 increase from 2003.
- The total cost of the City's governmental activities in 2004 was \$22,240,827. The total cost of the City's business-type activities was \$4,051,031 in 2004.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$4,180,819. Approximately \$3,850,099 of the \$4,180,819 fund balance is considered unreserved at December 31, 2004.
- The general fund reported a fund balance of \$826,697 at the end of the current fiscal year. The unreserved fund balance for the general fund was \$577,608.

Overview of the financial Statements

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

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

City of Maple Heights, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2004

Unaudited

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

The government-wide financial statements can be found on pages 11 of this report.

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

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

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

The City maintains 30 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the bond retirement fund, and the municipal income tax fund, all of which considered to be major funds. Data from the other 27 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements begin on page 13 of this report.

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

City of Maple Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

The basic proprietary fund financial statements can be found on pages 19 through 22 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 50 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget. The City adopts an annual appropriation budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 75 this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 51 through 73 of this report.

Table 1 - Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Assets						
Current and Other Assets	\$17,065,003	\$15,231,591	\$1,094,689	\$1,157,468	\$18,159,692	\$16,389,059
Capital Assets	<u>42,466,688</u>	<u>41,819,404</u>	<u>62,066</u>	<u>55,381</u>	<u>42,528,754</u>	<u>41,874,785</u>
Total Assets	59,531,691	57,050,995	1,156,755	1,212,849	60,688,446	58,263,844
Liabilities						
Long-Term Liabilities	15,734,190	13,359,873	278,544	264,400	16,012,734	13,624,273
Other Liabilities	<u>8,997,340</u>	<u>9,430,913</u>	<u>395,342</u>	<u>467,560</u>	<u>9,392,682</u>	<u>9,898,473</u>
Total Liabilities	<u>24,731,530</u>	<u>22,790,786</u>	<u>673,886</u>	<u>731,960</u>	<u>25,405,416</u>	<u>23,522,746</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	30,051,673	29,263,578	62,066	55,381	30,113,739	29,318,959
Restricted	2,293,400	2,638,011	0	0	2,293,400	2,638,011
Unrestricted	<u>2,455,088</u>	<u>2,358,620</u>	<u>420,803</u>	<u>425,508</u>	<u>2,875,891</u>	<u>2,784,128</u>
Total Net Assets	<u>\$ 34,800,161</u>	<u>\$34,260,209</u>	<u>\$482,869</u>	<u>\$480,889</u>	<u>\$ 35,283,030</u>	<u>\$34,741,098</u>

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's assets exceeded liabilities by \$ 35,283,030 at the close of the most recent fiscal year.

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

City of Maple Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

An additional portion of the City's net assets reflects resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net assets may be used to meet the government's on-going obligations to citizens and creditors. It is important to note that, although the total unrestricted net assets is \$2,875,891, the net assets of the City's business-type activities \$420,803 may not be used to fund governmental activities.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. Overall, net assets of the City increased \$541,932 in 2004. Net assets for governmental activities increased \$539,952, while net assets for business-type activities increased \$1,980. There was a decrease of \$344,611 in restricted net assets reported in connection with the City's governmental activities. There was also an increase of \$788,095 in the amount invested in capital assets, net of related debt for governmental activities.

Table 2 shows the change in net assets for the fiscal years ended December 31, 2004 and 2003.

Table 2 - Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Revenues						
Program Revenues						
Charges for Services	\$ 3,175,437	\$ 3,453,980	\$ 4,070,876	\$ 4,555,292	\$ 7,246,313	\$ 8,009,272
Operating Grants and Contributions	1,044,056	808,141	0	0	1,044,056	808,141
Capital Grants and Contributions	2,253,227	336,732	0	0	2,253,227	336,732
General Revenues						
Property Taxes	5,831,733	5,058,593	0	0	5,831,733	5,058,593
Income Taxes	6,978,664	6,337,898	0	0	6,978,664	6,337,898
Other Taxes	0	47,677	0	0	0	47,677
Grants and Entitlements	3,401,322	3,265,061	0	0	3,401,322	3,265,061
Other	71,340	177,588	7,135	7,412	78,475	185,000
Total Revenues	22,755,779	19,485,670	4,078,011	4,562,704	26,833,790	24,048,374
Expenses						
General Government	3,646,940	3,347,862	0	0	3,646,940	3,347,862
Security of Persons and Property	10,725,464	10,670,426	0	0	10,725,464	10,670,426
Public Health Services	81,084	81,084	0	0	81,084	81,084
Transportation	3,800,237	1,904,228	0	0	3,800,237	1,904,228
Community Development	618,620	842,663	0	0	618,620	842,663
Basic Utility Services	1,555,745	1,692,586	0	0	1,555,745	1,692,586
Leisure Time Activities	1,374,206	1,591,973	0	0	1,374,206	1,591,973
Interest and Fiscal Charges	438,531	445,506	0	0	438,531	445,506
Solid Waste Collection	0	0	1,070,794	1,055,877	1,070,794	1,055,877
Maple Heights Transit	0	0	2,980,237	3,346,103	2,980,237	3,346,103
Recreation Banner	0	0	0	0	0	0
Total Program Expenses	22,240,827	20,576,328	4,051,031	4,401,980	26,291,858	24,978,308
Internal Transfer	25,000	(1,132)	(25,000)	1,132	0	0
Increase (Decrease) in Net Assets	\$ 539,952	\$(1,091,790)	\$ 1,980	\$ 161,856	\$ 541,932	\$(929,934)

City of Maple Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Governmental Activities

Governmental activities increased the City's net assets by \$ 539,952. The increase in net assets was attributable to increases from income and property taxes. Several types of revenue fund our governmental activities, with the City income tax being the largest contributor. The income tax rate was 2% for 2004. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a municipality that has an income tax, the City provides 80% credit up to 2% for those who pay income tax to another city.

The income tax revenue for 2004 was \$6,978,664. Of the \$22,755,779 in total revenues, income tax accounts for 30.67% of that total. Property taxes of \$5,831,733 account for 25.63% of total revenues, and operating grants, capital grants and contributions, general revenues from grants and entitlements account for 29.44% of total revenues, and charges for services, and other revenue make up the remaining 14.26%.

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

For the most part, increases in expenses closely parallel inflation and growth in the demand for services. The largest program function for the City relates to security of persons and property. In 2004, 48.22% of program expenses for governmental activities were for the security of persons and property, which includes police, fire, jail, auxiliary police, school guards and safety dispatch. The next largest function were expenses for street, sewers and highway maintenance, including snow removal accounted for 17.09%. General government which accounted for 16.40% of the expenses in 2004 and 8.96% of the expenses were spent on culture and recreation.

Business-type Activities

While total net assets of the City increased \$541,932, business-type activity net assets increased by \$1,980. Charges for services decreased \$484,416 over 2003. This decrease in revenues and a corresponding decrease of \$350,949 in expenses is attributable to service reductions from Maple Heights Transit. The increase in business-type activities net assets before the transfers was \$26,980. This increase is attributed to stable revenue inflows and containment of costs related to enterprise activities.

City of Maple Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Financial Analysis of the Government's Funds

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

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

As of December 31, 2004, the City's governmental funds reported combined ending fund balances of \$4,180,819, an increase of \$2,081,302 in comparison with the prior year. Approximately \$3,850,099 of this amount constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period and for non-current loans receivable.

The general fund is the chief operating fund of the City. At December 31, 2004, unreserved fund balance of the general fund was \$577,608, while total fund balance was \$826,697. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures (including transfers out). Unreserved fund balance represents 4 percent of total general fund expenditures (including transfers out), while total fund balance represents 5.9 percent of that same amount.

The fund balance of the City's general fund decreased by \$225,912 during 2004. This decrease reflects general economic conditions.

- Total revenues excluding transfers increased by \$ 252,284.
- Shared revenue, which represents taxes levied by the state or counties and partially distributed to the City or other political subdivisions, increased \$70,978 due to additional monies from prisoner housing.
- Revenues from property taxes increased approximately \$233,907. This increase was the result of the assessment reevaluation that became effective with 2003 collections.
- Expenditures decreased by \$512,517. The City continued its pattern of cost containment while maintaining basic services. The primary decrease in expenditures were from the non-replacement of 12 full time positions.

The bond retirement fund has a total fund balance of \$381,673. The net increase in fund balance during 2004 in this fund was approximately \$62,245. The bond retirement fund is funded primarily with income tax revenue at the level necessary to meet debt service requirements.

The municipal income tax fund has a total fund balance of \$1,542,658. The increase in fund balance during 2004 in this fund was approximately \$86,230. The increase is attributed to reduced funding of operations of

City of Maple Heights, Ohio
 Management's Discussion and Analysis
 For the Year Ended December 31, 2004
 Unaudited

the general fund, and the street maintenance and repair fund. During 2004, municipal income tax revenues increased by \$588,011 as a result of the state of the local economy.

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

Unrestricted net assets at the end of the year amounted to \$46,402, \$359,215, and \$15,186 for the solid waste collection, Maple Heights Transit, and advertising banner enterprises, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The total original and final appropriations, including those for transfers out, were \$15,391,505. Actual budgetary expenditures were \$1,322,025 less than appropriations reflecting management's commitment in reducing costs in changing economic times.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for governmental and business-type activities as of December 31, 2004, amounts to \$42,528,754 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, equipment, roads, traffic signals, sidewalks, and storm sewers. The total increase in the City's investment in a capital asset for 2004 was \$653,969 over 2003.

Table 3 - Capital Assets, Net of Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Land	\$ 180,871	\$ 180,871	\$ 0	\$ 0	\$ 180,871	\$ 180,871
Buildings	2,528,178	2,729,046	0	0	2,528,178	2,729,046
Equipment	338,732	286,543	22,270	26,157	361,002	312,700
Vehicles	2,593,205	2,524,452	39,796	29,224	2,633,001	2,553,676
Infrastructure						
Roads	14,872,757	13,862,333	0	0	14,872,757	13,862,333
Traffic Signals	2,347,770	2,492,555	0	0	2,347,770	2,492,555
Sidewalks	1,031,530	1,064,175	0	0	1,031,530	1,064,175
Storm Sewers	<u>18,573,645</u>	<u>18,679,429</u>	<u>0</u>	<u>0</u>	<u>18,573,645</u>	<u>18,679,429</u>
Total	\$ <u>42,466,688</u>	\$ <u>41,819,404</u>	\$ <u>62,066</u>	\$ <u>55,381</u>	\$ <u>42,528,754</u>	\$ <u>41,874,785</u>

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

City of Maple Heights, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2004

Unaudited

Long-Term Debt. As of December 31, 2004, the City had \$13,046,228 in bonds, notes, and loans outstanding with \$1,135,770 due within one year.

Table 4 - General Obligation and Revenue Bonds Outstanding

	<u>Governmental Activities</u>	
	<u>2004</u>	<u>2003</u>
General Obligation Bonds, Notes, and Capital Leases	\$ 9,704,589	\$ 8,956,358
Special Assessment Bonds	0	34,672
OWDA Loans	2,283,492	2,435,202
OPWC Loans	<u>1,058,147</u>	<u>1,129,594</u>
Total	<u>\$13,046,228</u>	<u>\$12,555,826</u>

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

The General Obligation Bonds are composed of 1998 Capital Purpose and Refunding 2000 Capital Purpose Bonds and 2004 Various Purpose Bonds. The Special Assessment bonds were issued in 1984 for sewer improvements and were retired in 2004. The County Auditor collects principal and interest for these bonds on behalf of the City for special assessments to be used for debt service. The OWDA and OPWC loans were reported in the special revenue fund and some costs will be paid from revenues collected from storm sewer charges.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5% of total assessed valuation. The City's net legal debt margin within the 10.5% limit was \$35,458,970 on December 31, 2004.

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

Economic Factors and Next Year's General Fund Budget

The City's elected and appointed officials considered many factors when setting the fiscal year 2004 budget. With the continued uncertainty surrounding the local economy, the City considered the impact on two primary revenue sources: income tax revenue and state shared revenue. The income tax continues to be the largest revenue source for the City. Projected revenue for 2005 include a modest increase over 2004. State shared revenues for 2005 will be less than 2004 due to the lingering economic effects that have reduced these monies from the State. As of December 31, 2004, the City has not replaced 12 full time employees. For 2005, it is anticipated that without significant revenue infusions, additional employees will not be replaced through attrition as well as additional employee reductions in various departments.

Contacting the City's Finance Department

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

City of Maple Heights, Ohio

Statement of Net Assets

December 31, 2004

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<u>Assets</u>			
Equity in Pooled Cash and Investments	\$2,924,710	\$710,974	\$3,635,684
Materials and Supplies Inventory	68,850	0	\$68,850
Accrued Interest Receivable	11,689	2,399	\$14,088
Accounts Receivable	145,547	381,316	\$526,863
Intergovernmental Receivable	3,972,750	0	\$3,972,750
Prepaid Items	82,894	0	\$82,894
Taxes Receivable	9,658,517	0	\$9,658,517
Special Assessments Receivable	103,555	0	\$103,555
Deferred Charges	96,491	0	\$96,491
Nondepreciable Capital Assets	180,871	0	\$180,871
Depreciable Capital Assets, Net	42,285,817	62,066	\$42,347,883
Total Assets	59,531,691	1,156,755	60,688,446
<u>Liabilities</u>			
Accounts Payable	1,344,061	99,725	1,443,786
Accrued Wages and Benefits	795,098	113,605	908,703
Intergovernmental Payable	981,967	68,254	1,050,221
Accrued Interest Payable	83,731	0	83,731
Deferred Revenue	5,708,421	113,758	5,822,179
Deferred Charges	84,062	0	84,062
Long-Term Liabilities:			
Due Within One Year	1,865,056	47,942	1,912,998
Due In More Than One Year	13,869,134	230,602	14,099,736
Total Liabilities	24,731,530	673,886	25,405,416
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	30,051,673	62,066	30,113,739
Restricted for:			
Capital Projects	77,195	0	77,195
Debt Service	651,661	0	651,661
Other Purposes	1,564,544	0	1,564,544
Unrestricted (Deficit)	2,455,088	420,803	2,875,891
Total Net Assets	\$34,800,161	\$482,869	\$35,283,030

See accompanying notes to the basic financial statements.

City of Maple Heights, Ohio
Statement of Activities

For the Year Ended December 31, 2004

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
Security of Persons and Property	\$10,725,464	\$1,553,888	\$1,160	\$306,637	(\$8,863,779)	\$0	(\$8,863,779)
Public Health	81,084	0	0	0	(81,084)	0	(81,084)
Leisure Time Activities	1,374,206	111,451	44,575	0	(1,218,180)	0	(1,218,180)
Community Development	618,620	665,840	59,094	5,852	112,166	0	112,166
Basic Utility Service	1,555,745	521,259	0	27,945	(1,006,541)	0	(1,006,541)
Transportation	3,800,237	54,915	939,227	1,912,793	(893,302)	0	(893,302)
General Government	3,646,940	268,084	0	0	(3,378,856)	0	(3,378,856)
Interest and Fiscal Charges	438,531	0	0	0	(438,531)	0	(438,531)
Total Governmental Activities	22,240,827	3,175,437	1,044,056	2,253,227	(15,768,107)	0	(15,768,107)
Business-Type Activities:							
Solid Waste Collection	1,070,794	1,004,380	0	0	0	(66,414)	(\$66,414)
Transit	2,980,237	3,065,596	0	0	0	85,359	85,359
Recreation Banner	0	900	0	0	0	900	900
Total Business-Type Activities	4,051,031	4,070,876	0	0	0	19,845	19,845
Total - Primary Government	\$26,291,858	\$7,246,313	\$1,044,056	\$2,253,227	(\$15,768,107)	\$19,845	(\$15,748,262)
General Revenues							
Property Taxes Levied for:							
General Purposes					2,856,214	0	2,856,214
Special Revenue					2,058,400	0	2,058,400
Debt Service					917,119	0	917,119
Income Tax Levied for:							
General Purposes					6,978,664	0	6,978,664
Grants and Entitlements not Restricted to Specific Programs					3,401,322	0	3,401,322
Gain or Loss on Sale of Capital Asset					6,493	0	6,493
Investment Earnings					55,995	7,135	63,130
Miscellaneous					8,852	0	8,852
Total General Revenues					16,283,059	7,135	16,290,194
Internal Transfers					25,000	(25,000)	0
Total General Revenues, Special Item, Contribution and Transfers					16,308,059	(17,865)	16,290,194
Change in Net Assets					539,952	1,980	541,932
Net Assets Beginning of Year, As Restated					34,260,209	480,889	34,741,098
Net Assets End of Year					\$34,800,161	\$482,869	\$35,283,030

See accompanying notes to the basic financial statements.

City of Maple Heights, Ohio
Balance Sheet
Governmental Funds
December 31, 2004

	General	Municipal Income Tax	Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 136,607	\$ 377,669	\$ 380,380	\$ 2,030,054	\$ 2,924,710
Receivables:					
Taxes	3,352,929	2,837,126	1,067,015	2,401,447	9,658,517
Accounts	0	0	0	145,547	145,547
Accrued Interest	4,750	0	1,293	5,646	11,689
Special Assessment	0	0	103,555	0	103,555
Interfund	741,499	0	0	0	741,499
Intergovernmental	1,185,258	0	63,000	2,724,492	3,972,750
Inventory	68,850	0	0	0	68,850
Prepaid Items	82,894	0	0	0	82,894
Total Assets	\$ 5,572,787	\$ 3,214,795	\$ 1,615,243	\$ 7,307,186	\$ 17,710,011
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 79,606	\$ 22,523	\$ 0	\$ 1,241,932	\$ 1,344,061
Accrued Wages and Benefits	382,084	0	0	413,014	795,098
Due to Other Governments	285,265	208,046	0	488,656	981,967
Interfund Payable	0	0	0	741,499	741,499
Deferred Revenue	3,999,135	1,441,568	1,233,570	2,992,294	9,666,567
Notes Payable	0	0	0	-	-
Total Liabilities	4,746,090	1,672,137	1,233,570	5,877,395	13,529,192
Fund Balances:					
Reserved for Inventory	68,850	0	0	0	68,850
Reserved for Prepaid Items	82,894	0	0	0	82,894
Reserved for Encumbrances	97,345	0	0	81,631	178,976
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	577,608	0	0	0	577,608
Special Revenue Funds	0	1,542,658	0	679,752	2,222,410
Bond Retirement Fund	0	0	381,673	0	381,673
Capital Projects Funds	0	0	0	668,408	668,408
Total Fund Balances (Deficits)	826,697	1,542,658	381,673	1,429,791	4,180,819
Total Liabilities and Fund Balances	\$ 5,572,787	\$ 3,214,795	\$ 1,615,243	\$ 7,307,186	\$ 17,710,011

See accompanying notes to the basic financial statements

City of Maple Heights, Ohio

Reconciliation of Total Governmental Fund Balances to

Net Assets of Governmental Activities

December 31, 2004

Total Governmental Funds Balance \$4,180,819

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

Capital Assets used in governmental activities are not financial resources
and therefore are not reported in the funds: 42,466,688

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

Property tax	1,112,970	
Grants and Entitlements	1,300,057	
Income Tax	1,441,567	
Special Assessments	<u>103,555</u>	
Total		3,958,149

Long-term liabilities, including bonds payable and accrued interest payable,
are not due and payable in the current period and therefore are not reported
in the funds:

General Obligation Bonds	(9,472,480)	
Police & Fire Pension Liability	(390,602)	
OWDA Loan	(2,283,492)	
OPWC Loan	(1,058,147)	
Capital Lease	(232,109)	
Compensated Absences	(2,297,363)	
Accrued Interest Payable	(83,731)	
Deferred Charges Related to		
Debt Issuance	96,491	
Unamortized Bond Premium	<u>(84,062)</u>	
Total		<u>(15,805,495)</u>

Net Assets of Governmental Activities \$34,800,161

City of Maple Heights, Ohio

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2004

	General	Municipal Income Tax	Bond Retirement	Other Governmental Funds	Total Governmental Funds
REVENUES:					
Municipal Income Taxes	\$0	\$6,930,683	\$0	\$0	\$6,930,683
Property Taxes	2,818,920	0	902,055	2,023,958	5,744,933
Intergovernmental revenue	3,011,967	0	130,513	3,399,355	6,541,835
Special Assessments	0	0	59,094	0	59,094
Charges for Services	291,758	0	0	787,185	1,078,943
Fees, licenses, permits	1,437,929	0	0	375,111	1,813,040
Interest Income	29,925	0	8,395	17,672	55,992
Miscellaneous	228,621	0	0	118,847	347,468
Total Revenue	7,819,120	6,930,683	1,100,057	6,722,128	22,571,988
EXPENDITURES:					
Security of Persons and Property	7,401,298	0	0	2,928,683	10,329,981
Public Health	81,084	0	0	0	81,084
Leisure Time Activities	1,269,568	0	0	58,063	1,327,631
Community Development	598,696	0	0	109,766	708,462
Basic Utilities Services	1,040,732	0	0	212,130	1,252,862
Transportation	0	0	0	1,498,720	1,498,720
General Government	2,658,234	544,453	31,327	447,088	3,681,102
Capital Outlay	0	0	0	3,632,701	3,632,701
Debt Service:					
principal retirement	0	0	818,152	269,133	1,087,285
interest and fiscal charges	0	0	315,332	122,990	438,322
Bond Issuance Costs	0	0	68,447	0	68,447
Total Expenditures	13,049,612	544,453	1,233,258	9,279,274	24,106,597
Excess of Revenues over(under) Expenditures	(5,230,492)	6,386,230	(133,201)	(2,557,146)	(1,534,609)
Other Financing Sources (Uses)					
Sales of Capital Assets	6,493	0	0	0	6,493
Refunding Bonds Issued	0	0	880,000	0	880,000
Payment to Refund Bond Escrow Agent	0	0	(880,916)	0	(880,916)
Proceeds From Sale of Debt	0	0	0	3,230,000	3,230,000
Capitalization of Lease	0	0	0	257,683	257,683
Premium on General Obligation Debt	0	0	86,564	0	86,564
Transfers In	5,900,000	0	132,108	1,866,326	7,898,434
Transfers Out	(913,000)	(6,300,000)	(22,310)	(638,124)	(7,873,434)
Total Other Financing Sources (Uses)	4,993,493	(6,300,000)	195,446	4,715,885	3,604,824
Net Change in Fund Balances	(236,999)	86,230	62,245	2,158,739	2,070,215
Fund Balances (Deficits) Beginning of Year	1,052,609	1,456,428	319,428	(728,948)	2,099,517
Increase (Decrease) in Reserve for Inventory	11,087	0	0	0	11,087
Fund Balances (Deficits) End of Year	\$ 826,697	\$ 1,542,658	\$ 381,673	\$ 1,429,791	\$ 4,180,819

See accompanying notes to the basic financial statements

City of Maple Heights, Ohio

**Reconciliation of The Statement of Revenues, Expenditures and Changes
In Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2004**

Net Change in Fund Balances--Total Governmental Funds \$2,070,215

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

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

Capital Asset Additions	2,112,000	
Current Year Depreciation	<u>(1,464,716)</u>	647,284

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

Delinquent Property Tax	86,802	
Grants and Entitlements	253,904	
Income Tax	47,980	
Special Assessments	(61,353)	
Accounts Receivable	<u>(152,538)</u>	
Total		174,795

Repayment of bond, loan, and capital lease principal is an expenditure in the governmental
funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,937,281

In the statement of activities, interest is accrued on outstanding bonds, whereas in
governmental funds an interest expenditure is reported when due. (1,538)

Other financing sources in the governmental funds that increase long-term
liabilities in the statement of net assets are not reported as revenues
in the statement of activities (4,367,683)

Premiums on bonds issued are recognized as revenues in the governmental funds.
However, they are amortized over the life of the issuance in the statement of activities. (84,062)

Bond issuance costs are recognized as expenditures in the governmental funds.
However, they are amortized over the life of the issuance in the statement of activities. 96,491

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

Compensated Absences	49,894	
Pension Obligation	6,188	
Change in Inventory	<u>11,087</u>	
Total		<u>67,169</u>

Change in Net Assets of Governmental Activities \$539,952

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Fund				
Revenues				
Property Taxes	\$ 2,745,554	\$ 2,745,554	\$ 2,818,920	\$ 73,366
Intergovernmental	2,750,256	2,750,256	2,920,901	170,645
Charges For Services	311,200	311,200	291,758	(19,442)
Fees, Licenses, Permits	643,550	643,550	665,840	22,290
Fines and Forfeitures	673,500	673,500	772,089	98,589
Interest Income	40,000	40,000	24,292	(15,708)
Miscellaneous	349,000	349,000	228,621	(120,379)
Total Revenues	7,513,060	7,513,060	7,722,421	209,361
Expenditures				
Current:				
Security of Persons and Property	7,660,400	7,646,400	7,407,154	239,246
Leisure Time Activities	1,354,385	1,354,385	1,280,212	74,173
Community Development	637,135	638,635	603,718	34,917
Basic Utility Services	1,156,890	1,135,090	1,063,335	71,755
General Government	2,948,361	2,966,661	2,720,977	245,684
Public Health & Welfare	81,084	81,084	81,084	0
Total Expenditures	13,838,255	13,822,255	13,156,480	665,775
Excess of Revenues Over (Under) Expenditures	(6,325,195)	(6,309,195)	(5,434,059)	875,136
Other Financing Sources (Uses)				
Proceeds From Sale of Fixed Assets	3,000	3,000	6,493	3,493
Transfer-In	6,865,000	6,865,000	5,900,000	(965,000)
Transfer-Out	(1,553,250)	(1,569,250)	(913,000)	656,250
Total Other Financing Sources (Uses)	5,314,750	5,298,750	4,993,493	(305,257)
Net Change in Fund Balance	(1,010,445)	(1,010,445)	(440,566)	569,879
Decertification of prior year encumbrances	0	0	15,457	15,457
Fund Balance at Beginning of Year	1,180,620	1,180,620	1,180,620	0
Fund Balance at End of Year	\$ 170,175	\$ 170,175	\$ 755,511	\$ 585,336

See accompanying notes to the basic financial statements

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Municipal Income Tax Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Tax	\$ 6,412,000	\$ 6,412,000	\$ 6,447,430	\$ 35,430
Expenditures				
Current Operations and Maintenance:				
General Government				
Other	525,000	525,000	332,761	192,239
Excess of Revenues Over (Under) Expenditures	5,887,000	5,887,000	6,114,669	227,669
Other Financing Sources (Uses)				
Transfers - Out	(6,425,000)	(6,425,000)	(6,300,000)	125,000
Total Other Financing Sources (Uses)	(6,425,000)	(6,425,000)	(6,300,000)	125,000
Net Change in Fund Balance	(538,000)	(538,000)	(185,331)	352,669
Fund Balance at Beginning of Year	563,000	563,000	563,000	0
Fund Balance at End of Year	\$ 25,000	\$ 25,000	\$ 377,669	\$ 352,669

See accompanying notes to the basic financial statements

City of Maple Heights, Ohio

Statement of Net Assets – Proprietary Funds

December 31, 2004

	Solid Waste Collection	Business Type Activities		Total
		Maple Heights Transit	Recreation Banner	
Assets				
Current Assets				
Equity in Pooled Cash and Investments	\$ 97,961	\$ 597,869	\$ 15,144	\$ 710,974
Receivables:				
Accounts	150,861	230,455	0	381,316
Accrued Interest	326	2,031	42	2,399
Total Current Assets	<u>249,148</u>	<u>830,355</u>	<u>15,186</u>	<u>1,094,689</u>
Non-current Assets				
Depreciable Capital Assets, (Net of Accumulated Depreciation)	<u>0</u>	<u>62,066</u>	<u>0</u>	<u>62,066</u>
Total Assets	<u>\$ 249,148</u>	<u>\$ 892,421</u>	<u>\$ 15,186</u>	<u>\$ 1,156,755</u>
Liabilities				
Current Liabilities				
Accounts Payable	\$ 82,450	\$ 17,275	\$ 0	\$ 99,725
Accrued Wages and Benefits	1,966	111,639	0	113,605
Due to Other Governments	1,181	67,073	0	68,254
Deferred Revenue	113,758	0	0	113,758
Total Current Liabilities	<u>199,355</u>	<u>195,987</u>	<u>0</u>	<u>395,342</u>
Non-current Liabilities				
Accrued Compensated Absences	<u>3,391</u>	<u>275,153</u>	<u>0</u>	<u>278,544</u>
Total Liabilities	<u>202,746</u>	<u>471,140</u>	<u>0</u>	<u>673,886</u>
Net Assets				
Invested in Capital Assets	0	62,066	0	62,066
Unrestricted	<u>46,402</u>	<u>359,215</u>	<u>15,186</u>	<u>420,803</u>
Total Net Assets	<u>\$ 46,402</u>	<u>\$ 421,281</u>	<u>\$ 15,186</u>	<u>\$ 482,869</u>

See Accompanying Notes to the Basic Financial Statements

City of Maple Heights, Ohio

**Statement of Revenues, Expenses and Changes
In Fund Net Assets - Proprietary Funds
For The Year Ended December 31, 2004**

	Solid Waste Collection	Business Type Activities		Total
		Maple Heights Transit	Recreation Banner	
<u>Operating Revenues</u>				
Charges for Services	\$ <u>1,004,380</u>	\$ <u>3,065,596</u>	\$ <u>900</u>	\$ <u>4,070,876</u>
<u>Operating Expenses</u>				
Personnel	54,152	2,589,050	0	2,643,202
Contractual Services	1,003,218	280,903	0	1,284,121
Materials and Supplies	13,424	35,460	0	48,884
Repairs and Maintenance	0	29,787	0	29,787
Other	0	32,685	0	32,685
Depreciation	0	12,352	0	12,352
Total Operating Expenses	<u>1,070,794</u>	<u>2,980,237</u>	<u>0</u>	<u>4,051,031</u>
Operating Income (Loss)	<u>(66,414)</u>	<u>85,359</u>	<u>900</u>	<u>19,845</u>
<u>Non-Operating Revenues (Expenses)</u>				
Interest Income	<u>669</u>	<u>6,293</u>	<u>173</u>	<u>7,135</u>
Income (Loss) Before Operating Transfers	<u>(65,745)</u>	<u>91,652</u>	<u>1,073</u>	<u>26,980</u>
Transfers - In	100,000	0	0	100,000
Transfers - Out	<u>0</u>	<u>(125,000)</u>	<u>0</u>	<u>(125,000)</u>
Total Transfers	<u>100,000</u>	<u>(125,000)</u>	<u>0</u>	<u>(25,000)</u>
Net Income (Loss)	34,255	(33,348)	1,073	1,980
Net Assets at Beginning of Year	<u>12,147</u>	<u>454,629</u>	<u>14,113</u>	<u>480,889</u>
Net Assets at End of Year	\$ <u>46,402</u>	\$ <u>421,281</u>	\$ <u>15,186</u>	\$ <u>482,869</u>

See Accompanying Notes to the Basic Financial Statements

City of Maple Heights, Ohio

Statement of Cash Flows - Proprietary Funds

For The Year Ended December 31, 2004

	Solid Waste Collection	Business Type Activities		Total
		Maple Heights Transit	Recreation Banner	
<u>Increase (Decrease) in Cash and Cash Equivalents</u>				
<u>Cash Flows From Operating Activities</u>				
Cash Received from Customers	\$ 1,010,503	\$ 3,125,798	\$ 900	\$ 4,137,201
Other Operating Revenue	8,097	533	0	8,630
Cash Payments to Employees for Services	(53,535)	(2,856,946)	0	(2,910,481)
Cash Payments to Suppliers for Goods or Services	(1,019,225)	(163,236)	0	(1,182,461)
Net Cash Provided by (Used in) Operating Activities	(54,160)	106,149	900	52,889
<u>Cash Flows From Non-Capital Financing Activities</u>				
Cash Transfers from Other Funds	100,000	0	0	100,000
Cash Transfers to Other Funds	0	(125,000)	0	(125,000)
Net Cash Provided by (Used in) Non-Capital Financing Activities	100,000	(125,000)	0	(25,000)
<u>Cash Flows From Capital and Related Financing Activities</u>				
Purchase of Fixed Assets	0	(19,036)	0	(19,036)
Net Cash Provided by (Used In) Capital and Related Financing Activities	0	(19,036)	0	(19,036)
<u>Cash Flows From Investing Activities</u>				
Interest Earned on Investments	449	6,163	173	6,785
Net Increase (Decrease) in Cash and Cash Equivalents	46,289	(31,724)	1,073	15,638
Cash and Cash Equivalents at Beginning of Year	51,672	629,593	14,071	695,336
Cash and Cash Equivalents at End of Year	\$ 97,961	\$ 597,869	\$ 15,144	\$ 710,974

See Accompanying Notes to the Basic Financial Statements

City Of Maple Heights, Ohio

Statement of Cash Flows – Proprietary Funds
 (Continued)
 For The Year Ended December 31, 2004

	<u>Business Type Activities</u>			
	<u>Solid Waste Collection</u>	<u>Maple Heights Transit</u>	<u>Recreation Banner</u>	<u>Total</u>
<u>Reconciliation of Operating Income (Loss) to Net</u>				
<u>Cash From Operating Activities</u>				
Operating Income (Loss)	\$ <u>(66,414)</u>	\$ <u>85,359</u>	\$ <u>900</u>	\$ <u>19,845</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash From Operating Activities:				
Depreciation	0	12,352	0	12,352
Changes in Assets and Liabilities:				
(Increase) Decrease in Receivables	18,033	60,735	0	78,768
Increase (Decrease) in Accounts Payable	(2,583)	3,717	0	1,134
Increase (Decrease) in Accrued Wages and Benefits	27	(29,309)	0	(29,282)
Increase (Decrease) in Accrued Compensated Absences	665	(12,609)	0	(11,944)
Increase (Decrease) in Deferred Revenue	(3,813)	0	0	(3,813)
Increase (Decrease) in Due to Other Governments	<u>(75)</u>	<u>(14,096)</u>	<u>0</u>	<u>(14,171)</u>
Total Adjustments	<u>12,254</u>	<u>20,790</u>	<u>0</u>	<u>33,044</u>
Net Cash Provided by (Used in) Operating Activities	\$ <u>(54,160)</u>	\$ <u>106,149</u>	\$ <u>900</u>	\$ <u>52,889</u>

See Accompanying Notes to the Basic Financial Statements

City of Maple Heights, Ohio

Statement of Fiduciary Net Assets – Fiduciary Funds

December 31, 2004

	<u>Agency</u>
<u>Assets</u>	
Equity in Pooled Cash and Investments	<u>\$162,381</u>
<u>Liabilities</u>	
Deposits Held and Due to Others	<u>\$162,381</u>

See Accompanying Notes to The Basic Financial Statements

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

Note 1 – Description of City and Reporting Entity

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

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City.

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; (4) or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

Note 2 – Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

City of Maple Heights, Ohio

Notes to the Basic Financial Statements
For Year Ended December 31, 2004

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

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

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

B. Fund Accounting

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

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

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

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

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

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

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

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

Maple Heights Transit Fund The Maple Heights Transit Fund accounts for the operations of the Maple Heights Transit System.

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

Fiduciary Funds

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

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

D. Basis of Accounting

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

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

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

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

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

City of Maple Heights, Ohio

Notes to the Basic Financial Statements
For Year Ended December 31, 2004

Property taxes for which there is an enforceable legal claim as of December 31, 2004, but which were levied to finance year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

E. Cash and Cash Equivalents

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

During 2004, investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio) and Federal agency securities.

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

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2004.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2004 amounted to \$29,925, which includes \$1,740 assigned from other City funds. For presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash and cash equivalents. Investments with an initial maturity of more than three months are reported as investments. Cash and equivalents are displayed as "equity in pooled cash and investments" in all funds.

F. Inventory

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

City of Maple Heights, Ohio
 Notes to the Basic Financial Statements
 For Year Ended December 31, 2004

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2004 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Capital Assets

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

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

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	65 Years
Equipment	5 to 20 Years
Vehicles	5 to 15 Years
Infrastructure	20 - 75 Years

For 2004, infrastructure capital assets were calculated without the City's watermain. The infrastructure assets will be completed in 2005 with inclusion of this item to capital assets.

I. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

J. Compensated Absences

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

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

K. Accrued Liabilities and Long-term Obligations

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

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

L. Fund Balance Reserves

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

M. Net Assets

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

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

N. Operating Revenues and Expenses

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

O. Interfund Activity

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

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

P. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type occurred in 2004.

Q. Estimates

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

R. Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated however, only governmental funds are required to be reported. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances. Council appropriations are made to personnel costs, (including benefits) other costs, capital outlay, debt service, and transfer accounts for each department. The legal level of budgetary control is at the object level (i.e. personnel costs) whereby the City maintains this control by not permitting expenditures to exceed appropriations for

City of Maple Heights, Ohio
 Notes to the Basic Financial Statements
 For Year Ended December 31, 2004

departments of the City without approval of City Council. Adjustments to the budget can only be made within a department and then within each category. Further legislation is needed in order to move budget authority from 'personnel costs' to 'other costs' or vice versa, or between departments.

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

The appropriation ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

Note 3 –Restatement of Prior Year Net Assets and Compliance and Accountability

A. Restatement of Prior Year Net Assets

Net assets for the governmental activities were restated due to an understatement of long-term accrued police/fire pension liability due to an accounting error.

	Governmental Activities
Net Assets, December 31, 2003, as reported	\$34,656,999
Understatement of long-term accrued Police/Fire pension liability	<u>(396,790)</u>
Adjusted Net Assets, December 31, 2003, as restated	<u>\$34,260,209</u>

B. Compliance and Accountability

1. Expenditures Exceeding Appropriations

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

<u>Fund</u>	<u>Final Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
Bond Retirement:			
Bond Issuance Costs	\$13,783	\$68,447	\$(54,664)

City of Maple Heights, Ohio
 Notes to the Basic Financial Statements
 For Year Ended December 31, 2004

2. Negative Cash Fund Balance

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

Fund	Cash Fund Balance
Capital Projects Fund:	
Northfield Road Improvements	\$(741,499)

3. Fund Deficits

The following funds had deficit fund balances/net assets at December 31, 2004:

Special Revenue Funds:	
Police Pension	\$111,132
Fire Pension	\$128,308
Fire Services Levy	\$ 10,912
Capital Project Funds:	
Lee Road Improvement	\$390,399

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

Note 4 - Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the general fund and major special revenue fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Investments are reported at cost (budget) rather than fair value (GAAP).

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

Net Change in Fund Balance		
	General	Municipal Income Tax
GAAP Basis	(\$236,999)	\$86,230
Net Adjustment for Revenue Accruals	(96,851)	(483,253)
Net Adjustment for Expenditure Accruals	(73,655)	211,692
Encumbrances	(33,061)	0
Budget Basis	(\$440,566)	(\$185,331)

Note 5 – Deposits and Investments

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

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

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

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

City of Maple Heights, Ohio

Notes to the Basic Financial Statements

For Year Ended December 31, 2004

2. Bonds, notes, debentures, or any other obligations or securities issued by any Federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All Federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, 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 (STAROhio).

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

1. Bonds of 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.

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

A. Deposits

At year-end, the carrying amount of the City's deposits was \$702,573, and the bank balance was \$990,369. Of the bank balance:

1. \$236,787 was covered by Federal depository insurance.
2. \$753,582 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. At year end, the City had \$2,630 of undeposited cash on hand.

B. Investments

GASB Statement No. 3 entitled "Deposits With Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements" requires the City's 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.

STAROhio, the State Treasurer's investment pool are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category 3	Carrying Amount	Fair Value
Federal Home Loan Mortgage Corp.	\$ 497,289	\$ 497,289	\$ 497,289
Federal National Mortgage Association Bonds	1,496,268	1,496,268	1,496,268
STAROhio	Non Categorized	1,101,935	1,101,935
Total Investments	<u>\$1,993,557</u>	<u>\$ 3,095,492</u>	<u>\$ 3,095,492</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, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

A reconciliation between the classifications of cash and investments on the combined financial statements and the classification of deposits and investments presented above per GASB Statement No. 3, is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$1,804,508	\$1,993,557
Parts of Pool:		
STAROhio	<u>(1,101,935)</u>	<u>1,101,935</u>
GASB Statement No. 3	<u>\$702,573</u>	<u>\$3,095,492</u>

Note 6 - Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2004 for real and public utility property taxes represents collections of the 2003 taxes. Property tax payments received during 2004 for tangible personal property (other than public utility property) are for 2004 taxes.

2004 real property taxes are levied after October 1, 2004 on the assessed value as of January 1, 2004, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2004 real property taxes are collected in and intended to finance 2005.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2004 public utility property taxes which became a lien December 31, 2003, are levied after October 1, 2004, and are collected in 2005 with real property taxes.

2004 tangible personal property taxes are levied after October 1, 2003, on the value as of December 31, 2003. Collections are made in 2004. Tangible personal property assessments are 25 percent of true value for capital assets and 24 percent of true value for inventory.

The full tax rate for all City operations for the year ended December 31, 2004, was \$15.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2004 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$374,057,220
Public Utility Real	16,597,690
Tangible Personal	<u>37,096,385</u>
Total	<u>\$427,751,295</u>

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Maple Heights. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2004 and for which there is an enforceable legal claim. In the general fund, the bond retirement, street lighting, police and fire pension funds and police and fire levy special revenue funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2004 operations and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectable delinquent property taxes have been recorded as revenue while the remainder of the receivables is deferred.

Note 7 - Income Tax

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
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Note 8 - Receivables

Receivables at December 31, 2004, consisted of taxes, accounts (billings for user charged services), special assessments, interest, and intergovernmental receivables. All receivables are deemed collectible in full.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Gasoline Tax	\$121,626
Auto Registration	87,596
Municipal Cents Per Gallon	138,496
Permissive Tax	10,632
Local Government	815,506
Estate Tax	37,111
Homestead and Rollback	389,727
Water Use Fees	271,804
S.E.A.L.E. Reimbursement	8,840
Prisoner Recovery	118,537
Garfield Heights Municipal Court	7,092
Valley View Income Tax Sharing	44,000
CDBG Reimbursement	175,000
Northfield Road Reimbursement	1,725,614
Miscellaneous	<u>21,169</u>
Total	<u><u>\$3,972,750</u></u>

Note 9 - Interfund Receivables and Payables

Interfund balances at December 31, 2004, consist of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$741,499	\$ 0
Nonmajor Governmental	<u>0</u>	<u>741,499</u>
Total	<u><u>\$741,499</u></u>	<u><u>\$741,499</u></u>

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

Note 10 - Capital Assets

A summary of changes in capital assets during 2004 follows:

	Balance 12/31/03	Additions	Deletions	Balance 12/31/04
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$180,871	\$0	\$0	\$180,871
<i>Total Capital Assets Not Being Depreciated</i>	<u>180,871</u>	<u>0</u>	<u>0</u>	<u>180,871</u>
<i>Capital Assets Being Depreciated</i>				
Building	5,216,016	0	0	5,216,016
Equipment	358,766	100,065	0	458,831
Vehicles	4,370,242	365,810	(112,747)	4,623,305
Infrastructure				
Roads	17,610,578	1,469,051	0	19,079,629
Traffic Signals	2,895,701	0	0	2,895,701
Sidewalks	1,305,802	0	0	1,305,802
Storm Sewers	21,125,777	177,074	0	21,302,851
<i>Total Capital Assets Being Depreciated</i>	<u>52,882,882</u>	<u>2,112,000</u>	<u>(112,747)</u>	<u>54,882,135</u>
Less Accumulated Depreciation				
Building	(2,486,970)	(200,868)	0	(2,687,838)
Equipment	(72,223)	(47,876)	0	(120,099)
Vehicles	(1,845,790)	(297,057)	112,747	(2,030,100)
Infrastructure				
Roads	(3,748,245)	(458,627)	0	(4,206,872)
Traffic Signals	(403,146)	(144,785)	0	(547,931)
Sidewalks	(241,627)	(32,645)	0	(274,272)
Storm Sewers	(2,446,348)	(282,858)	0	(2,729,206)
<i>Total Accumulated Depreciation</i>	<u>(11,244,349)</u>	<u>(1,464,716)</u>	<u>112,747</u>	<u>(12,596,318)</u>
Total Capital Assets Being Depreciated, Net	<u>\$41,638,533</u>	<u>\$647,284</u>	<u>\$0</u>	<u>\$42,285,817</u>
Governmental Activities Capital Assets, Net	<u>\$41,819,404</u>	<u>\$647,284</u>	<u>\$0</u>	<u>\$42,466,688</u>

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

	Balance 12/31/03	Additions	Deletions	Balance 12/31/04
Business Type Activities				
<i>Capital Assets Being Depreciated</i>				
Building	\$225,338	\$0	\$0	\$225,338
Equipment	169,558	0	0	169,558
Vehicles	63,228	19,036	0	82,264
<i>Total Capital Assets Being Depreciated</i>	<u>458,124</u>	<u>19,036</u>	<u>0</u>	<u>477,160</u>
Less Accumulated Depreciation				
Building	(225,338)	0	0	(225,338)
Equipment	(143,401)	(3,887)	0	(147,288)
Vehicles	(34,004)	(8,464)	0	(42,468)
<i>Total Accumulated Depreciation</i>	<u>(402,743)</u>	<u>(12,351)</u>	<u>0</u>	<u>(415,094)</u>
Total Business Type Activities				
Capital Assets, Net	<u>\$55,381</u>	<u>\$6,685</u>	<u>\$0</u>	<u>\$62,066</u>

Depreciation expense was charged to governmental functions as follows:

Security of Persons and Property	\$ 383,371
Transportation	718,349
General Government	7,658
Leisure Time Activities	49,520
Basic Utility Services	<u>305,818</u>
Total	<u>\$1,464,716</u>

Note 11 - Risk Management

The Northern Ohio Risk Management Association (NORMA) is jointly owned and operated by the cities of Maple Heights, Bedford Heights, Chagrin Falls, Eastlake, Highland Heights, Mayfield Heights, Richmond Heights, Solon, South Euclid and the Village of Hudson for the purpose of enabling its members to obtain the maximum exposure protection at the least possible cost. The pool has a complete package of coverage, including property, general liability, automobile liability, employee dishonesty, boiler and machinery, and other coverages, supplemented by an umbrella liability policy. The members formed a not-for-profit corporation known as NORMA, Inc. to administer the pool. NORMA is governed by a board of trustees that consists of one representative from each of the participating members. Each entity must commit to the Association for terms of three years.

Each member provides operating resources to NORMA based on actuarially determined rates and shares in NORMA's equity based on the City's percentage of contributions. In the event of losses, the first \$2,500 of any valid claim will be paid by the member. The next payment, up to an additional \$147,500 will be paid from the self-insurance pool. Any additional payment is made from the stop loss coverage carried by the pool. As of December 31, 2004 NORMA had an aggregate stop loss of \$750,000 per policy year. Any losses over these

City of Maple Heights, Ohio
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For Year Ended December 31, 2004

amounts would be the obligation of the excess insurance carriers. If the aggregate claims paid by the pool exceed the available resources, the pool may require the members to make additional supplementary payments up to a maximum of the regular annual payment. (This has not been necessary throughout the fourteen-year history of the pool.)

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

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

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

Note 12 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised

City of Maple Heights, Ohio
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For Year Ended December 31, 2004

Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6701 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2004, member and employer contribution rates were consistent across all three plans. For the year ended December 31, 2004, the members were required to contribute 8.5 percent of their annual covered salaries to fund pension obligations. The employer pension contribution rate for the City was 13.55 percent of covered payroll.

The City's required contributions to OPERS for the years ended December 31, 2004, 2003, and 2002 were \$948,052, \$1,010,248, and \$992,185 respectively; 85.14 percent has been contributed for 2004 and 100 percent for 2003 and 2002.

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 19.5 percent for police officers and 24 percent for firefighters. The City's contributions to the Fund for police and firefighters were \$536,487 and \$576,918 for the year ended December 31, 2004, \$510,697 and \$553,917 for the year ended December 31, 2003, and \$507,777 and \$529,307 for the year ended December 31, 2002. The full amount has been contributed for 2003 and 2002. 75.87 percent for police and 77.28 percent for firefighters has been contributed for 2004.

Note 13 – Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available with both the traditional and combined plan; however, health care benefits are not statutorily guaranteed. Members of the member-directed plan do not qualify for ancillary benefits, including postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 local government employer contribution rate was 13.55 percent of covered payroll; 4.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent

City of Maple Heights, Ohio
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For Year Ended December 31, 2004

compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

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

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund postemployment benefits were \$279,871. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

B. Ohio Police and Fire Pension Fund

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

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2004 and 2003. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

City of Maple Heights, Ohio
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For Year Ended December 31, 2004

The City's actual contributions for 2004 that were used to fund postemployment benefits were \$213,219 for police and \$186,296 for fire. The OP&F's total health care expenses for the year ended December 31, 2003, (the latest information available) were \$150,853,148, which was net of member contributions of \$17,207,506. The number of OP&F participants eligible to receive health care benefits as of December 31, 2003, was 13,662 for police and 10,474 for firefighters.

Note 14 - Compensated Absences

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

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

Note 15 - Capital Leases

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

<u>Year Ending December 31</u>	<u>Governmental Activities</u>			<u>Total</u>
	<u>Bucket Truck</u>	<u>Snow Plow Truck</u>	<u>Street Sweeper</u>	
2005	\$9,381	\$20,188	\$35,070	\$64,639
2006	9,381	20,188	35,070	64,639
2007	9,381	20,188	35,070	64,639
2008	3,909	20,186	35,068	59,163
Total minimum lease payments	\$32,052	\$80,750	\$140,278	\$253,080
Less: amount representing interest	(\$2,368)	(\$7,639)	(\$10,964)	\$(20,971)
Present value of minimum lease payments	\$29,684	\$73,111	\$129,314	\$232,109

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

	<u>Bucket Truck</u>	<u>Snow Plow Truck</u>	<u>Street Sweeper</u>
Assets:			
Vehicles	\$42,491	\$100,938	\$175,348
Accumulated Depreciation:	(\$4,249)	(\$ 6,729)	\$(11,690)
Net Book Value	\$38,242	\$ 94,209	\$163,658

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

Note 16 - Note Obligations

The City's note activity, including amounts outstanding, interest rates and the fund in which the note liability is reported is as follows:

	Outstanding 12/31/03	Additions	Reductions	Outstanding 12/31/04
General Obligation Notes				
1.15% Capital Purpose Notes, Series 2003	\$1,940,000	\$0	\$1,940,000	\$0
Total Notes	<u>\$1,940,000</u>	<u>\$0</u>	<u>\$1,940,000</u>	<u>\$0</u>

All notes are backed by the full faith and credit of the City of Maple Heights. The Note liability is reflected in the fund which received the proceeds. By Ohio Law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50% of anticipated revenue collections. The 2003 notes were paid in August 2004. There are no bond anticipation notes outstanding as of December 31, 2004.

Note 17 - Long-Term Obligations

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

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
General Obligation Bonds			
1984 Street Resurfacing	5.125-10.375%	\$2,000,000	December 1, 2004
1993 Sewer Improvement	8.00%	1,370,000	December 1, 2014
1994 Sewer Improvement	6.24%	665,000	December 1, 2004
1998 Capital Purpose and Refunding	3.75%-4.95%	5,557,480	December 1, 2011
2000 Capital Purpose Bonds	4.70%-5.25%	2,995,000	December 1, 2020
2004 General Obligation Various Purpose	2.00%-5.25%	4,110,000	December 1, 2018
Special Assessment Bonds			
1984 Special Assesments	10.37%-11.00%	2,200,000	December 1, 2004
OWDA Loan			
1996 Kenyon/Gardenview Sewer Imp.	4.16%	2,515,205	January 1, 2016
1996 Phase I Sewer Imp.	4.35%	765,161	January 1, 2016
1997 Phase II Sewer Imp.	4.04%	110,426	January 1, 2016
OPWC Loan			
1994 Maplewood/Northwood Sewers	0%	686,898	January 1, 2016
1997 Southgate Pk/Lee Rd. South	0%	185,649	January 1, 2019
2003 Industrial Ave./E.141st. Improvement	0%	556,403	July 1, 2023
Accrued Police and Fire Liability		459,739	May 15, 2035

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

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

	Restated Outstanding 12/31/2003	Additions	Reductions	Outstanding 12/31/2004	Amount Due in One Year
Governmental Activities					
General Obligation Bonds					
1984 Street Resurfacing	\$100,325	\$0	\$100,325	\$0	\$0
1993 Sewer Improvement	850,000	0	850,000	0	0
1994 Sewer Improvement	81,000	0	81,000	0	0
1998 Capital Purpose & Refunding	3,232,480	0	440,000	2,792,480	470,000
2000 Capital Purpose Bonds	2,715,000	0	105,000	2,610,000	110,000
2004 Various Purpose Bonds	0	4,110,000	40,000	4,070,000	270,000
Total General Obligation Bonds	6,978,805	4,110,000	1,616,325	9,472,480	850,000
Special Assessment Bonds					
1984 Special Assessments	34,672	0	34,672	0	0
Total Special Assessment Bonds	34,672	0	34,672	0	0
Accrued Police/Fire Pension Liab.	396,790	0	6,188	390,602	6,300
Compensated Absences Payable	2,347,257	101,414	151,308	2,297,363	722,986
Capital Lease Payable	37,553	257,683	63,127	232,109	56,176
OWDA Loans					
1996 Kenyon/Gardenview Sewer Imp.	1,803,387	0	112,618	1,690,769	117,352
1996 Phase I Sewer Imp.	551,591	0	34,045	517,546	35,542
1997 Phase II Sewer Imp.	80,224	0	5,047	75,177	5,253
Total OWDA Loans	2,435,202	0	151,710	2,283,492	158,147
OPWC Loans					
1994 Maplewood/Northwood Sewers	429,312	0	34,345	394,967	34,345
1997 Southgate Pk/Lee Rd. South	143,879	0	9,282	134,597	9,282
2003 Industrial Ave./E.141st. Imp.	556,403	0	27,820	528,583	27,820
Total OPWC Loans	1,129,594	0	71,447	1,058,147	71,447
Total Loans Payable	3,564,796	0	223,157	3,341,639	229,594
Total Governmental Activities	\$13,359,873	\$4,469,097	\$2,094,777	\$15,734,193	\$1,865,056
Business Type Activities					
Compensated Absences Payable	\$ 290,487	\$ 14,144	\$ 26,087	\$ 278,544	\$ 47,942

General obligation bonds will be paid from the bond retirement fund. The special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City. The police and fire pension liability will be paid from levied taxes in the police and fire pension special revenue funds. Capital leases will be paid from the bond retirement fund and the street maintenance & repair special revenue fund. Compensated absences will be paid from the general fund, police and fire services special revenue funds, ambulance billing, solid waste collection, and street construction and repair special revenue funds, and the transit enterprise fund. The OWDA and OPWC loans reported in the special revenue fund will be paid from revenues derived by the City from sewer charges.

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

The City's overall legal debt margin was \$35,458,970 at December 31, 2004. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2004, are as follows:

	General Obligation Bonds		Ohio Public Works Commission		Ohio Water Development Authority		Accrued Police and Fire Pension Liability	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
	2005	\$ 850,000	\$ 329,106	\$ 71,447	\$ 0	\$ 158,147	\$ 94,244	\$ 6,300
2006	728,150	458,976	71,447	0	164,857	87,534	6,707	16,280
2007	716,460	464,016	71,447	0	171,852	80,539	6,996	15,991
2008	723,353	469,892	71,447	0	179,143	73,247	7,296	15,690
2009	723,040	470,480	71,447	0	186,744	65,646	7,610	15,377
2010-2014	3,096,477	1,491,968	357,238	0	1,059,524	202,431	43,252	71,682
2015-2019	2,405,000	402,088	232,389	0	363,225	15,362	53,389	61,544
2020-2024	230,000	12,075	111,285	0	0	0	65,903	49,031
2025-2029	0	0	0	0	0	0	81,349	33,585
2030-2035	0	0	0	0	0	0	111,800	14,758
Total	\$9,472,480	\$4,098,601	\$1,058,147	\$0	\$2,283,492	\$619,003	\$390,602	\$310,494

Total Governmental Activities	
Principal	Interest
2005	\$ 439,906
2006	\$ 562,790
2007	\$ 560,546
2008	\$ 558,829
2009	\$ 551,503
2010-2014	\$ 1,766,081
2015-2019	\$ 478,994
2020-2024	\$ 61,106
2025-2029	\$ 33,585
2030-2035	\$ 14,758
Total	\$5,028,098

Note 18 - Defeased Debt

On August 1, 2004, The City of Maple Heights issued general obligation bonds of \$4,110,000 with an interest rate of 2.00%-5.25% which consisted of advance refunding the general obligation bond of \$850,000 with an interest rate of 5.75%, retiring short-term notes of \$1,940,000 due in 2004 and doing additional capital improvements of \$1,320,000. The general obligation bonds were issued at a premium of \$86,564 and after paying issuance costs of \$99,363, the net proceeds were \$4,214,651. The current refunding met the requirements of an in-substance debt defeasance and the defeased general obligation bonds were removed from the City's government-wide financial statements.

As a result of the current refunding, the City decreased its total debt service requirements by \$84,673. Which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$63,673.

Note 19 - Litigation

The City of Maple Heights is a party to legal proceedings. The City is liable in the amount of \$45,000 for the alleged wrongful demolition of a home. The City has appealed this determination and the appeal is currently pending. It appears the City may be able to resolve this below the judgement amount of \$45,000. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Note 20 - Jointly Governed Organizations

A. Northern Ohio Risk Management Association

The Northern Ohio Risk Management Association (NORMA) municipal insurance pool was originally formed in 1987. The city of Maple Heights became a member on October 1, 1993. The pool is comprised of eleven member cities that pool resources for the purpose of gaining maximum general liability, property and casualty coverages at the least possible cost. NORMA is governed by a board of Trustees consisting of a representative from each municipality. The Trustees exercise control over such matters as budgeting and contracting services. Each city's degree of control is limited to its representation on the Board. In 2004, the City of Maple Heights remitted \$162,419 in insurance premiums to NORMA.

B. Northeast Ohio Public Energy Council

The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 100 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities. NOPEC is governed by a General Assembly made up of one representative from each community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting, Board Chairman, 1615 Clark Avenue, Cleveland Oh 44109.

C. Southeast Area Law Enforcement Organization

The Southeast Area Law Enforcement Organization is comprised of seven municipalities in southeastern Cuyahoga County for the purpose of providing assistance in the form of a SWAT team, Bomb Unit, Investigative Unit, Narcotics Unit, Crisis Negotiation Team, and Communications Unit. In 2004, the City of Maple Heights contributed \$20,036 to the organization. The Southeast Area Law Enforcement organization financial statements may be obtained by contacting the Finance Director from the City of Bedford, Ohio.

D. Chagrin/Southeast Council of Governments

The Chagrin/Southeast Council of Governments operates the Chagrin/Southeast Haz-Mat Response Team. The team was formed in 1990 to assist local fire departments in responding to incidents involving industrial chemicals. In 2004, the City of Maple Heights contributed \$2,000 to the organization. The Chagrin/Southeast Council of Governments financial statements may be obtained by contacting the Finance Director from the City of Bedford Heights, Ohio.

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2004

Note 21 - Interfund Transfers

The municipal income tax fund transfers to the major and non-major governmental funds were made to provide additional resources for current operations. The transfer from the non-major governmental funds to major and non-major governmental funds were made to provide additional resources for current operations. The transfers from the non-major governmental funds to the bond retirement fund were to cover various debt obligations of the City. The transfers from the general fund to the non-major governmental funds were to pay for the current portion of the Ohio Police and Fire Pension. The transfer from the Bond Retirement Fund to non-major governmental funds were pay for current interest expense on Notes Payable. The transfer from the Transit enterprise fund to the non-major governmental funds was to pay for local expenses originally covered by the capital projects non-major governmental fund. All transfers were in compliance with the Ohio Revised Code. Transfers of \$7,973,434 were eliminated on the government-wide financial statements since they were within the governmental and business-type activities. Transfers made during the year ended December 31, 2004 were as follows:

Transfer To	Transfer from						
	Governmental Activities				Business Type Activities		
	General	Municipal Income Tax	Bond Retirement	Non-Major Governmental Activities	Total Governmental Activities	Maple Heights Transit Total	Total
<i>Governmental Activities</i>							
General	\$0	\$5,700,000	\$0	\$200,000	\$5,900,000		\$5,900,000
Bond Retirement	0	0	0	132,108	132,108	0	\$132,108
Non-Major Governmental Funds	913,000	500,000	22,310	306,016	1,741,326	125,000	\$1,866,326
<i>Total Governmental Activities</i>	<u>\$ 913,000</u>	<u>\$ 6,200,000</u>	<u>\$ 22,310</u>	<u>\$ 638,124</u>	<u>\$ 7,773,434</u>	<u>\$ 125,000</u>	<u>\$7,898,434</u>
<i>Business Type Activities</i>							
Solid Waste Collection	0	100,000	0	0	100,000		\$100,000
<i>Total</i>	<u>\$913,000</u>	<u>\$6,300,000</u>	<u>\$22,310</u>	<u>\$638,124</u>	<u>\$7,873,434</u>	<u>\$125,000</u>	<u>\$7,998,434</u>

Note 22 - Contractual Commitments

At December 31, 2004, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contractor</u>	<u>Amount Remaining on Contract</u>
2004 Road Resurfacing	Schloss Paving	\$ 298,159
Northfield Road Imp.	Perk Co.	\$ 1,655,509
Lee Road Imp.	Cuyahoga County Engineer	\$ 409,287
		<u>\$ 2,362,955</u>

Note 23 - Subsequent Events

On March 2, 2005 Maple Heights City Council authorized a transfer agreement between the Maple Heights Transit System and Greater Cleveland Regional Transit Authority (GCRTA). This agreement transfers all operations of Maple Heights Transit to GCRTA effective March 20, 2005. The City will continue to receive an administrative fee of \$168,000 per year for 2005, 2006 and 2007.

City of Maple Heights, Ohio

Combining Statements and Individual Fund Schedules

Non-Major Governmental Funds- Nonmajor Special Revenue

Street Maintenance and Repair Fund

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

State Highway Fund

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

FEMA Fire Grant

To account for the proceeds and disbursements for a federal grant used for firefighting preparation

Police Pension Fund

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

Fire Pension Fund

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

Cable Television Fund

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

Water Use Charge Fund

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

Street Lighting Fund

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

Ambulance Billing Service Fund

To account for monies received from insurance and state agencies per usual customary rates established by such agencies for City's squad services.

Municipal Motor Vehicle License Tax Fund

To account for monies received from the municipal motor vehicle license tax.

Continued

City of Maple Heights, Ohio

Combining Statements and Individual Fund Schedules

Continued

Non-Major Governmental Funds- Nonmajor Special Revenue

Drug Law Enforcement Fund

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

Computer Fee Fund

To account for monies received from court fines to fund the computerization of the Mayor's Court.

Enterprise Park Fund

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

Police Services Levy Fund

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

Fire Services Levy Fund

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

Inmate Commissary Fund

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

DARE Fund

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

Office on Aging

To account for monies received through home delivered meals and transportation services.

City of Maple Heights, Ohio

Combining Statements and Individual Fund Schedules

Nonmajor Governmental Funds – Nonmajor Capital Projects Funds

City Hall Improvement Fund

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

Street Improvement Fund

To account for the financing and construction of street improvements.

Lee Road Improvement Fund

The account for the reconstruction of Lee Road.

Fire Truck Rehabilitation Fund

To account for monies allocated to the replacement of fire apparatus.

Community Development Block Grant Fund

To account for monies associated with CDBG funded projects.

Northfield Road Improvement

To account for financing and construction costs to reconstruct Northfield Road.

Sidewalk Improvement Fund

To account for monies allocated for citywide sidewalk replacement.

Turney Road Reconstruction Fund

To account for monies associated with the reconstruction of Turney Road.

Safety Facilities Improvements Fund

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

City of Maple Heights, Ohio

Combining Balance Sheet - Non Major Governmental Funds

December 31, 2004

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>			
Equity in Pooled Cash and Investments	\$ 1,032,275	\$ 997,779	\$ 2,030,054
Receivables:			
Taxes	2,401,447	0	2,401,447
Accounts	145,547	0	145,547
Interest	2,944	2,702	5,646
Intergovernmental	<u>823,878</u>	<u>1,900,614</u>	<u>2,724,492</u>
Total Assets	<u>\$ 4,406,091</u>	<u>\$ 2,901,095</u>	<u>\$ 7,307,186</u>
<u>Liabilities</u>			
Accounts Payable	\$ 160,031	\$ 1,081,901	\$ 1,241,932
Accrued Wages and Benefits	413,014	0	413,014
Due to Other Governments	79,369	409,287	488,656
Interfund Payable	0	741,499	741,499
Deferred Revenues	<u>2,992,294</u>	<u>0</u>	<u>2,992,294</u>
Total Liabilities	<u>3,644,708</u>	<u>2,232,687</u>	<u>5,877,395</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	81,631	0	81,631
Unreserved:			
Undesignated	<u>679,752</u>	<u>668,408</u>	<u>1,348,160</u>
Total Fund Balances	<u>761,383</u>	<u>668,408</u>	<u>1,429,791</u>
Total Liabilities and Fund Balances	<u>\$ 4,406,091</u>	<u>\$ 2,901,095</u>	<u>\$ 7,307,186</u>

City of Maple Heights, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Governmental Funds

For The Year Ended December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$ 2,023,958	\$ 0	\$ 2,023,958
Intergovernmental	1,391,413	2,007,942	3,399,355
Charges for Services	787,185	0	787,185
Fees, Licenses, Permits	375,111	0	375,111
Interest Income	11,711	5,961	17,672
Miscellaneous Income	118,847	0	118,847
Total Revenues	<u>4,708,225</u>	<u>2,013,903</u>	<u>6,722,128</u>
Expenditures			
Current Operations and Maintenance:			
Security of Persons and Property	2,919,896	8,787	2,928,683
Leisure Time Activities	58,063	0	58,063
Basic Utility Services	212,130	0	212,130
Transportation	1,249,285	249,435	1,498,720
Community Development	0	109,766	109,766
General Government	447,088	0	447,088
Capital Outlay	686,797	2,945,904	3,632,701
Debt Service:			
Principal Retirement	269,133	0	269,133
Interest and Fiscal Charges	100,680	22,310	122,990
Total Expenditures	<u>5,943,072</u>	<u>3,336,202</u>	<u>9,279,274</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,234,847)</u>	<u>(1,322,299)</u>	<u>(2,557,146)</u>
Other Financing Sources (Uses)			
Capitalization of Lease	257,683	0	257,683
Proceeds From Sale of Debt	40,000	3,190,000	3,230,000
Transfers - In	1,559,016	307,310	1,866,326
Transfers - Out	(638,124)	0	(638,124)
Total Other Financing Sources (Uses)	<u>1,218,575</u>	<u>3,497,310</u>	<u>4,715,885</u>
Net Changes in Fund Balances	(16,272)	2,175,011	2,158,739
Fund Balances (Deficit) at Beginning of Year	<u>777,655</u>	<u>(1,506,603)</u>	<u>(728,948)</u>
Fund Balances at End of Year	<u>\$ 761,383</u>	<u>\$ 668,408</u>	<u>\$ 1,429,791</u>

City of Maple Heights, Ohio

Combining Balance Sheet - Non Major Governmental Funds - Special Revenue

December 31, 2004

	<u>Street Maintenance & Repair</u>	<u>State Highway</u>	<u>FEMA Fire Grant</u>	<u>Police Pension</u>
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 103,331	\$ 34,017	\$ 71,452	\$ 36,097
Receivables:				
Taxes	0	0	0	136,362
Accounts	0	0	0	0
Interest	351	115	0	0
Intergovernmental	<u>332,137</u>	<u>26,079</u>	<u>0</u>	<u>6,368</u>
Total Assets	<u>\$ 435,819</u>	<u>\$ 60,211</u>	<u>\$ 71,452</u>	<u>\$ 178,827</u>
<u>Liabilities</u>				
Accounts Payable	\$ 12,116	\$ 1,307	\$ 16,765	\$ 0
Accrued Wages and Benefits	31,757	21,275	0	147,229
Due to Other Governments	23,472	1,964	0	0
Deferred Revenues	<u>241,851</u>	<u>19,617</u>	<u>0</u>	<u>142,730</u>
Total Liabilities	<u>309,196</u>	<u>44,163</u>	<u>16,765</u>	<u>289,959</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	21,265	2,167	55,331	0
Unreserved:				
Undesignated (Deficit)	<u>105,358</u>	<u>13,881</u>	<u>(644)</u>	<u>(111,132)</u>
Total Fund Balances (Decifit)	<u>126,623</u>	<u>16,048</u>	<u>54,687</u>	<u>(111,132)</u>
Total Liabilities and Fund Balances	<u>\$ 435,819</u>	<u>\$ 60,211</u>	<u>\$ 71,452</u>	<u>\$ 178,827</u>

<u>Fire Pension</u>	<u>Cable Television</u>	<u>Water Use Charge</u>	<u>Street Lighting</u>	<u>Ambulance Billing Service</u>	<u>Municipal Motor Vehicle License Tax</u>
\$ 22,833	\$ 65,515	\$ 31,703	\$ 173,346	\$ 81,408	\$ 4,107
136,362	0	0	449,073	0	0
0	50,999	0	0	94,548	0
0	223	108	588	273	0
<u>6,368</u>	<u>0</u>	<u>271,804</u>	<u>24,000</u>	<u>0</u>	<u>10,632</u>
\$ <u>165,563</u>	\$ <u>116,737</u>	\$ <u>303,615</u>	\$ <u>647,007</u>	\$ <u>176,229</u>	\$ <u>14,739</u>
\$ 0	\$ 0	\$ 85,278	\$ 33,975	\$ 2,363	\$ 0
151,141	0	0	0	3,954	0
0	0	0	0	2,412	0
<u>142,730</u>	<u>0</u>	<u>190,153</u>	<u>473,073</u>	<u>0</u>	<u>0</u>
<u>293,871</u>	<u>0</u>	<u>275,431</u>	<u>507,048</u>	<u>8,729</u>	<u>0</u>
0	0	0	0	2,626	0
<u>(128,308)</u>	<u>116,737</u>	<u>28,184</u>	<u>139,959</u>	<u>164,874</u>	<u>14,739</u>
<u>(128,308)</u>	<u>116,737</u>	<u>28,184</u>	<u>139,959</u>	<u>167,500</u>	<u>14,739</u>
\$ <u>165,563</u>	\$ <u>116,737</u>	\$ <u>303,615</u>	\$ <u>647,007</u>	\$ <u>176,229</u>	\$ <u>14,739</u>

Continued

City of Maple Heights, Ohio

Combining Balance Sheet - Non Major Governmental Funds - Special Revenue
(Continued)

December 31, 2004

	<u>Drug Law Enforcement</u>	<u>Computer Fee</u>	<u>Enterprise Park</u>	<u>Police Services Levy</u>
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 64,567	\$ 22,103	\$ 120,344	\$ 69,449
Receivables:				
Taxes	0	0	0	839,825
Accounts	0	0	0	0
Interest	219	0	409	236
Intergovernmental	<u>0</u>	<u>0</u>	<u>44,000</u>	<u>51,245</u>
Total Assets	<u>\$ 64,786</u>	<u>\$ 22,103</u>	<u>\$ 164,753</u>	<u>\$ 960,755</u>
<u>Liabilities</u>				
Accounts Payable	\$ 0	\$ 59	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	0	28,902
Due to Other Governments	0	0	0	26,246
Deferred Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>891,070</u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 59</u>	<u>\$ 0</u>	<u>\$ 946,218</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	0	242	0	0
Unreserved:				
Undesignated (Deficit)	<u>64,786</u>	<u>21,802</u>	<u>164,753</u>	<u>14,537</u>
Total Fund Balances (Deficit)	<u>64,786</u>	<u>22,044</u>	<u>164,753</u>	<u>14,537</u>
Total Liabilities and Fund Balances	<u>\$ 64,786</u>	<u>\$ 22,103</u>	<u>\$ 164,753</u>	<u>\$ 960,755</u>

<u>Fire Services Levy</u>	<u>Inmate Commissary</u>	<u>DARE</u>	<u>Office On Aging</u>	<u>Total</u>
\$ 42,982	\$ 4,828	\$ 182	\$ 84,011	\$ 1,032,275
839,825	0	0	0	2,401,447
0	0	0	0	145,547
137	0	0	285	2,944
<u>51,245</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>823,878</u>
\$ <u>934,189</u>	\$ <u>4,828</u>	\$ <u>182</u>	\$ <u>84,296</u>	\$ <u>4,406,091</u>
\$ 0	\$ 559	\$ 0	\$ 7,609	\$ 160,031
28,756	0	0	0	413,014
25,275	0	0	0	79,369
<u>891,070</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,992,294</u>
\$ <u>945,101</u>	\$ <u>559</u>	\$ <u>0</u>	\$ <u>7,609</u>	\$ <u>3,644,708</u>
0	0	0	0	81,631
<u>(10,912)</u>	<u>4,269</u>	<u>182</u>	<u>76,687</u>	<u>679,752</u>
<u>(10,912)</u>	<u>4,269</u>	<u>182</u>	<u>76,687</u>	<u>761,383</u>
\$ <u>934,189</u>	\$ <u>4,828</u>	\$ <u>182</u>	\$ <u>84,296</u>	\$ <u>4,406,091</u>

City of Maple Heights, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Governmental Funds - Special Revenue

For The Year Ended December 31, 2004

	<u>Street Maintenance & Repair</u>	<u>State Highway</u>	<u>FEMA Fire Grant</u>	<u>Police Pension</u>
Revenues				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 112,757
Intergovernmental	692,696	56,132	296,295	16,310
Charges for Services	0	0	0	0
Fees, Licenses, Permits	0	0	0	0
Interest Income	495	313	0	0
Miscellaneous Income	65,116	0	0	0
Total Revenues	<u>758,307</u>	<u>56,445</u>	<u>296,295</u>	<u>129,067</u>
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property	0	0	0	553,074
Leisure Time Activities	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	1,155,915	93,370	0	0
General Government	0	0	0	0
Capital Outlay	257,683	0	272,624	0
Debt Service:				
Principal Retirement	55,257	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>1,468,855</u>	<u>93,370</u>	<u>272,624</u>	<u>553,074</u>
Excess of Revenues Over (Under) Expenditures	<u>(710,548)</u>	<u>(36,925)</u>	<u>23,671</u>	<u>(424,007)</u>
Other Financing Sources (Uses)				
Capitalization of Lease	257,683	0	0	0
Proceeds From Sale of Debt	0	0	0	0
Transfers - In	475,000	25,000	31,016	445,000
Transfers - Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>732,683</u>	<u>25,000</u>	<u>31,016</u>	<u>445,000</u>
Net Changes in Fund Balances	22,135	(11,925)	54,687	20,993
Fund Balances (Deficit) at Beginning of Year	<u>104,488</u>	<u>27,973</u>	<u>0</u>	<u>(132,125)</u>
Fund Balances (Deficit) at End of Year	<u>\$ 126,623</u>	<u>\$ 16,048</u>	<u>\$ 54,687</u>	<u>\$ (111,132)</u>

<u>Fire Pension</u>	<u>Cable Television</u>	<u>Water Use Charge</u>	<u>Street Lighting</u>	<u>Ambulance Billing Service</u>	<u>Municipal Motor Vehicle License Tax</u>
\$ 112,757	\$ 0	\$ 0	\$ 375,856	\$ 0	\$ 0
16,310	0	0	54,378	10,342	0
0	0	483,643	0	258,677	0
0	223,218	0	0	0	151,893
0	882	91	2,522	1,017	199
0	0	0	0	0	0
<u>129,067</u>	<u>224,100</u>	<u>483,734</u>	<u>432,756</u>	<u>270,036</u>	<u>152,092</u>
703,747	0	0	0	140,089	0
0	0	0	0	0	0
0	0	212,130	0	0	0
0	0	0	0	0	0
0	0	0	414,292	0	0
0	0	0	0	142,422	0
0	0	213,876	0	0	0
0	0	<u>100,680</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>703,747</u>	<u>0</u>	<u>526,686</u>	<u>414,292</u>	<u>282,511</u>	<u>0</u>
<u>(574,680)</u>	<u>224,100</u>	<u>(42,952)</u>	<u>18,464</u>	<u>(12,475)</u>	<u>152,092</u>
0	0	0	0	0	0
0	0	40,000	0	0	0
583,000	0	0	0	0	0
<u>0</u>	<u>(200,000)</u>	<u>(79,608)</u>	<u>0</u>	<u>(83,516)</u>	<u>(160,000)</u>
<u>583,000</u>	<u>(200,000)</u>	<u>(39,608)</u>	<u>0</u>	<u>(83,516)</u>	<u>(160,000)</u>
8,320	24,100	(82,560)	18,464	(95,991)	(7,908)
<u>(136,628)</u>	<u>92,637</u>	<u>110,744</u>	<u>121,495</u>	<u>263,491</u>	<u>22,647</u>
\$ <u>(128,308)</u>	\$ <u>116,737</u>	\$ <u>28,184</u>	\$ <u>139,959</u>	\$ <u>167,500</u>	\$ <u>14,739</u>

Continued

City of Maple Heights, Ohio

Combining Statement of Revenues, Expenditures and changes in Fund Balances Non-Major Governmental Funds - Special Revenue

For The Year Ended December 31, 2004

	Drug Law Enforcement	Computer Fee	Enterprise Park	Police Services Levy
<u>Revenues</u>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 711,294
Intergovernmental	0	0	46,038	101,456
Charges for Services	0	44,865	0	0
Fees, Licenses, Permits	0	0	0	0
Interest Income	782	0	1,441	1,605
Miscellaneous Income	5,793	0	0	0
Total Revenues	<u>6,575</u>	<u>44,865</u>	<u>47,479</u>	<u>814,355</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property	5,708	0	0	769,411
Leisure Time Activities	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
General Government	0	32,796	0	0
Capital Outlay	0	2,400	11,668	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>5,708</u>	<u>35,196</u>	<u>11,668</u>	<u>769,411</u>
Excess of Revenues Over (Under) Expenditures	<u>867</u>	<u>9,669</u>	<u>35,811</u>	<u>44,944</u>
<u>Other Financing Sources (Uses)</u>				
Capitalization of Lease	0	0	0	0
Proceeds From Sale of Debt	0	0	0	0
Transfers - In	0	0	0	0
Transfers - Out	0	0	0	(35,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(35,000)</u>
Net Change in Fund Balances	867	9,669	35,811	9,944
Fund Balances (Deficit) at Beginning of Year	<u>63,919</u>	<u>12,375</u>	<u>128,942</u>	<u>4,593</u>
Fund Balances (Deficit) at End of Year	\$ <u>64,786</u>	\$ <u>22,044</u>	\$ <u>164,753</u>	\$ <u>14,537</u>

<u>Fire Services Levy</u>	<u>Inmate Commissary</u>	<u>DARE</u>	<u>Office on Aging</u>	<u>Total</u>
\$ 711,294	\$ 0	\$ 0	\$ 0	\$ 2,023,958
101,456	0	0	0	1,391,413
0	0	0	0	787,185
0	0	0	0	375,111
1,299	0	0	1,065	11,711
0	8,933	1,082	37,923	118,847
<u>814,049</u>	<u>8,933</u>	<u>1,082</u>	<u>38,988</u>	<u>4,708,225</u>
737,300	7,507	3,060	0	2,919,896
0	0	0	58,063	58,063
0	0	0	0	212,130
0	0	0	0	1,249,285
0	0	0	0	447,088
0	0	0	0	686,797
0	0	0	0	269,133
0	0	0	0	100,680
<u>737,300</u>	<u>7,507</u>	<u>3,060</u>	<u>58,063</u>	<u>5,943,072</u>
<u>76,749</u>	<u>1,426</u>	<u>(1,978)</u>	<u>(19,075)</u>	<u>(1,234,847)</u>
0	0	0	0	257,683
0	0	0	0	40,000
0	0	0	0	1,559,016
<u>(80,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(638,124)</u>
<u>(80,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,218,575</u>
(3,251)	1,426	(1,978)	(19,075)	(16,272)
<u>(7,661)</u>	<u>2,843</u>	<u>2,160</u>	<u>95,762</u>	<u>777,655</u>
\$ <u>(10,912)</u>	\$ <u>4,269</u>	\$ <u>182</u>	\$ <u>76,687</u>	\$ <u>761,383</u>

City of Maple Heights, Ohio

Combining Balance Sheet – Non Major Governmental Funds – Capital Projects

December 31, 2004

	<u>City Hall</u> <u>Improvement</u>	<u>Street</u> <u>Improvement</u>	<u>Lee Road</u> <u>Improvement</u>	<u>Fire Truck</u> <u>Rehabilitation</u>	<u>Community</u> <u>Development</u> <u>Block</u> <u>Grants</u>
<u>Assets</u>					
Equity in Pooled Cash and Investments	\$ 112,842	\$ 202,547	\$ 18,888	\$ 7,747	\$ 58,977
Receivables:					
Interest	0	688	0	0	0
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>175,000</u>
Total Assets	\$ <u>112,842</u>	\$ <u>203,235</u>	\$ <u>18,888</u>	\$ <u>7,747</u>	\$ <u>233,977</u>
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 96,110	\$ 0	\$ 0	\$ 1,676
Due to Other Governments	0	0	409,287	0	0
Interfund Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>96,110</u>	<u>409,287</u>	\$ <u>0</u>	<u>1,676</u>
<u>Fund Balances</u>					
Unreserved:					
Undesignated (Deficit)	<u>112,842</u>	<u>107,125</u>	<u>(390,399)</u>	<u>7,747</u>	<u>232,301</u>
Total Fund Balances (Deficit)	<u>112,842</u>	<u>107,125</u>	<u>(390,399)</u>	<u>7,747</u>	<u>232,301</u>
Total Liabilities and Fund Balances	\$ <u>112,842</u>	\$ <u>203,235</u>	\$ <u>18,888</u>	\$ <u>7,747</u>	\$ <u>233,977</u>

<u>Northfield Road Improvements</u>	<u>Sidewalk Improvement</u>	<u>Turney Road Reconstruction</u>	<u>Safety Facilities Improvements</u>	<u>Total</u>
\$ 0	\$ 3,782	\$ 0	\$ 592,996	\$ 997,779
0	0	0	2,014	2,702
<u>1,725,614</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,900,614</u>
\$ <u>1,725,614</u>	\$ <u>3,782</u>	\$ <u>0</u>	\$ <u>595,010</u>	\$ <u>2,901,095</u>
\$ 984,115	\$ 0	\$ 0	\$ 0	\$ 1,081,901
0	0	0	0	409,287
<u>741,499</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>741,499</u>
\$ <u>1,725,614</u>	\$ <u>0</u>	<u>0</u>	<u>0</u>	<u>2,232,687</u>
<u>0</u>	<u>3,782</u>	<u>0</u>	<u>595,010</u>	<u>668,408</u>
<u>0</u>	<u>3,782</u>	<u>0</u>	<u>595,010</u>	<u>668,408</u>
\$ <u>1,725,614</u>	\$ <u>3,782</u>	\$ <u>0</u>	\$ <u>595,010</u>	\$ <u>2,901,095</u>

City of Maple Heights, Ohio

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Non Major Governmental Funds – Capital Projects**

For The Year Ended December 31, 2004

	<u>City Hall Improvement</u>	<u>Street Improvement</u>	<u>Lee Road Improvement</u>	<u>Fire Truck Rehabilitation</u>	<u>Community Development Block Grants</u>
<u>Revenues</u>					
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 202,485
Interest Income	<u>0</u>	<u>2,164</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>2,164</u>	<u>0</u>	<u>0</u>	<u>202,485</u>
<u>Expenditures</u>					
Current Operations and Maintenance:					
Security of Persons and Property	0	0	0	0	0
Community Development	0	0	0	0	109,766
Transportation	0	55,903	0	0	0
Capital Outlay	0	367,376	534,287	0	401,915
Debt Service:					
Interest and Fiscal Charges	<u>0</u>	<u>12,494</u>	<u>0</u>	<u>0</u>	<u>2,008</u>
Total Expenditures	<u>0</u>	<u>435,773</u>	<u>534,287</u>	<u>0</u>	<u>513,689</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(433,609)</u>	<u>(534,287)</u>	<u>0</u>	<u>(311,204)</u>
<u>Other Financing Sources (Uses)</u>					
Proceeds From Sale of Debt	0	1,290,000	0	0	630,000
Transfers - In	<u>0</u>	<u>172,494</u>	<u>125,000</u>	<u>0</u>	<u>2,008</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,462,494</u>	<u>125,000</u>	<u>0</u>	<u>632,008</u>
Net Change in Fund Balances	0	1,028,885	(409,287)	0	320,804
Fund Balances (Deficit) at Beginning of Year	<u>112,842</u>	<u>(921,760)</u>	<u>18,888</u>	<u>7,747</u>	<u>(88,503)</u>
Fund Balances (Deficit) at End of Year	<u>\$ 112,842</u>	<u>\$ 107,125</u>	<u>\$ (390,399)</u>	<u>\$ 7,747</u>	<u>\$ 232,301</u>

<u>Northfield Road Improvements</u>	<u>Sidewalk Improvement</u>	<u>Turney Road Reconstruction</u>	<u>Safety Facilities Improvements</u>	<u>Total</u>
\$1,805,457	\$ 0	\$ 0	\$ 0	\$ 2,007,942
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,797</u>	<u>5,961</u>
<u>1,805,457</u>	<u>0</u>	<u>0</u>	<u>3,797</u>	<u>2,013,903</u>
0	0	0	8,787	8,787
0	0	0	0	109,766
193,532	0	0	0	249,435
1,642,326	0	0	0	2,945,904
<u>0</u>	<u>0</u>	<u>7,808</u>	<u>0</u>	<u>22,310</u>
<u>1,835,858</u>	<u>0</u>	<u>7,808</u>	<u>8,787</u>	<u>3,336,202</u>
<u>(30,401)</u>	<u>0</u>	<u>(7,808)</u>	<u>(4,990)</u>	<u>(1,322,299)</u>
<u>0</u>	<u>0</u>	670,000	600,000	3,190,000
<u>0</u>	<u>0</u>	<u>7,808</u>	<u>0</u>	<u>307,310</u>
<u>0</u>	<u>0</u>	<u>677,808</u>	<u>600,000</u>	<u>3,497,310</u>
(30,401)	0	0	595,010	2,175,011
<u>30,401</u>	<u>3,782</u>	<u>(670,000)</u>	<u>0</u>	<u>(1,506,603)</u>
\$ <u>0</u>	\$ <u>3,782</u>	\$ <u>0</u>	\$ <u>595,010</u>	\$ <u>668,408</u>

City of Maple Heights, Ohio

Combining Statements – Agency Funds

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

Three Percent OBBS Fees

To account for monies collected on behalf of the State of Ohio for building permit fees.

Street Openings

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

Tree Deposits

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

Architect and Engineering Deposits

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

Mayor's Court Bond Account

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

Payroll Agency

To account for payroll taxes and other related payroll deductions collected for other governmental units or funds.

Health Care

To account for employee contributions to health care premiums.

City of Maple Heights, Ohio

Combining Statement of Assets and Liabilities – Agency Funds

December 31, 2004

	<u>Three Percent OBBS Fees</u>	<u>Street Openings</u>	<u>Tree Deposits</u>	<u>Architect & Engineering Deposits</u>	<u>Mayor's Court Bond Account</u>
<u>Assets</u>					
Equity in Pooled					
Cash and Investments	\$ <u> 937</u>	\$ <u>17,025</u>	\$ <u> 6,400</u>	\$ <u>30,639</u>	\$ <u> 5,000</u>
Total Assets	\$ <u> 937</u>	\$ <u>17,025</u>	\$ <u> 6,400</u>	\$ <u>30,639</u>	\$ <u> 5,000</u>
<u>Liabilities</u>					
Deposits Held and Due to Others	\$ <u> 937</u>	\$ <u>17,025</u>	\$ <u> 6,400</u>	\$ <u>30,639</u>	\$ <u> 5,000</u>
Total Liabilities	\$ <u> 937</u>	\$ <u>17,025</u>	\$ <u> 6,400</u>	\$ <u>30,639</u>	\$ <u> 5,000</u>

<u>Payroll</u> <u>Agency</u>	<u>Health</u> <u>Care</u>	<u>Total</u>
\$ <u>92,292</u>	\$ <u>10,088</u>	\$ <u>162,381</u>
\$ <u>92,292</u>	\$ <u>10,088</u>	\$ <u>162,381</u>
\$ <u>92,292</u>	\$ <u>10,088</u>	\$ <u>162,381</u>
\$ <u>92,292</u>	\$ <u>10,088</u>	\$ <u>162,381</u>

City of Maple Heights, Ohio

**Combining Statement of Changes in Assets and Liabilities
Agency Funds**

For The Year Ended December 31, 2004

	<u>Three Percent OBBS Fees</u>	<u>Street Openings</u>	<u>Tree Deposits</u>	<u>Architect & Engineering Deposits</u>	<u>Mayor's Court Bond Account</u>
Cash and Offsetting Agent Liability Balances, December 31, 2003	\$ 841	\$ 15,275	\$ 3,900	\$ 28,400	\$ 7,900
Additions	1,233	1,750	2,500	11,986	129,591
Deductions	<u>(1,137)</u>	<u>0</u>	<u>0</u>	<u>(9,747)</u>	<u>(132,491)</u>
Cash and Offsetting Agent Liability Balances, December 31, 2004	\$ <u>937</u>	\$ <u>17,025</u>	\$ <u>6,400</u>	\$ <u>30,639</u>	\$ <u>5,000</u>

<u>Payroll</u> <u>Agency</u>	<u>Health</u> <u>Care</u>	<u>Total</u>
\$ 104,909	\$ 0	\$ 161,225
12,921,291	56,343	13,124,694
<u>(12,933,908)</u>	<u>(46,255)</u>	<u>(13,123,538)</u>
\$ <u>92,292</u>	\$ <u>10,088</u>	\$ <u>162,381</u>

**Individual Fund Schedules of Revenues, Expenditures and
Changes in Fund Balance-Budget (Non-GAAP Basis) and Actual**

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Fund				
Revenues				
Property Taxes	\$ 2,745,554	\$ 2,745,554	\$ 2,818,920	\$ 73,366
Intergovernmental	2,750,256	2,750,256	2,920,901	170,645
Charges For Services	311,200	311,200	291,758	(19,442)
Fees, Licenses, Permits	643,550	643,550	665,840	22,290
Fines and Forfeitures	673,500	673,500	772,089	98,589
Interest Income	40,000	40,000	24,292	(15,708)
Miscellaneous	349,000	349,000	228,621	(120,379)
Total Revenues	7,513,060	7,513,060	7,722,421	209,361
Expenditures				
Security of Persons & Property				
Police				
Personnel	2,707,000	2,697,000	2,639,601	57,399
Other	351,700	361,700	350,013	11,687
Total Police	3,058,700	3,058,700	2,989,614	69,086
School Guards				
Personnel	84,400	84,400	79,957	4,443
Jail Administrators				
Personnel	827,700	827,700	783,318	44,382
Other	148,600	148,600	148,588	12
Total Jail Administrators	976,300	976,300	931,906	44,394
Fire Department				
Personnel	2,352,200	2,336,200	2,238,599	97,601
Other	254,500	254,500	251,713	2,787
Total Fire Department	2,606,700	2,590,700	2,490,312	100,388
Auxiliary Police				
Personnel	136,000	138,000	133,468	4,532
Police Administration				
Personnel	798,300	798,300	781,897	16,403
Total Security of Persons and Property	7,660,400	7,646,400	7,407,154	239,246

Continued

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Leisure Time Activities				
Parks				
Personnel	\$ 50,700	\$ 50,700	\$ 48,066	\$ 2,634
Other	65,950	65,950	46,417	19,533
Total Parks	116,650	116,650	94,483	22,167
Recreation				
Personnel	454,500	436,500	418,738	17,762
Other	185,900	203,900	197,479	6,421
Total Recreation	640,400	640,400	616,217	24,183
Human Services				
Personnel	528,560	528,560	509,866	18,694
Other	68,775	68,775	59,646	9,129
Total Human Services	597,335	597,335	569,512	27,823
Total Leisure Time Activities	1,354,385	1,354,385	1,280,212	74,173
Community Development				
Community Planning				
Personnel	14,855	16,855	16,719	136
Other	75	500	498	2
Total Community Planning	14,930	17,355	17,217	138
Zoning Board				
Personnel	10,780	9,655	8,743	912
Other	25	225	169	56
Total Zoning Board	10,805	9,880	8,912	968
Building Commissioner				
Personnel	590,000	590,000	558,037	31,963
Other	21,400	21,400	19,552	1,848
Total Building Commissioner	611,400	611,400	577,589	33,811
Total Community Development	637,135	638,635	603,718	34,917

Continued

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Basic Utility Services				
Sewers & Drains				
Personnel	\$ 600,300	\$ 578,500	\$ 539,025	\$ 39,475
Other	41,000	41,000	31,071	9,929
Total Sewers & Drains	641,300	619,500	570,096	49,404
Mechanics				
Personnel	229,660	219,660	208,697	10,963
Other	135,000	145,000	137,245	7,755
Total Mechanics	364,660	364,660	345,942	18,718
Service Director				
Personnel	145,830	145,830	143,292	2,538
Other	5,100	5,100	4,005	1,095
Total Service Director	150,930	150,930	147,297	3,633
Total Basic Utility Services	1,156,890	1,135,090	1,063,335	71,755
General Government				
Mayor's Office				
Personnel	173,930	178,930	176,950	1,980
Other	8,220	17,720	17,597	123
Total Mayors Office	182,150	196,650	194,547	2,103
Finance				
Personnel	300,250	303,250	302,296	954
Other	87,830	84,830	83,745	1,085
Total Finance	388,080	388,080	386,041	2,039
Legal				
Personnel	178,570	178,570	175,466	3,104
Other	93,300	93,300	53,508	39,792
Total Legal	271,870	271,870	228,974	42,896
Election Expense	15,000	30,000	29,957	43
Engineering				
Personnel	23,800	23,800	23,208	592
Other	10,000	10,000	6,316	3,684
Total Engineering	33,800	33,800	29,524	4,276

Continued

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Land & Buildings				
Personnel	\$ 138,100	\$ 138,100	\$ 125,680	\$ 12,420
Other	455,500	455,500	438,679	16,821
Total Land and Buildings	593,600	593,600	564,359	29,241
Administrative Expenses				
Personnel	351,000	351,000	313,742	37,258
Other	118,200	118,200	115,609	2,591
Total Administrative Expenses	469,200	469,200	429,351	39,849
Civil Service				
Personnel	6,511	6,511	6,227	284
Other	40,900	40,900	14,913	25,987
Total Civil Service	47,411	47,411	21,140	26,271
Human Resources				
Personnel	149,800	149,800	147,994	1,806
Other	5,900	7,700	7,467	233
Total Human Resources	155,700	157,500	155,461	2,039
Economic Development				
Personnel	97,350	97,350	87,363	9,987
Other	13,300	13,300	2,180	11,120
Total Economic Development	110,650	110,650	89,543	21,107
City Council				
Personnel	152,000	153,500	153,063	437
Other	20,400	20,400	15,872	4,528
Total City Council	172,400	173,900	168,935	4,965

Continued

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget (Non-GAAP Basis) and Actual
 General Fund
 For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Clerk of Council				
Personnel	\$ 108,210	\$ 108,210	\$ 105,762	\$ 2,448
Other	1,150	1,150	259	891
Total Clerk of Council	109,360	109,360	106,021	3,339
Mayor's Court				
Personnel	217,040	202,540	172,229	30,311
Other	182,100	182,100	144,895	37,205
Total Mayor's Court	399,140	384,640	317,124	67,516
Total General Government	2,948,361	2,966,661	2,720,977	245,684
Public Health & Welfare				
Other	81,084	81,084	81,084	0
Total Expenditures	13,838,255	13,822,255	13,156,480	665,775
Excess of Revenues Over (Under) Expenditures	(6,325,195)	(6,309,195)	(5,434,059)	875,136
Other Financing Sources (Uses)				
Proceeds From Sale of Fixed Assets	3,000	3,000	6,493	3,493
Transfer-In	6,865,000	6,865,000	5,900,000	(965,000)
Transfer-Out	(1,553,250)	(1,569,250)	(913,000)	656,250
Total Other Financing Sources (Uses)	5,314,750	5,298,750	4,993,493	(305,257)
Net Change in Fund Balance	(1,010,445)	(1,010,445)	(440,566)	569,879
Decertification of prior year encumbrances	0	0	15,457	15,457
Fund Balance at Beginning of Year	1,180,620	1,180,620	1,180,620	0
Fund Balance at End of Year	\$ 170,175	\$ 170,175	\$ 755,511	\$ 585,336

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>Revenues</u>				
Property Taxes	\$ 828,802	\$ 828,802	\$ 902,054	\$ 73,252
Intergovernmental	126,000	126,000	130,513	4,513
Special Assessments	36,000	36,000	59,094	23,094
Interest Income	8,000	8,000	8,065	65
Total Revenues	998,802	998,802	1,099,726	100,924
<u>Expenditures</u>				
Current Operations and Maintenance:				
General Government				
Other	32,100	32,100	31,327	773
Debt Service:				
Principal Retirement	834,300	831,900	818,153	13,747
Interest and Fiscal Charges	307,000	327,617	315,332	12,285
Bond Issuance Costs	0	13,783	68,447	(54,664)
Total Expenditures	1,173,400	1,205,400	1,233,259	(27,859)
Excess of Revenues Over (Under) Expenditures	(174,598)	(206,598)	(133,533)	73,065
<u>Other Financing Sources (Uses)</u>				
Refunding Bonds Issued	121,377	880,000	880,000	0
Premium on General Obligation Debt	-	4,999	86,564	81,565
Transfers - In	78,850	200,228	132,108	(68,120)
Payment to Refunded Bond Escrow Agent	0	(850,000)	(880,916)	(30,916)
Transfers - Out	(22,310)	(22,310)	(22,310)	0
Total Other Financing Sources (Uses)	177,917	212,917	195,446	(17,471)
Net Change in Fund Balance	3,319	6,319	61,913	55,594
Fund Balance at Beginning of Year	318,466	318,466	318,466	0
Fund Balance at End of Year	\$ 321,785	\$ 324,785	\$ 380,379	\$ 55,594

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 615,000	\$ 637,000	\$ 682,422	\$ 45,422
Interest	600	600	496	(104)
Miscellaneous	65,000	65,000	54,915	(10,085)
Total Revenues	680,600	702,600	737,833	35,233
Expenditures				
Current Operations and Maintenance: Transportation				
Maintenance and Repair				
Personnel	885,450	886,650	886,628	22
Other	108,700	140,200	117,086	23,114
Total Maintenance and Repair	994,150	1,026,850	1,003,714	23,136
Snow Removal				
Personnel	49,000	47,800	35,919	11,881
Other	151,000	142,500	141,811	689
Total Snow Removal	200,000	190,300	177,730	12,570
Total Transportation	1,194,150	1,217,150	1,181,444	35,706
Capital Outlay	287,683	257,683	257,683	0
Debt Service:				
Principal Retirement	23,000	55,300	55,257	43
Total Expenditures	1,504,833	1,530,133	1,494,384	35,749
Excess of Revenues Over (Under) Expenditures	(824,233)	(827,533)	(756,551)	70,982
Other Financing Sources (Uses)				
Capitalization of Lease	257,683	257,683	257,683	0
Transfers - In	475,000	475,000	475,000	0
Total Other Financing Sources (Uses)	732,683	732,683	732,683	0
Net Change in Fund Balance	(91,550)	(94,850)	(23,868)	70,982
Decertification of Prior Year Encumbrances	0	0	866	866
Fund Balance at Beginning of Year	95,569	95,569	95,569	0
Fund Balance at End of Year	\$ 4,019	\$ 719	\$ 72,567	\$ 71,848

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2004

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 49,000	\$ 49,000	\$ 55,331	\$ 6,331
Interest	400	400	302	(98)
Total Revenues	49,400	49,400	55,633	6,233
Expenditures				
Current Operations and Maintenance:				
Transportation				
Maintenance and Repair				
Personnel	10,000	10,000	6,636	3,364
Other	11,700	10,700	10,667	33
Total Maintenance and Repair	21,700	20,700	17,303	3,397
Snow Removal				
Personnel	70,000	70,000	49,887	20,113
Other	15,200	16,200	15,679	521
Total Snow Removal	85,200	86,200	65,566	20,634
Total Transportation	106,900	106,900	82,869	24,031
Total Expenditures	106,900	106,900	82,869	24,031
Excess of Revenues Over (Under) Expenditures	(57,500)	(57,500)	(27,236)	30,264
Other Financing Sources (Uses)				
Transfers - In	25,000	25,000	25,000	0
Total Other Financing Sources (Uses)	25,000	25,000	25,000	0
Net Change in Fund Balance	(32,500)	(32,500)	(2,236)	30,264
Decertification of Prior Year Encumbrances	0	0	87	87
Fund Balance at Beginning of Year	32,958	32,958	32,958	0
Fund Balance at End of Year	\$ 458	\$ 458	\$ 30,809	\$ 30,351

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
F.E.M.A. Fire Grant Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 279,144	\$ 294,144	\$ 296,295	\$ 2,151
Expenditures				
Capital Outlay	310,160	326,486	326,430	56
Excess of Revenues Over (Under) Expenditures	(31,016)	(32,342)	(30,135)	2,207
Other Financing Sources (Uses)				
Transfers - In	31,016	32,666	31,016	(1,650)
Total Other Financing Sources (Uses)	31,016	32,666	31,016	(1,650)
Net Change in Fund Balance	0	324	881	557
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$324	\$881	\$557

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Property Taxes	\$ 112,085	\$ 112,085	\$ 112,757	\$ 672
Intergovernmental	12,737	12,737	16,311	3,574
Total Revenues	124,822	124,822	129,068	4,246
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property Personnel	570,000	570,000	544,598	25,402
Total Expenditures	570,000	570,000	544,598	25,402
Excess of Revenues Over (Under) Expenditures	(445,178)	(445,178)	(415,530)	29,648
Other Financing Sources (Uses)				
Transfers - In	445,000	445,000	445,000	0
Total Other Financing Sources (Uses)	445,000	445,000	445,000	0
Net Change in Fund Balance	(178)	(178)	29,470	29,648
Fund Balance at Beginning of Year	6,627	6,627	6,627	0
Fund Balance at End of Year	\$ 6,449	\$ 6,449	\$ 36,097	\$ 29,648

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$ 112,085	\$ 112,085	\$ 112,757	\$ 672
Intergovernmental	12,737	12,737	16,311	3,574
Total Revenues	124,822	124,822	129,068	4,246
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property				
Personnel	685,000	701,000	700,034	966
Total Expenditures	685,000	701,000	700,034	966
Excess of Revenues Over (Under) Expenditures	(560,178)	(576,178)	(570,966)	5,212
Other Financing Sources (Uses)				
Transfers - In	551,000	583,000	583,000	0
Total Other Financing Sources (Uses)	551,000	583,000	583,000	0
Net Change in Fund Balance	(9,178)	6,822	12,034	5,212
Fund Balance at Beginning of Year	10,800	10,800	10,800	0
Fund Balance at End of Year	\$ 1,622	\$ 17,622	\$ 22,834	\$ 5,212

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Cable Television Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fees, Licenses, Permits	\$ 195,000	\$ 195,000	\$ 224,525	\$ 29,525
Interest Income	1,200	1,200	780	(420)
Total Revenues	196,200	196,200	225,305	29,105
Excess of Revenues Over (Under) Expenditures	196,200	196,200	225,305	29,105
Other Financing Sources (Uses)				
Transfers - Out	(225,000)	(225,000)	(200,000)	25,000
Total Other Financing Sources (Uses)	(225,000)	(225,000)	(200,000)	25,000
Net Change in Fund Balance	(28,800)	(28,800)	25,305	54,105
Fund Balance at Beginning of Year	40,210	40,210	40,210	0
Fund Balance at End of Year	\$ 11,410	\$ 11,410	\$ 65,515	\$ 54,105

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Water Use Charge Fund
For the Year Ended December 31, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$ 590,000	\$ 590,000	\$ 536,140	\$ (53,860)
Interest Income	700	700	85	(615)
Total Revenues	590,700	590,700	536,225	(54,475)
Expenditures				
Current Operations and Maintenance:				
Basic Utility Services				
Other	230,000	230,000	184,139	45,861
Capital Outlay	40,000	40,000	0	40,000
Debt Service:				
Principal Retirement	213,890	213,890	213,875	15
Interest and Fiscal Charges	100,700	100,700	100,680	20
Total Debt Service	314,590	314,590	314,555	35
Total Expenditures	584,590	584,590	498,694	85,896
Excess of Revenues Over (Under) Expenditures	6,110	6,110	37,531	31,421
Other Financing Sources (Uses)				
Proceeds From Sale of Debt	40,000	40,000	40,000	0
Transfers - Out	(79,608)	(79,608)	(79,608)	0
Total Other Financing Sources (Uses)	(39,608)	(39,608)	(39,608)	0
Net Change in Fund Balance	(33,498)	(33,498)	(2,077)	31,421
Fund Balance at Beginning of Year	33,780	33,780	33,780	0
Fund Balance at End of Year	\$ 282	\$ 282	\$ 31,703	\$ 31,421

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Property Taxes	\$ 368,073	\$ 368,073	\$ 375,856	\$ 7,783
Intergovernmental	48,000	48,000	54,378	6,378
Interest Income	1,500	1,500	2,481	981
Total Revenues	<u>417,573</u>	<u>417,573</u>	<u>432,715</u>	<u>15,142</u>
Expenditures				
Current Operations and Maintenance:				
General Government				
Other	450,000	450,000	440,601	9,399
Total Expenditures	<u>450,000</u>	<u>450,000</u>	<u>440,601</u>	<u>9,399</u>
Net Change in Fund Balance	(32,427)	(32,427)	(7,886)	24,541
Decertification of Prior Year Encumbrances	0	0	2,953	2,953
Fund Balance at Beginning of Year	<u>178,279</u>	<u>178,279</u>	<u>178,279</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 145,852</u>	<u>\$ 145,852</u>	<u>\$ 173,346</u>	<u>\$ 24,541</u>

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Ambulance Billing Service Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget Positive (Negative)</u>
Revenues				
Charges for Services	\$ 421,000	\$ 421,000	\$ 367,073	\$ (53,927)
Intergovernmental	0	0	10,342	10,342
Interest Income	1,500	1,500	983	(517)
Total Revenues	422,500	422,500	378,398	(44,102)
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property				
Personnel	104,300	104,300	101,683	2,617
Other	72,065	55,965	46,641	9,324
Total Security of Persons and Property	176,365	160,265	148,324	11,941
Capital Outlay	719,250	137,000	136,847	153
Total Expenditures	895,615	297,265	285,171	12,094
Excess of Revenues Over (Under) Expenditures	(473,115)	125,235	93,227	(32,008)
Other Financing Sources (Uses)				
Proceeds From Sale of Debt	600,000	0	0	0
Transfers - Out	(153,286)	(153,286)	(83,516)	69,770
Total Other Financing Sources (Uses)	446,714	(153,286)	(83,516)	69,770
Net Change in Fund Balance	(26,401)	(28,051)	9,711	37,762
Decertification of Prior Year Encumbrances	0	0	1,579	1,579
Fund Balance at Beginning of Year	65,389	65,389	65,389	0
Fund Balance at End of Year	<u>\$ 38,988</u>	<u>\$ 37,338</u>	<u>\$ 76,679</u>	<u>\$ 39,341</u>

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Municipal Motor Vehicle License Tax Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Fees, Licenses, Permits	\$ 155,000	\$ 155,000	\$ 151,394	\$ (3,606)
Interest Income	200	200	237	37
Total Revenues	<u>155,200</u>	<u>155,200</u>	<u>151,631</u>	<u>(3,569)</u>
Excess of Revenues Over (Under) Expenditures	<u>155,200</u>	<u>155,200</u>	<u>151,631</u>	<u>(3,569)</u>
Other Financing Sources (Uses)				
Transfers - Out	<u>(160,000)</u>	<u>(160,000)</u>	<u>(160,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(160,000)</u>	<u>(160,000)</u>	<u>(160,000)</u>	<u>0</u>
Net Change in Fund Balance	<u>(4,800)</u>	<u>(4,800)</u>	<u>(8,369)</u>	<u>(3,569)</u>
Fund Balance at Beginning of Year	<u>12,476</u>	<u>12,476</u>	<u>12,476</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,676</u>	<u>\$ 7,676</u>	<u>\$ 4,107</u>	<u>\$ (3,569)</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Interest Income	\$ 500	\$ 500	\$ 755	\$ 255
Miscellaneous Income	3,000	3,000	5,794	2,794
Total Revenues	<u>3,500</u>	<u>3,500</u>	<u>6,549</u>	<u>3,049</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Other	28,000	28,000	5,708	22,292
Total Expenditures	<u>28,000</u>	<u>28,000</u>	<u>5,708</u>	<u>22,292</u>
Net Change in Fund Balance	(24,500)	(24,500)	841	25,341
Fund Balance at Beginning of Year	<u>63,726</u>	<u>63,726</u>	<u>63,726</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 39,226</u>	<u>\$ 39,226</u>	<u>\$ 64,567</u>	<u>\$ 25,341</u>

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Computer Fee Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges For Services	\$ 34,000	\$ 34,000	\$ 44,865	\$ 10,865
Expenditures				
Current Operations and Maintenance:				
General Government				
Personnel	10,000	10,000	10,000	0
Other	27,300	24,800	24,719	81
Total General Government	37,300	34,800	34,719	81
Capital Outlay	0	2,500	2,400	100
Total Expenditures	37,300	37,300	37,119	181
Net Change in Fund Balance	(3,300)	(3,300)	7,746	11,046
Fund Balance at Beginning of Year	14,082	14,082	14,082	0
Fund Balance at End of Year	\$ 10,782	\$ 10,782	\$ 21,828	\$ 11,046

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Enterprise Park Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 49,715	\$ 24,715
Interest Income	500	500	1,276	776
Total Revenues	<u>25,500</u>	<u>25,500</u>	<u>50,991</u>	<u>25,491</u>
<u>Expenditures</u>				
Capital Outlay	<u>30,000</u>	<u>30,000</u>	<u>11,668</u>	<u>18,332</u>
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>11,668</u>	<u>18,332</u>
Net Change in Fund Balance	(4,500)	(4,500)	39,323	43,823
Fund Balance at Beginning of Year	<u>81,021</u>	<u>81,021</u>	<u>81,021</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 76,521</u>	<u>\$ 76,521</u>	<u>\$ 120,344</u>	<u>\$ 43,823</u>

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Police Services Levy Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Property Taxes	\$ 684,133	\$ 684,133	\$ 711,294	\$ 27,161
Intergovernmental	102,490	102,490	101,456	(1,034)
Interest Income	1,000	1,000	1,506	506
Total Revenues	787,623	787,623	814,256	26,633
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property				
Personnel	759,700	759,700	755,244	4,456
Total Expenditures	759,700	759,700	755,244	4,456
Excess of Revenues Over (Under) Expenditures	27,923	27,923	59,012	31,089
Other Financing Sources (Uses)				
Transfers - Out	(35,000)	(35,000)	(35,000)	0
Total Other Financing Sources (Uses)	(35,000)	(35,000)	(35,000)	0
Net Change in Fund Balance	(7,077)	(7,077)	24,012	31,089
Fund Balance at Beginning of Year	45,436	45,436	45,436	0
Fund Balance at End of Year	\$ 38,359	\$ 38,359	\$ 69,448	\$ 31,089

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Fire Services Levy Fund
For the Year Ended December 31, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$ 684,133	\$ 684,133	\$ 711,294	\$ 27,161
Intergovernmental	102,490	102,490	101,456	(1,034)
Interest Income	700	700	1,272	572
Total Revenues	787,323	787,323	814,022	26,699
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property				
Personnel	729,550	729,550	727,299	2,251
Total Expenditures	729,550	729,550	727,299	2,251
Excess of Revenues Over (Under) Expenditures	57,773	57,773	86,723	28,950
Other Financing Sources (Uses)				
Transfers - Out	(80,000)	(80,000)	(80,000)	0
Total Other Financing Sources (Uses)	(80,000)	(80,000)	(80,000)	0
Net Change in Fund Balance	(22,227)	(22,227)	6,723	28,950
Fund Balance at Beginning of Year	36,259	36,259	36,259	0
Fund Balance at End of Year	\$ 14,032	\$ 14,032	\$ 42,982	\$ 28,950

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Inmate Commissary Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Miscellaneous Income	\$ 17,000	\$ 17,000	\$ 8,932	\$ (8,068)
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Other	17,000	17,000	7,511	9,489
Total Expenditures	17,000	17,000	7,511	9,489
Net Change in Fund Balance	0	0	1,421	1,421
Fund Balance at Beginning of Year	3,407	3,407	3,407	0
Fund Balance at End of Year	\$ 3,407	\$ 3,407	\$ 4,828	\$ 1,421

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
D.A.R.E. Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Miscellaneous Income	\$ 3,000	\$ 3,000	\$ 1,082	\$ (1,918)
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Other	3,000	3,100	3,059	41
Total Expenditures	3,000	3,100	3,059	41
Net Change in Fund Balance	0	(100)	(1,977)	(1,877)
Fund Balance at Beginning of Year	2,160	2,160	2,160	0
Fund Balance at End of Year	\$ 2,160	\$ 2,060	\$ 183	\$ (1,877)

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Office on Aging Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest Income	\$ 1,000	\$ 1,000	\$ 1,068	\$ 68
Miscellaneous Income	37,000	37,000	37,922	922
Total Revenues	38,000	38,000	38,990	990
<u>Expenditures</u>				
Current Operations and Maintenance:				
Leisure Time Activities				
Other	54,000	54,000	50,697	3,303
Total Expenditures	54,000	54,000	50,697	3,303
Net Change in Fund Balance	(16,000)	(16,000)	(11,707)	4,293
Fund Balance at Beginning of Year	95,718	95,718	95,718	0
Fund Balance at End of Year	\$ 79,718	\$ 79,718	\$ 84,011	\$ 4,293

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
City Hall Improvement Fund
For the Year Ended December 31, 2004

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

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Street Improvement Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest Income	\$ 1,500	\$ 1,500	\$ 2,305	\$ 805
Expenditures				
Current Operations and Maintenance:				
Transportation				
Other	100,000	100,000	55,464	44,536
Capital Outlay	535,000	535,000	378,876	156,124
Debt Service:				
Principal Payment	1,090,000	1,090,000	1,090,000	0
Interest and Fiscal Charges	12,494	12,494	12,494	0
Total Debt Service	1,102,494	1,102,494	1,102,494	0
Total Expenditures	1,737,494	1,737,494	1,536,834	200,660
Excess of Revenues Over (Under) Expenditures	(1,735,994)	(1,735,994)	(1,534,529)	201,465
Other Financing Sources (Uses)				
Proceeds From Sale of Debt	1,325,000	1,325,000	1,290,000	(35,000)
Transfers - In	172,494	172,494	172,494	0
Total Other Financing Sources (Uses)	1,497,494	1,497,494	1,462,494	(35,000)
Net Change in Fund Balance	(238,500)	(238,500)	(72,035)	166,465
Fund Balance at Beginning of Year	274,581	274,581	274,581	0
Fund Balance at End of Year	\$ 36,081	\$ 36,081	\$ 202,546	\$ 166,465

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Lee Road Improvement Fund
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current Operations and Maintenance:				
Transportation				
Other	\$ 15,000	\$ 15,000	\$ 295	\$ 14,705
Capital Outlay	0	125,000	125,000	0
Total Expenditures	15,000	140,000	125,295	14,705
Excess of Revenues Over (Under) Expenditures	(15,000)	(140,000)	(125,295)	14,705
Other Financing Sources (Uses)				
Transfers-In	0	125,000	125,000	0
Total Other Financing Sources (Uses)	0	125,000	125,000	0
Net Change in Fund Balance	(15,000)	(15,000)	(295)	14,705
Fund Balance at Beginning of Year	19,183	19,183	19,183	0
Fund Balance at End of Year	\$ 4,183	\$ 4,183	\$ 18,888	\$ 14,705

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - (Non-GAAP Basis) and Actual
 Fire Truck Rehabilitation Fund
 For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Net Change in Fund Balance	\$0	\$0	\$0	\$0
Fund Balance at Beginning of Year	<u>7,747</u>	<u>7,747</u>	<u>7,747</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,747</u>	<u>\$ 7,747</u>	<u>\$ 7,747</u>	<u>\$0</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 335,000	\$ 335,000	\$ 113,187	\$ (221,813)
Expenditures				
Current Operations and Maintenance:				
Community Development				
Other	165,000	165,000	108,089	56,911
Capital Outlay	695,000	695,000	487,617	207,383
Debt Service:				
Principal Payment	180,000	180,000	180,000	0
Interest and Fiscal Charges	2,008	2,008	2,008	0
Total Debt Service	182,008	182,008	182,008	0
Total Expenditures	1,042,008	1,042,008	777,714	264,294
Excess of Revenues Over (Under) Expenditures	(707,008)	(707,008)	(664,527)	42,481
Other Financing Sources (Uses)				
Proceeds From Sale of Debt	630,000	630,000	630,000	0
Transfers-In	2,008	2,008	2,008	0
Total Other Financing Sources (Uses)	632,008	632,008	632,008	0
Net Change in Fund Balance	(75,000)	(75,000)	(32,519)	42,481
Fund Balance at Beginning of Year	91,496	91,496	91,496	0
Fund Balance at End of Year	\$ 16,496	\$ 16,496	\$ 58,977	\$ 42,481

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes

in Fund Balance - (Non-GAAP Basis) and Actual

Northfield Road Improvement

For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Intergovernmental	<u>\$ 3,321,165</u>	<u>\$ 3,321,165</u>	<u>\$ 79,844</u>	<u>\$ (3,241,321)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation				
Other	<u>231,000</u>	<u>231,000</u>	<u>204,460</u>	<u>26,540</u>
Capital Outlay	<u>3,090,165</u>	<u>3,090,165</u>	<u>660,841</u>	<u>2,429,324</u>
Total Expenditures	<u>3,321,165</u>	<u>3,321,165</u>	<u>865,301</u>	<u>2,455,864</u>
Net Change in Fund Balance	0	0	(785,457)	(785,457)
Fund Balance at Beginning of Year	<u>43,958</u>	<u>43,958</u>	<u>43,958</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 43,958</u>	<u>\$ 43,958</u>	<u>\$ (741,499)</u>	<u>\$ (785,457)</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Sidewalk Improvement Fund
For the Year Ended December 31, 2004

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

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - (Non-GAAP Basis) and Actual
 Turney Road Reconstruction Fund
 For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Debt Service:				
Principal Payment	670,000	670,000	670,000	0
Interest and Fiscal Charges	7,808	7,808	7,808	0
Total Expenditures	677,808	677,808	677,808	0
Excess of Revenues Over (Under) Expenditures	677,808	677,808	677,808	0
Other Financing Sources (Uses)				
Proceeds from Sale of Debt	670,000	670,000	670,000	0
Transfers-In	7,808	7,808	7,808	0
Total Other Financing Sources (Uses)	677,808	677,808	677,808	0
Net Change in Fund Balance	\$0	\$0	\$0	\$0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Safety Facilities Improvements
For the Year Ended December 31, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest Income	\$0	\$0	\$ 1,783	\$ 1,783
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property				
Other	0	55,000	8,787	46,213
Capital Outlay	0	545,000	0	545,000
Total Expenditures	0	600,000	8,787	591,213
Excess of Revenues Over (Under) Expenditures	\$0	(\$600,000)	(\$7,004)	\$592,996
Other Financing Sources (Uses)				
Proceeds from Sale of Debt	600,000	600,000	600,000	0
Total Other Financing Sources (Uses)	600,000	600,000	600,000	0
Net Change in Fund Balance	600,000	0	592,996	592,996
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$600,000	\$0	\$592,996	\$592,996

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**STATISTICAL
SECTION**

City of Maple Heights, Ohio

General Fund Revenues By Source

Last Ten Fiscal Years

Table 1

	<u>1995 (1)</u>	<u>1996 (1)</u>	<u>1997 (1)</u>	<u>1998 (2)</u>	<u>1999 (2)</u>	<u>2000 (2)</u>	<u>2001 (2)</u>	<u>2002 (2)</u>	<u>2003 (2)</u>	<u>2004 (2)</u>
Revenues:										
Property Taxes	\$2,577,341	\$2,716,501	\$2,544,267	\$2,643,854	\$2,655,082	\$2,778,848	\$2,734,292	\$2,238,210	\$2,585,013	\$2,818,920
Other Local Taxes	20,474	22,140	15,558	3,116	410	0	0	0	0	0
Intergovernmental	1,656,026	2,004,702	2,376,005	2,672,013	2,268,774	2,711,855	2,994,060	3,261,378	2,940,989	3,011,967
Charges for Services	119,392	0	92,821	106,734	97,973	110,698	85,592	79,722	425,566	291,758
Fees, Licenses and Permits	443,239	533,008	610,479	526,821	554,078	607,992	554,763	597,774	608,235	665,840
Fines and Forfeitures	351,377	406,177	407,747	478,738	475,068	557,865	529,972	654,966	645,413	772,089
Special Assessments	0	0	6,101	2,165	1,855	2,110	0	0	0	0
Interest Income	97,982	131,105	218,505	192,863	180,369	262,347	201,375	76,677	29,989	29,925
Workers Compensation										
Settlement and Refunds	0	0	0	312,639	30,094	21,253	85,500	60,385	44,614	0
Miscellaneous Income	149,008	220,620	226,496	201,280	184,858	168,434	185,858	444,211	287,017	228,621
Total Revenues	<u>\$5,414,839</u>	<u>\$6,034,253</u>	<u>\$6,497,979</u>	<u>\$7,140,223</u>	<u>\$6,448,561</u>	<u>\$7,221,402</u>	<u>\$7,371,412</u>	<u>\$7,413,323</u>	<u>\$7,566,836</u>	<u>\$7,819,120</u>

(1) Table based on the Budget Basis Accounting.

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

Source: City of Maple Heights, Finance Department.

City of Maple Heights, Ohio

General Fund Expenditures by Function

Last Ten Fiscal Years

Table 2

	1995 (1)	1996 (1)	1997 (1)	1998 (1)	1999 (2)	2000 (2)	2001 (2)	2002 (2)	2003 (2)	2004 (2)
Expenditures:										
Security of Persons and Property	\$5,408,631	\$5,690,687	\$6,024,695	\$6,493,366	\$5,621,150	\$6,095,593	\$6,991,728	\$7,574,051	\$7,760,697	\$7,401,298
Public Health and Welfare	66,097	66,097	69,090	69,890	74,495	74,495	79,913	77,160	81,084	81,084
Leisure Time Activities	1,338,281	1,256,388	1,455,285	1,552,711	1,444,961	1,451,390	1,573,159	1,665,641	1,503,985	1,269,568
Community Development	319,020	378,941	443,621	341,668	430,717	548,596	564,399	628,701	619,351	598,696
Basic Utility Services	1,056,315	1,054,848	1,043,528	997,813	1,064,941	1,131,350	1,149,637	1,166,548	1,141,133	1,040,732
Transportation	730	551	0	0	0	0	0	0	0	0
General Government	2,022,159	2,175,938	2,146,652	2,007,645	2,249,905	2,225,451	2,402,391	2,563,151	2,596,379	2,658,234
Capital Outlay	119,159	48,944	29,925	64,492	25,570	84,879	59,546	10,413	0	0
Total Expenditures	\$10,330,392	\$10,672,394	\$11,212,796	\$11,527,585	\$10,911,739	\$11,611,754	\$12,820,773	\$13,685,665	\$13,702,629	\$13,049,612

(1) Table based on the Budget Basis Accounting.

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

Source: City of Maple Heights, Finance Department.

City of Maple Heights, Ohio

Property Tax Levies and Collections – Real and Public Utility

Last Ten Fiscal Years

Table 3

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Current Collections</u>	<u>Current Levy Collected</u>	<u>Total Collection Including Deficiencies</u>	<u>Total Collections As Percent Of Current Levy</u>	<u>Accumulated Delinquent Taxes</u>
1994/1995	\$3,601,860	\$3,520,581	97.7%	\$3,585,014	99.5%	\$ 209,894
1995/1996	3,583,233	3,483,333	97.2	3,552,281	99.1	224,937
1996/1997	3,601,204	3,491,419	96.3	3,622,816	100.6	181,891
1997/1998	4,357,694	4,200,283	96.4	4,336,645	99.5	400,285
1998/1999	4,966,965	4,710,213	94.8	4,911,751	98.8	311,224
1999/2000	4,955,421	4,706,357	94.9	4,944,543	99.8	337,589
2000/2001	5,222,304	4,784,833	91.6	5,007,266	95.9	507,167
2001/2002	5,181,533	4,794,221	92.5	5,123,212	98.9	573,110
2002/2003	5,180,525	4,758,667	91.8	5,028,941	97.1	704,779
2003/2004	5,960,101	5,548,026	93.8	5,916,243	99.2	787,832

Note - Table excludes "tangible personal tax".

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Assessed and Actual Value of Taxable Property – Real and Public Utility

Last Ten Fiscal Years **Table 4**

Tax Year/ Collection Year	Real Property		Personal Property Assessed Value	Public Utilities Assessed Value	Total Assessed Value
	Assessed Value	Estimated Actual Value*			
1995/1996	\$275,245,930	\$786,416,943	\$36,672,974	\$21,708,390	\$333,627,294
1996/1997	276,886,230	791,103,514	38,267,796	20,972,810	336,126,836
1997/1998	307,270,120	877,914,628	31,793,599	20,040,070	359,103,789
1998/1999	308,911,830	882,605,229	35,777,462	19,612,920	364,302,212
1999/2000	313,364,500	895,327,143	31,911,123	17,619,230	362,894,853
2000/2001	350,726,520	1,002,075,771	34,492,662	17,619,890	402,839,072
2001/2002	351,340,790	1,003,830,828	41,282,871	14,313,680	406,937,341
2002/2003	350,154,050	1,000,440,143	39,466,822	14,477,060	404,097,932
2003/2004	374,057,220	1,068,734,914	37,096,385	16,597,690	427,751,295
2004/2005	372,674,300	1,064,783,714	35,798,886	15,810,410	424,283,596

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

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)

Last Ten Fiscal Years Table 5

Tax Year/ Collection Year	City of Maple Heights			Maple Heights School District	Cuyahoga County	Total
	General Fund	Special Revenue Funds	Debt Service Funds			
1995/1996	\$7.50	\$1.60	\$3.00	\$56.70	\$18.00	\$86.80
1996/1997	7.50	1.60	3.00	56.80	18.00	86.90
1997/1998	7.30	1.60	3.10	56.30	18.00	86.30
1998/1999	7.60	4.60	2.80	56.10	16.70	87.80
1999/2000	7.30	4.60	3.10	56.60	16.70	88.30
2000/2001	7.60	4.60	2.30	55.90	17.60	88.00
2001/2002	7.50	4.60	2.40	55.80	17.60	87.90
2002/2003	7.50	4.60	2.40	56.50	17.60	88.60
2003/2004	7.50	5.60	2.40	64.30	19.40	99.20
2004/2005	7.50	5.60	2.40	63.50	20.30	99.30

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Special Assessment Collections

Last Ten Fiscal Years

Table 6

<u>Fiscal Year</u>	<u>Current Billing</u>	<u>Current Collections</u>	<u>Current Billing Collection</u>	<u>Total Collection Including Deficiencies</u>	<u>Total Collections As Percent Of Current Billing</u>	<u>Cumulative Delinquency</u>
1994/1995	\$ 158,282	\$ 153,105	96.7%	\$ 162,249	102.5%	\$ 73,692
1995/1996	157,421	151,576	96.3	156,375	99.3	81,034
1996/1997	144,237	138,525	96.0	143,489	103.5	74,973
1997/1998	142,773	136,900	95.8	142,086	99.5	82,717
1998/1999	160,605	132,936	82.7	137,662	85.7	104,501
1999/2000	155,670	132,834	85.3	163,842	105.0	85,371
2000/2001	86,518	60,818	70.3	92,906	107.4	45,683
2001/2002	117,817	91,842	77.9	123,666	104.9	51,936
2002/2003	79,283	68,655	86.6	76,234	96.1	25,669
2003/2004	109,174	80,352	73.5	85,871	78.6	50,519

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

Last Ten Fiscal Years Table 7

<u>Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Gross General Bonded Debt</u>	<u>Less Balance In Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Ratio Of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1995	27,089	\$332,784,474	\$8,402,432	\$ 847,323	\$7,555,109	2.27%	\$ 278.90
1996	27,089	336,126,836	7,683,603	690,908	6,992,695	2.08	258.14
1997	27,089	359,103,789	7,012,278	991,885	6,020,393	1.68	222.24
1998	27,089	364,302,212	7,750,433	1,147,872	6,602,561	1.81	243.74
1999	27,089	362,894,853	7,092,108	1,229,554	5,862,554	1.62	216.42
2000	26,156	402,839,072	9,276,783	4,095,332	5,181,451	1.29	198.10
2001	26,156	406,937,341	8,470,458	626,932	7,843,526	1.92	299.87
2002	26,156	404,097,932	7,743,133	420,412	7,322,721	1.81	279.96
2003	26,156	427,751,295	6,978,805	319,428	6,659,377	1.56	254.60
2004	26,156	424,283,596	9,472,480	381,673	9,090,807	2.14	347.56

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Property Value, Construction and Bank Deposits

Last Ten Fiscal Years

Table 8

<u>Year</u>	<u>New Construction (A)</u>		<u>Cuyahoga County Bank Deposits (In Thousands) (B)</u>	<u>Assessed Value (A)</u>	
	<u>Number Of Permits</u>	<u>Value</u>		<u>Commercial</u>	<u>Residential</u>
1995	837	\$8,296,208	\$22,694,304	\$124,372,447	\$209,351,070
1996	1,741	15,190,380	27,068,211	123,170,934	209,613,540
1997	1,855	16,600,345	53,941,971	126,310,946	209,815,890
1998	1,625	6,473,052	58,904,596	125,498,199	233,605,590
1999	1,737	10,323,920	57,816,942	130,916,732	233,385,480
2000	1,800	12,562,099	61,942,764	129,085,553	233,809,300
2001	2,238	7,474,488	63,893,769	137,420,922	265,418,150
2002	2,244	3,841,016	95,761,917	140,778,431	266,158,910
2003	1,800	11,296,810	97,238,973	137,544,592	266,553,340
2004	1,680	6,667,954	101,838,959	138,788,545	288,962,750

(A) Source: City Records.

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

City of Maple Heights, Ohio

Computation of Legal Debt Margin

December 31, 2004 **Table 9**

Total of all City Debt Outstanding(Voted and Unvoted) Subject to 10.5% Limitation	\$ 9,472,480
Less Debt Service Fund Balance	<u>(381,673)</u>
Net Indebtedness Subject to 10.5% Limitation	\$ <u>9,090,807</u>
Assessed Valuation of City	\$ <u>424,283,596</u>
10.5% of Valuation (Maximum Voted and Unvoted General Obligation Debt Allowed)	\$ 44,549,777
Less Debt Outstanding Subject to 10.5% Limitation	<u>(9,090,807)</u>
Legal Debt Margin within 10.5% Limitation	\$ <u>35,458,970</u>
5.5% of Valuation (Maximum of Unvoted General Obligation Debt Allowed)	\$ 23,355,598
Less Debt Outstanding Subject to 5.5% Limitation	<u>(9,090,807)</u>
Legal Debt Margin within 5.5% Limitation	\$ <u>14,264,791</u>

Source: City Records.

City of Maple Heights, Ohio

**Computation of Direct and Overlapping Debt
General Obligation Bonded Debt**

December 31, 2004

Table 10

	Net Debt Outstanding (1)	Percentage Applicable To To City Of Maple Heights	Amount Applicable To To City Of Maple Heights
Direct:			
City of Maple Heights	\$ 9,090,807	100.00%	\$ 9,090,807
Overlapping:			
Maple Heights City School District	4,934,000	100.00%	4,934,000
Cuyahoga County	251,154,636	1.38%	3,465,934
Greater Cleveland Regional Transit	<u>147,025,000</u>	1.38%	<u>2,028,945</u>
Sub Total	<u>403,113,636</u>		<u>10,428,879</u>
Total	\$ <u>412,204,443</u>		\$ <u>19,519,686</u>

Source: Cuyahoga County Auditor's Office.

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

City of Maple Heights, Ohio

Ratio of Annual Debt Service for General Bonded Debt to
Total General Fund Expenditures

Last Ten Fiscal Years Table 11

<u>Year</u>	<u>Debt Service For General Bonded Debt (1)</u>	<u>General Fund Expenditures (2)</u>	<u>Ratio Of Tax Supported Debt Service To General Fund Expenditure</u>
1995	\$572,828	\$10,330,392	5.55%
1996	588,829	10,672,394	5.52
1997	532,325	11,212,796	4.75
1998	548,325	11,527,585	4.76
1999	658,325	10,911,739	6.03
2000	810,325	11,611,754	6.98
2001	806,326	12,820,773	6.29
2002	727,325	13,685,665	5.31
2003	764,326	13,702,629	5.58
2004	791,325	13,049,612	6.06

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

(2) Presented on GAAP basis.

Source: City Records.

City of Maple Heights, Ohio

Principal Taxpayers

December 31, 2004

Table 12

<u>Taxpayer</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage Of Total Real Property Assessed Valuation</u>
Southgate U.S.A.	\$ 11,613,170	3.10
Liberty Investments Group	4,471,610	1.20
First National Supermarkets	4,433,700	1.19
Oxyford Investments Partners, L.P.	3,745,000	1.00
Q.R.S. 11-27 Inc.	2,318,130	0.62
Rockside Distribution	1,771,320	0.47
Turney Dunham Association	1,759,490	0.47
Commercial Net Lease Realty	1,567,030	0.42
JDS Maple Leaf Square, LLC	1,523,130	0.41
MidAmco	<u>1,305,750</u>	<u>0.35</u>
Total	\$ <u>34,508,330</u>	<u>9.23%</u>
Total City Real Property Valuation	\$ <u>374,057,220</u>	

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Demographic Statistics

December 31, 2004 **Table 13**

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

City of Maple Heights, Ohio

Largest Employers

December 31, 2004 **Table 14**

<u>TAXPAYER</u>	<u>Withholding Taxes Reported</u>
Maple Heights Board of Education	\$ 357,621
C&S Wholesale Grocers Inc.	316,725
The City of Maple Heights	249,123
Sherwood Food Distributors Inc.	202,422
Cuyahoga County Auditor	158,041
Beverage Management Co.	82,733
Jim Herrick Motors (Liberty Ford)	76,127
Maple Health Services, Inc.	61,872
BCS Metal Prep, LLC	60,548
Wine Distributors	59,175
Remington College-Bcl Inc.	58,318
Home Depot	57,854
Eastside Multi-Care Inc.	57,366

Source: Regional Income Tax Agency.

City of Maple Heights, Ohio

Other Statistics

December 31, 2004 **Table 15**

Chartered	January 1, 1932
Form of Government	Mayor-Council
Area in Square Miles	5.5
Miles of Streets	105
Number of Street Lights	2,536
Fire Protection:	
Number of Stations	2
Number of Firemen Officers	42
Fire Hydrants	1,097
Police Protection:	
Number of Stations	1
Number of Police Officers	44
Number of Auxiliary Police	28
Number of Dispatchers	14
Traffic Lights	206
Sewer:	
Miles of Storm Sewers	105
Miles of Sanitary Sewers	105
Building:	
Permits Issued in 2004	1,680
Dollar Valuation of Construction - 2004	\$6,667,954
Parks and Recreation:	
Number of Parks	9
Number of Pools	2
Number of Tennis Courts	6
Number of Ball Diamonds	14
Number of Volleyball Courts	3
Number of Basketball Courts	5



City of Maple Heights

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CITY OF MAPLE HEIGHTS

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 10, 2005**