



Dave Yost • Auditor of State

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY
CUYAHOGA COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Cleveland Heights-University Heights Public Library
Cuyahoga County
2345 Lee Road
Cleveland Heights, Ohio 44118

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights Public Library, Cuyahoga County, (the Library) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements and have issued our report thereon dated June 15, 2015.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Library's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Library's internal control. Accordingly, we have not opined on it.

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

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

Compliance and Other Matters

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

June 15, 2015

Introductory Section

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY

CLEVELAND HEIGHTS, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014

**Issued by:
Nancy S. Levin, Director
&
the Business Office**

Cleveland Heights-University Heights Public Library
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014
Table of Contents

<i>I. Introductory Section</i>	Page
Table of Contents	i
Transmittal Letter.....	iii
List of Principal Officials.....	xiii
Organization Chart.....	xiv
GFOA Certificate of Achievement	xv
Map of Library’s Service Area	xvi
<i>II. Financial Section</i>	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5
Basic Financial Statements:	
Government Wide Financial Statements:	
Statement of Net Position	14
Statement of Activities.....	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	16
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: General Fund.....	20
Notes to the Basic Financial Statements.....	21
Combining Statements and Individual Fund Schedules:	
Combining Statements - Nonmajor Governmental Funds:	
Fund Descriptions.....	40
Combining Balance Sheet - Nonmajor Governmental Funds.....	41
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	42

Cleveland Heights-University Heights Public Library

Comprehensive Annual Financial Report

For the Year Ended December 31, 2014

Table of Contents

Combining Balance Sheet - Nonmajor Special Revenue Funds.....	43
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	44
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: Major Fund:	
General Fund.....	46
Nonmajor Funds:	
Staff Development Fund.....	47
Summer Teen Program Fund	48
Building and Repairs Fund.....	49

III. Statistical Section

Statistical Section Table of Contents.....	S1
Net Position by Component – Last Ten Years	S2
Changes in Net Position – Last Ten Years	S4
Fund Balances, Governmental Funds – Last Ten Years.....	S6
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S8
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years	S10
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years.....	S12
Real Property and Public Utility Tax Levies and Collections – Last Ten Years.....	S16
Personal Property Tax Levies and Collections – Last Ten Years	S18
Principal Real Property Taxpayers – 2014 and 2005	S20
Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years	S21
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S22
Principal Employers – 2014 and 2006.....	S23
Demographic and Economic Statistics – Last Ten Years.....	S24
Full-Time Equivalent Library Employees by Function/Program – Last Nine Years	S26
Capital Assets Statistics by Function/Program – Last Nine Years	S28
Operating Indicators by Function/Program – Last Nine Years	S30

June 15, 2015

To the Board of Library Trustees,
Citizens of Cleveland Heights–University Heights City School District

PUBLIC REPORTING RESPONSIBILITY

We hereby submit to you the Cleveland Heights-University Heights Public Library’s Comprehensive Annual Financial Report for the year ended December 31, 2014. This is the 24th year that the Library has gone the extra mile to share comprehensive financial data in this format with the taxpayers, enabling them to gain a true understanding of the Library’s financial status.

Ohio law requires that public offices reporting pursuant to Generally Accepted Accounting Principles (GAAP) shall file their reports with the Auditor of the State and publish notice of the availability of the financial statements within 150 days of the close of each year. The General Purpose External Financial Statements from this report were filed to fulfill that requirement for the year ended December 31, 2014.

Library Administration assumes full responsibility for the completeness and reliability of the information presented in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CONTENTS

The Auditor of State, Dave Yost, has issued an unmodified (“clean”) opinion on the Library’s financial statements for the year ended December 31, 2014. The independent auditor’s report is located at the front of the financial section of this report. “Management’s Discussion and Analysis” immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements.

REPORTING ENTITY

The Cleveland Heights–University Heights Public Library is organized under Ohio state law as a school district public library. A seven-member board of trustees governs the Library. One member is appointed each year by the local board of education for a seven-year term. The taxing authority for the school district public library is the Board of Education, but the Library operates under a separate budget with funds derived primarily from the Public Library Fund and four property tax levies totaling 10-mills.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board (GASB), “The Financial Reporting Entity,” and GASB Statement 61, “The Financial Reporting Entity: Omnibus,” the Library is considered to be a related organization of the Cleveland Heights-University Heights City School District.

The Director is responsible for the administration of the Library, and the Finance Manager oversees the Library's financial affairs. Jana Nassif was the Library's Finance Manager for the year ended December 31, 2014. Nancy Levin entered her seventh year as Director in October. The division of these duties has been essential as the Library faced increasingly complicated financial issues.

PROFILE OF GOVERNMENT

In November 1916, a Board of Trustees was appointed to form a public library for the Village of Cleveland Heights but, because of World War I, the Library was not organized until 1920. At that time a librarian was appointed and the Cleveland Heights Public Library opened in the basement of the Coventry Elementary School, where the school library was merged with it. In 1926 the Library moved into its own permanent building at 1925 Coventry Road.

The Cleveland Heights–University Heights Public Library is presently comprised of five buildings: The 107,856-square-foot Lee Road Branch (our main library) was last renovated in 2006, the old Lee Road Branch built in 1932 and an earlier renovation from 1968; the Noble Neighborhood Branch, built in 1937 and renovated in 2011; the University Heights Branch, built in 1952; the original 1926 building which became the Coventry Village Branch in 1968; and the new Heights Knowledge and Innovation Center, which was the west building on Lee Road and former YMCA. The Coventry Village Branch was updated significantly in 2014 including roof and window repairs, new carpeting, and new furniture.

In 1973, the Library placed its first five–year operating levy on the ballot and it passed by 67.8 percent. In 2008, the community passed its third continuing levy. The fourth levy passed in 2014 with 68 percent of the votes. This financial support has allowed the Library to develop innovative approaches to the public service that the residents of the community demand. For example, in 1981, the Cleveland Heights–University Heights Public Library was the first library to join the Cleveland Public Library's automated circulation system and online catalog, CLEVNET. This year, CLEVNET has grown to include over 43 libraries in 12 counties in Northern Ohio. Over the past several years, state funding has dropped and was equal to 1996 levels in 2014.

ECONOMIC CONDITIONS AND OUTLOOK

Although its boundaries coincide with those of the Cleveland Heights–University Heights City School District, primarily the cities of Cleveland Heights and University Heights with a five street area located within South Euclid, the Library's role is enlarged by its proximity to the major metropolitan area of Cleveland. The population of Cuyahoga County is highly mobile and most residents use several libraries to meet their recreational reading and informational needs. Thus, the Library serves residents beyond those located within our boundaries, which has an impact on our available resources. Participation in CLEVNET also expands the Library's role through the mutual sharing of materials and resources both within Cuyahoga County and throughout Ohio.

Local property taxes account for approximately 59 percent of our revenue. A levy was passed in November, 2014 and goes into effect January 1, 2015. With the new levy, property owners pay \$10.00 a year for every \$1,000 of assessed value of their property. We continue to watch county property valuations and collection rates to determine if this revenue will decline significantly in coming years. The Board of Library Trustees and management believe close monitoring of funds is essential to extend the life of our new levy. This is essential as our school community and cities face increasing economic pressure.

LEVY SUPPORT

In November of 1992, our residents approved a continuing, 4-mill operating levy by a two-to-one margin. Beginning collection in 1993, this levy replaced a 3-mill levy (with an effective rate of only 2.06 mills) and generated approximately \$2.8 million in 2014 in property taxes and intergovernmental revenues. In March of 2000, the voters of the Cleveland Heights-University Heights City School District approved an additional continuing 1.9-mill operating levy. Collections began in 2001, and in 2014 generated \$1.3 million.

In November 2001, the voters of the Cleveland Heights-University Heights City School District approved a \$9.5-million bond issue. This money supported the renovation of the Lee Road Branch, the former Heights YMCA (purchased in 2000) and the construction of a pedestrian walkway over the street between the two buildings. This increased space allowed needed growth in all departments and increased programming for the community. This renovation was completed and the facility re-opened in September of 2006.

The Board of Library Trustees went on the ballot in March 2008 for a third continuous 1.9-mill property tax levy, generating \$1.7 million in 2014, and in November 2014 for a fourth continuous 2.2-mill levy. State law limits the property tax levies to the revenue generated by real property appraisal values at the time of each levy's passage. As a result, property tax revenues cannot increase significantly during the term of each levy. State law also sets a maximum rate of property tax levies at ten mills, a maximum we have now reached.

COMMUNITY DEMOGRAPHICS

A demographic study, commissioned by Cleveland State's Northern Ohio Data and Information Service (NODIS) in 2012, allows us to take a closer look at our service area characteristics and how that relates to borrowing from our Library.

The Cleveland Heights-University Heights School District, which defines our boundaries, is above the county average in educational attainment and other socioeconomic measures like household income, and generally is associated with strong support for education and library services. However, population loss and the increase in poverty will continue to challenge us. Poverty for children ages 5-17 in our community jumped from 6.1 percent in 2000 to 20 percent in 2012.

NODIS predicts that we will continue to lose population by another 4.5 percent between 2010 and 2020. Mirroring the population of Cuyahoga County, the Cleveland Heights-University Heights area lost 3.2 percent of its population in the 2010 census with a total population for Cleveland Heights of 46,121 residents. Both white and black populations dipped while Hispanic and Asian populations grew slightly. University Heights residents number 13,539 according to the 2010 census, about 600 fewer than in 2000.

Neither city has any industry and both are excellent examples of relatively affluent "bedroom communities." Since 2000, the average household income has increased by more than 25 percent in the two communities. Per capita income in Cleveland Heights is \$30,167 and \$30,541 in University Heights, while the combined median household income for the two cities is around \$59,000. (Source: US Census Bureau). A disproportionate share of workers commute to cities other than their place of residence. There are a large number of small businesses and home-based businesses in our communities and they are served more completely by the Small Business Development Center that is housed at the Lee Road Branch.

Borrowing patterns

Many of our residents check out items from neighboring libraries as well as from our own system. These other systems include Shaker Heights, Cleveland Public and Euclid as well as Cuyahoga County Public Libraries. The neighborhood that borrows most widely outside of our service area is University Heights. According to the NODIS data, we also had more than 90,000 transacting visits from people who live outside our service area during the study period.

Within our service area, people who live near a library generally use that branch *as well as* the Lee Road Branch. But defying that generalization, most Noble Neighborhood residents who borrow from our system use the Noble Neighborhood Branch exclusively (89.4 percent). Our neighborhood libraries continue to serve a significant number of our residents.

Electronic media borrowing continues to grow each year and made up 4 percent of our circulation in 2014.

Ohio Public Library environment:

- By law, no new public Library systems can be established in Ohio.
- The PLF distributes money to the 88 counties (not the Library systems) to fund Library services. If there are multiple Library systems within a county, the county budget commissions use agreements reached by the libraries to determine how the money gets distributed to the Library systems within each county.
- State funding allows public libraries to collaborate by supporting interlibrary loan of materials, shared staffing models, group purchasing, etc. Public libraries view their collections as a statewide asset.
- State funding of public libraries is currently at the same level it was in 1996.

LONG-TERM FINANCIAL PLANNING

The Library maintains a five-year financial projection at all times and this is regularly shared with the Board of Library Trustees. It is updated as material changes to income and expenditures are determined, and it covers both operational and capital needs to maintain and enhance current services and facilities.

RELEVANT FINANCIAL POLICIES

The Board of Library Trustees approved a long-term investment policy in May 2004 as part of their by-laws. The purpose of this policy is to establish priorities and guidelines regarding the investment management of the Library operating funds. These priorities and guidelines are based upon Chapter 135 of the Ohio Revised Code (ORC) and prudent money management practices. The policy also follows Section 135.14 of the ORC in establishing what qualifies as an eligible investment. Safety of principal is the most important objective of the Library's investment policy. The policy also focuses on issues regarding liquidity and yield. Income from investments in 2014 was minimal due to low interest rates, although they are slowly improving.

STRATEGIC PLANNING

The Library's latest strategic plan uses the "Balanced Scorecard" approach that emphasizes results with measurements taken throughout the year, such as statistical use counts, community surveys, and customer feedback. The Board of Library Trustees approved a new two-year plan in 2013 that is currently in effect for 2014-2015. The objectives of this plan include:

Enhance Customer Experience

- Create new and optimize current modes of access
- Establish criteria for evaluation of services and resources
- Focus our collections while maintaining balance

Facilitate Community Engagement

- Establish a Library presence with high priority relationships
- Identify and fill gaps in services, programs and collections
- Provide resources for our communities to share their stories and guide community conversation

Invest Resources Wisely

- Automate business operations
- Focus our facility investments on accessibility
- Create required core training for staff
- Locate and pursue alternative funding sources

The conclusion of the 2012-2013 plan outlined the many measurable successes of the plan, which were documented in monthly reports to the public and Board of Library Trustees. A summary is available on our website.

MISSION, VISION AND VALUES

Staff's work is based on the Library's Mission, Values and Vision that are reviewed annually by the Board of Library Trustees.

The Library's Mission

The Mission indicates what our organization is committed to do:

The Cleveland Heights–University Heights Public Library—Opening doors, opening minds.

The Library's Values

We place great value in:

- Education and literacy,
- Understanding and responding to the needs of our customers,
- Effective management of financial resources,
- Assuring that our libraries remain free for all,
- Effective management and development of human resources, resulting in a diverse and culturally competent staff,
- Quality in all we do,
- Intellectual freedom,
- A climate for innovation and change,
- Respect and tolerance for diverse viewpoints and individual differences,
- Integrity and ethics in the workplace,
- Shared organizational decision making and responsibility,
- Open, timely and effective internal and external communications,
- Contributing to a culture of respect and comfort for all.

The Library's Vision

We will know we are succeeding when:

- Our services and facilities appeal to all ages,
- Our collections, services and staff are outstanding,
- We have established the Library as a Third Place or “someplace other than work or home where a person can go to... feel part of the community,”
- We remain focused on the needs of our customers.

2014 Annual Report

2014 Numbers to know:

- Circulation: 1,774,593 items
- Electronic (downloadable film, music, audio books, ebooks, magazines) media downloads: 74,450
- Visitors: 1,046,596
- Meeting room uses: 2,210
- Library programs: 5,906 with attendance 72,872

2014 Recognitions

- Ohio Library Council Innovation Award for the Book Bike
- 5-Star Library designation from Library Journal

Funding

The Board of Library Trustees decided in the summer that it was necessary to ask the voters for a 2.2-mill levy and formed a campaign committee led by Trustee Abby Botnick and Friends President Louisa Oliver. The levy passed with a convincing 68 percent affirmative vote. The library also received a large donation from the Grace Brody Trust at the end of the year. Brody, a professor of Social Work with a particular interest in families, was a resident of Ormond Road which borders the Lee Road Library property. She was also a philanthropist whose generosity was known by Case Western Reserve University, and The Jewish Community Federation, and the Cleveland Public Library, among others. The Friends of Heights Library continued to support the library and earn money with book sales in the Harvey and Friends Bookshop. The Fund for the Future of Heights Libraries (FFHL) built their endowment through memorial gifts and an annual fundraising event. Author Thrity Umrigar held a book launch party with proceeds benefiting the FFHL at a local wine bar.

Website and Social Media

We launched a new website in January 2014. Overall reception of the new site has been positive from customers and staff, and more individual customers are visiting our site than ever before.

Comparing 2013 stats to 2014 is a little tricky, as the redesigned site has few “apples to apples” correlations to the pages on the old site, but here are some links/pages that are being accessed more after the new site design:

- Our research databases link, which had a total of 18,828 views in 2014, compared to an annual average of 16,717 from 2010-2013.

- Our new blog/staff picks section gets an average of 2,000 views per month; our old site had a page called “Recommended Reads” (that linked to the old blogs) that on average received 200 page views a month.
- The old site had a link on the home page called “Register for a program” which received an average of roughly 250 page views per month, while our new events/program calendar receives an average of 2,100 page views per month. While not a direct correlation, the difference in the numbers is dramatic.

Facebook grew from 1,498 likes at the end of 2013 to 1,825 at the end of 2014, an 18 percent increase. The average reach of Facebook postings (the number of people who see our postings) increased in 2014, from an average of 433 to an average of 673, an increase of 36 percent. There was an increase in the number of responses to postings as well -- in 2013, our page received an average of 4 likes per posting, while in 2014 that number jumped to 19, an increase of 79 percent.

Our **Twitter** account continued to grow: more followers, more retweets (followers sharing our tweets), and more responses to our tweets. We saw 1,015 followers (people who see our tweets), up from 802 at the end of 2013, a 21 percent increase.

Programming- Lee Road Branch

August marked the end of a very successful Summer Reading Program for the library. We saw increases in participation for both the Children and Teen programs. Our system-wide children’s total participation was 1,150 (seven percent increase) and system-wide teen total participation was 405 (108 percent increase). Adult participation was still strong with 709 entries.

The Sesame Street Block Party was a huge success with roughly 240 people attending the event on September 18th. The program featured local businesses, firefighters, political officials and numerous volunteers. The 15th Annual Teen Poetry Slam continued the tradition of giving youth in our community a stage to express themselves through the written word. This event was cross-promoted and funded by Lake Erie Ink and the high school library. There were 14 participants and 73 attendees.

Both Lee Road and Noble Youth Services staff introduced Children’s Gardens. Noble’s garden concentrated on growing vegetables to share with the community, while Lee Road’s garden was geared more toward education about plants and flowers.

Adult programming at Lee Road was very successful with 2,132 people attending 112 programs. Program content included book and play discussions, knitting, local history, and growing food, in addition to having speakers present on a variety of topics.

Coventry Village Branch

At Coventry, among dozens of school-age and family programs, the Instrument Petting Zoo with CIM students and Coloring Music were particular successes, both for the quality of the experiences and the large attendance. Youth Services Librarian Maggie Kinney and Youth Services Associate Meredith Priset offered a rich variety of music, craft, and storytelling opportunities. The Cedar-Coventry Author Series programs continued to be popular, with increased overall attendance; particularly strong were the programs featuring David Giffels (*The Hard Way on Purpose*) and Kris Ohlson (*The Soil Will Save Us*). The program featuring local author Daniel Stashower (*The Hour of Peril*) also drew a large audience. Adult Services Librarian Ben Gulyas offered a series of American Sign Language classes for the public that had excellent attendance.

Noble Neighborhood Branch

Noble's Youth Services Department offered a wide variety of creative programming and interactive activities including STEAM focused programs, Picture Book Madness, Private Eye Academy, Minute to Win It, International Games Day, Tween Girls' Night Out, African Drumming and Dance, Sing and Swing, Star Wars Reads, Mythbusters, harvest and winter celebrations, and a variety of craft programs. Noble once again participated in distributing books for World Book Night—the number of givers doubled over last year, but unfortunately the American Library Association determined that the program was not sustainable. In addition to the regular Great Books and Mystery book discussion and knitting, popular adult programs included Stop the Stereotypes/Stop the Hate, Zumba, More than Macarons, and our most well-attended adult program, speaker Michael Clune, author of White Out: the Secret Life of Heroin. Noble staff conducted 65 outreach visits to customers of all ages, reaching 2,242 on these visits.

University Heights Branch

University Heights staff also had a successful outreach year, with 37 visits and 1,662 customers. UH Branch activities received positive media attention in 2014. Do Re Mi and You, a musical storytime series presented by Youth Services Librarian Pam Spangler one Saturday per month over the summer at UH, was featured in a Sun Press story on July 21. Youth Services Associate Shenee King and her Teen Job series were featured in two stories on Cleveland.com on April 23 and April 27. Finally, on Election Day in November, a group of Heights High students engaged with UH voters at our branch, offering refreshments and information about the relocation of the high school to Wiley. Photos of the group at our library were featured in the online and print editions of the December issue of the Heights Observer, and the group was mentioned in a Cleveland.com story.

Publicity

We survey program attendees to see how they heard about our programs, in order to gauge which promotion efforts are most effective. *Check Us Out* continues to be our best communications tool. The most notable change was Newspaper, which jumped from three percent in 2013 to 13 percent in 2014. We attribute this to more consistent outreach to the Sun Press/Cleveland.com, and what seems to be an effort on the part of Cleveland.com to publish more local events.

Safety

Safety is a priority at Heights Libraries. Therefore, we have been tracking the number of incident reports written by staff for a number of years. We track by incidents over time at each branch and by type of activity including medical, police calls, property damage or missing and general disturbance. Incidents are compared to numbers of visitors in the buildings.

In 2014 a total of 348 incidents were reported while we counted 873,513 visitors to our buildings. This is almost identical to last year. This is one incident for every 2,500 visitors. Police were called 30 times but only 4 of those calls were considered "major."

Borrowing changes

Sunday hours were curtailed at the Coventry, Noble and University Heights Branches in January of 2010 due to Ohio Public Library Fund budget cuts. Sunday hours were restored to the University Heights Branch in 2014. The community passed a 2.2 mill levy on November 4, 2014, and the funds from this levy will be available in 2015, making it possible to restore all Sunday hours previously eliminated.

Staff Development and Training

In 2014, 153 employees participated in training and development activities, a decrease of 4.3 percent from 2013. Sixty-three of those who attended training were full time, while 90 were part time (this includes Pages).

A majority of these activities (58 percent) were related to improving employees' job-related skills and knowledge. Mandatory staff training made up only 11 percent of the activities attended by employees in 2014. In addition to job specific activities, ten percent of events attended last year focused on improving soft skills (emotional intelligence, people skills, etc.)

In 2014, tuition reimbursement funds were awarded to 4 employees – Cata Wood, Jimmy Williams, and Zahir Sutarwala were each awarded \$500 and Tim Pasbrig was awarded \$1,000 to pursue educational opportunities. The Library hosted 3 practicum students from Kent State University's School of Library and Information Science, and 1 library apprentice in 2014.

Facility updates

We completed a facilities assessment in 2014 that should predict capital needs for the next 10 years. Funds will then be set aside so that we can maintain our buildings and avoid as many emergency issues as possible. In keeping with this plan many repairs were made at the Coventry Village Branch to secure the outer envelope and roof. The interior of Coventry received new carpeting and a newly redesigned children's room in the area that used to be dedicated to teens. Landscaping at all branches was improved and continued updates were made to security cameras to reduce theft.

In anticipation of renovations at the University Heights Branch, a residence that is located next to the parking lot was purchased.

Volunteers

We are always pleased when we can meet our citizens' desires to become involved with the Library. We need their involvement and appreciate their assistance with a number of activities and programs. The total number of hours volunteered in 2014 was 386, by a total of 52 volunteers.

OTHER INFORMATION

Independent Audit

Included in this report is an unmodified audit opinion rendered on the Library's financial statements as of and for the year ended December 31, 2014, by our independent auditor, Auditor of State Dave Yost.

Library management plans to continue to subject financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit also serves to maintain and strengthen the Library's accounting and budgetary controls.

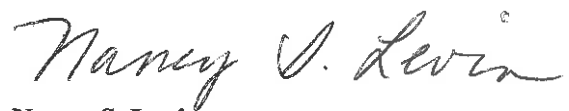
Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cleveland Heights-University Heights Public Library for its Comprehensive Annual Financial Report for the year ended December 31, 2013.

Acknowledgements

We wish to express our appreciation to the members of the Board of Library Trustees for their continued interest and support in planning and conducting the financial operations of the Library in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nancy S. Levin".

Nancy S. Levin
Director

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY

LIST OF PRINCIPAL OFFICIALS as of December 31, 2014

BOARD OF LIBRARY TRUSTEES

President	James Posch
Vice President.....	Robert Fischer
Secretary	Rick Ortmeyer
Member	Ron Holland
Member	Abby Botnick
Member	James Roosa

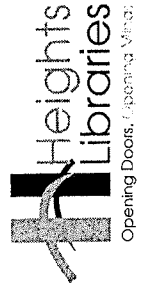
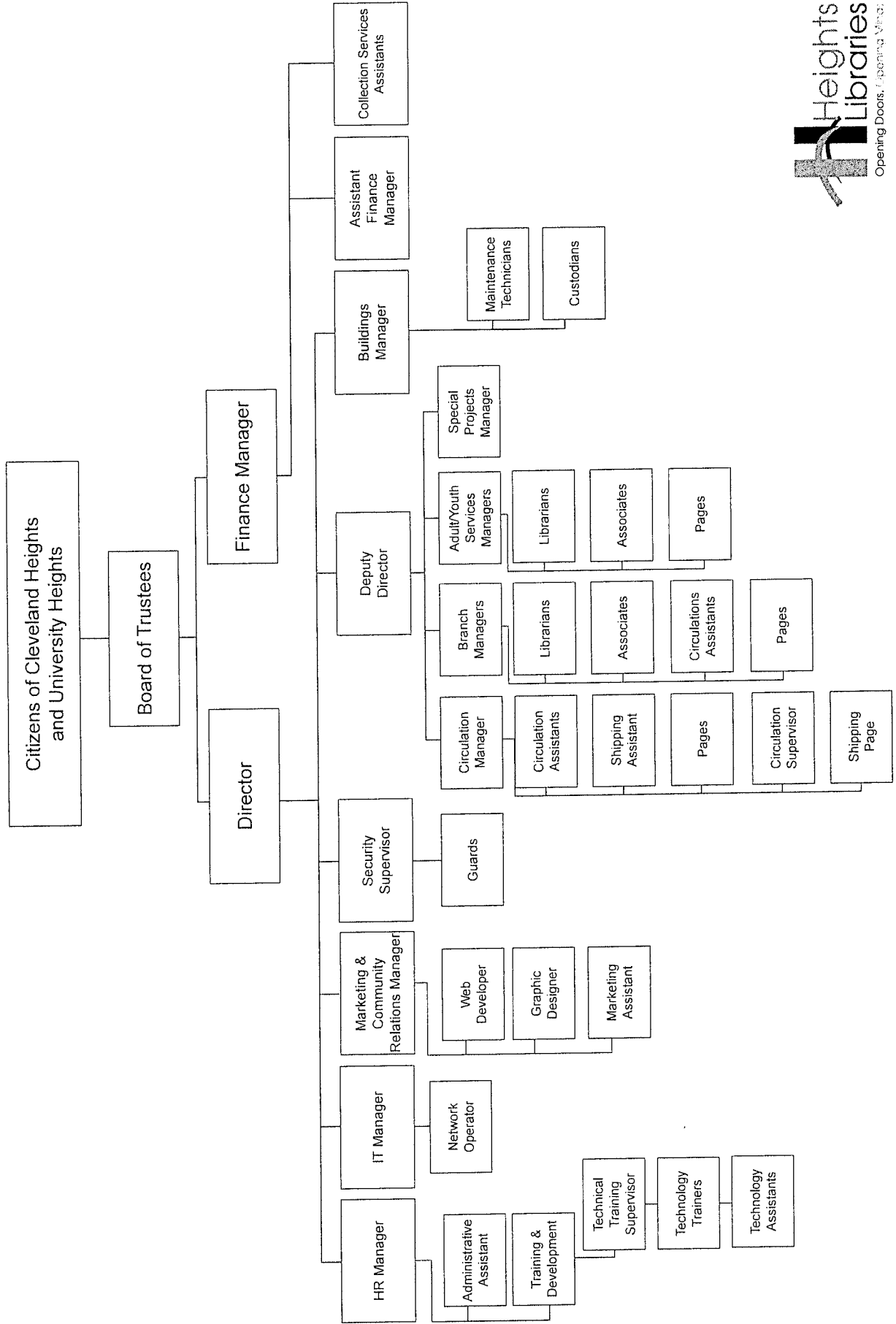
ADMINISTRATIVE STAFF

Nancy S. Levin	Director
Kimberlee DeNero-Ackroyd	Deputy Director
Jana L. Nassif *	Finance Manager
Charles Collins	Adult Services Manager
Sam Lapides	Special Projects Coordinator
Brian Hare	Youth Services Manager
Laurie Marotta.....	Human Resources Manager
Sheryl Banks.....	Marketing & Community Relations Manager
Timothy Pasbrig	Buildings Manager
Heather Howiler	Training Development Manager
Matt Hoffman	IT Manager
Patricia Gray.....	Branch Manager, Coventry Village Library
Constance Dickerson.....	Branch Manager, Noble Neighborhood Library
Aurora Martinez	Branch Manager, University Heights Library
Kevin Echols	Security Supervisor

*Vacated this position as of April 21, 2015

2014 ORGANIZATION CHART

Cleveland Heights - University Heights Public Library





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Cleveland Heights-University Heights
Public Library, Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

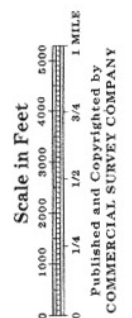
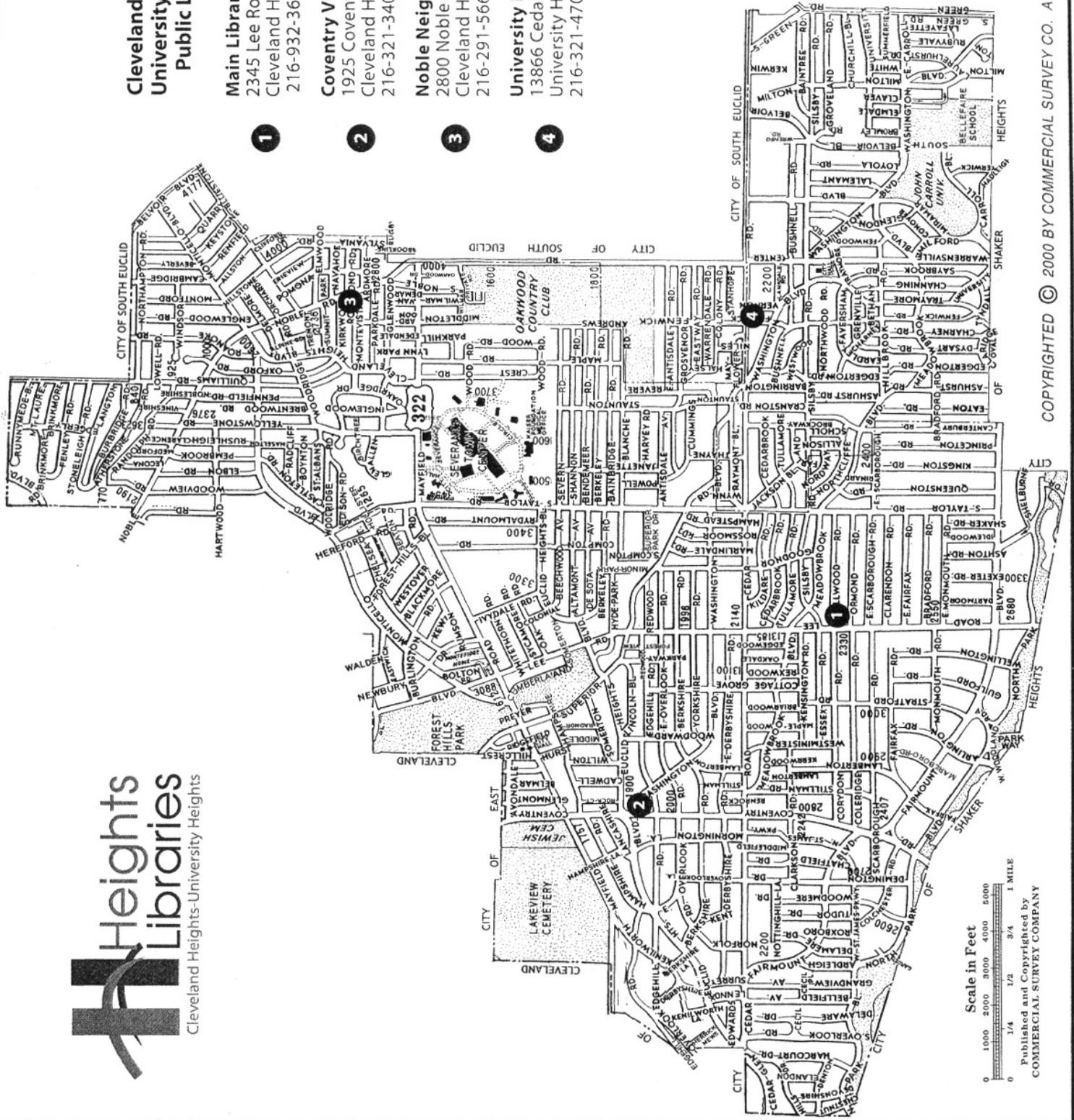
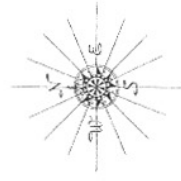
Cleveland Heights-University Heights Public Library

Main Library
2345 Lee Road
Cleveland Heights, OH 44118
216-932-3600

Coventry Village Library
1925 Coventry Road
Cleveland Heights, OH 44118
216-321-3400; TTY 321-0739

Noble Neighborhood Library
2800 Noble Road
Cleveland Heights, OH 44121
216-291-5665

University Heights Library
13866 Cedar Road
University Heights, OH 44118
216-321-4700



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Financial Section



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Cleveland Heights-University Heights Public Library
Cuyahoga County
2345 Lee Road
Cleveland Heights, Ohio 44118

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights Public Library, Cuyahoga County, Ohio (the Library), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Library's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Library's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights Public Library, Cuyahoga County, Ohio, as of December 31, 2014, and the respective changes in financial position thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Library's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2015, on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State
Columbus, Ohio

June 15, 2015

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Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

The management's discussion and analysis of the Cleveland Heights-University Heights Public Library's (the Library) financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2014. The intent of this management's discussion and analysis is to look at the Library's financial performance as a whole. Readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Library's financial performance.

Financial Highlights

Key financial highlights for 2014 are as follows:

- Total net position increased from 2014. This resulted from revenues exceeding expenses, tighter spending controls and changes to negotiated agreements that have helped keep expenses relatively flat.
- On November 4, 2014, the residents approved a 2.2 mill levy that will generate approximately \$2,000,000 in additional property taxes annually.
- Total assets and liabilities of governmental activities showed increases over 2013, primarily due to the passage of the levy.
- Capital assets had additions to buildings and improvements, equipment, and furniture.
- The library received a gift of \$500,000 from the Grace Brody Trust. Dr. Brody was a philanthropist and professor at Case Western University, as well as a Cleveland Heights resident.

Using This Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Cleveland Heights-University Heights Public Library as a financial whole or as an entire operating entity. The statements provide a detailed look at the Library's specific financial activities.

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

Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

Reporting the Cleveland Heights-University Heights Public Library as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the Library to provide services to our citizens, the view of the Library as a whole considers all financial transactions and asks the question, "How did we do financially during 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

- Assets
- Liabilities
- Deferred Inflows of Resources
- Net position (Assets minus Liabilities and Deferred Inflows of Resources)
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning of Year and Year's End

Reporting the Cleveland Heights-University Heights Public Library's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Cleveland Heights-University Heights Public Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Library's funds can be classified as governmental funds. Fund financial statements provide detailed information about the Library's major funds. The Library has established funds that account for the multitude of services and facilities provided to our residents. However, these fund financial statements focus on the Library's most significant funds. In the case of the Cleveland Heights-University Heights Public Library, our major fund is the general fund.

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 near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. All Library activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year end available for spending in future periods. Our funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-

Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

term view of the Library's general operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. 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 Library's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental fund financial statements can be found on pages 16-20 of this report.

The Cleveland Heights-University Heights Public Library as a Whole

Recall that the Statement of Net Position pictures the Library as a whole. Table 1 provides a summary of the Library's net position for 2014 compared to 2013.

Table 1
Net Position

	Governmental Activities		
	2014	2013	Change
Assets			
Current and Other Assets	\$19,123,558	\$15,692,540	\$3,431,018
Capital Assets, Net	16,712,949	16,992,074	(279,125)
Total Assets	35,836,507	32,684,614	3,151,893
Liabilities			
Current Liabilities	256,686	200,078	(56,608)
Long-Term Liabilities			
Due Within One Year	232,341	231,744	(597)
Due in More Than One Year	357,446	301,130	(56,316)
Total Liabilities	846,473	732,952	(113,521)
Deferred Inflows of Resources	7,310,006	5,262,765	(2,047,241)
Net Position			
Investment in Capital Assets	16,322,853	16,675,019	(352,166)
Restricted for:			
Staff Development			
Nonexpendable	418,502	418,502	0
Expendable	143,936	107,581	36,355
Other Purposes	8,724	0	8,724
Unrestricted	10,786,013	9,487,795	1,298,218
Total Net Position	\$27,680,028	\$26,688,897	\$991,131

Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Cleveland Heights-University Heights Public Library, assets exceeded liabilities at year-end 2014. The increases in assets and liabilities over 2013 is attributable to the additional tax monies expected from the passage of the 2.2 mill operating levy. By comparing assets and liabilities, one can see the overall position of the Library is good.

Although the Cleveland Heights-University Heights Public Library's investment in its capital assets is reported net of related debt, which is strictly capital leases, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Additionally, the Cleveland Heights-University Heights Public Library works very hard to stabilize current liabilities and reduce long-term liabilities.

Table 2 shows the changes in net position for the years ended December 31, 2014 and 2013.

Table 2
Change in Net Position

	Governmental Activities		
	2014	2013	Change
Revenues			
<i>Program Revenues</i>			
Charges for Services	\$133,691	\$127,689	\$6,002
Operating Grants and Contributions	9,000	18,460	(9,460)
<i>Total Program Revenues</i>	142,691	146,149	(3,458)
<i>General Revenues</i>			
Property Taxes	5,570,878	5,698,149	(127,271)
Grants and Entitlements not Restricted to Specific Purposes	3,144,750	3,131,633	13,117
Investment Earnings	61,291	32,243	29,048
Unrestricted Contributions	517,995	0	517,995
Miscellaneous	65,426	88,399	(22,973)
<i>Total General Revenues</i>	9,360,340	8,950,424	409,916
<i>Total Revenues</i>	9,503,031	9,096,573	406,458
Program Expenses			
General Government:			
Public Service	6,471,499	6,603,614	132,115
Administration	2,028,001	1,609,684	(418,317)
Interest and Fiscal Charges	12,400	13,490	1,090
<i>Total Program Expenses</i>	8,511,900	8,226,788	(285,112)
<i>Change in Net Position</i>	991,131	869,785	121,346
Net Position Beginning of Year	26,688,897	25,819,112	869,785
Net Position End of Year	\$27,680,028	\$26,688,897	\$991,131

Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

The vast majority of revenue supporting all governmental activities is general revenue. The most significant portions of general revenues are local property taxes and grants and entitlements not restricted. The remaining amount of revenue received was in the form of program revenues, the majority of which was charges for services provided by the Library. During 2014, the Library received a one-time \$500,000 donation from the Grace Brody Trust. The estate of Grace Brody stipulated that the Cleveland Public Library and the Cleveland Heights-University Heights Public Library would split the funds in this Trust for unrestricted use by the libraries. The Heights Library Board of Trustees decided to use the funds to improve the facilities for children and families in all of the branches in keeping with the focus of Brody's professional and philanthropic activities.

The Library also carefully invests its funds in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Director and Fiscal Officer pay close attention to daily interest rates and have made the Library's money "work for us", even during these difficult economic times of dropping interest rates.

Analysis of Overall Financial Positions and Results of Operations

In Table 3 below, the total cost of services column contains all costs related to the programs and the net cost of services column shows how much of the total amount is not covered by program revenues. The net costs are program costs that must be covered by unrestricted State aid (Library and Local Government Support Fund) or local property taxes.

Table 3
Governmental Activities

Programs	Total Cost of Services 2014	Total Cost of Services 2013	Net Cost of Services 2014	Net Cost of Services 2013
General Government:				
Public Service	\$6,471,499	\$6,603,614	\$6,381,964	\$6,460,388
Administration	2,028,001	1,609,684	1,974,845	1,606,761
Interest and Fiscal Charges	12,400	13,490	12,400	13,490
Total Expenses	<u>\$8,511,900</u>	<u>\$8,226,788</u>	<u>\$8,369,209</u>	<u>\$8,080,639</u>

The difference in the total cost and net cost of services represents restricted grants, fees and donations. The dependence upon general tax revenues for governmental activities is apparent. 65.45 percent of total expenses are supported through taxes.

Governmental Activities

Several revenue sources fund our governmental activities with the Library property tax being the largest contributor. General revenues from grants and entitlements, such as local government funds, and patron fines and fees are also major sources of revenue.

The area of Cleveland Heights is not immune to the economic situation affecting the Country. The Library System's geographic boundaries encompass several inner-ring suburbs of the City of Cleveland. These

Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

communities are primarily residential in nature. The proximity and the easy access of the cities to major cultural, educational and medical facilities in northeast Ohio typically contributes to climbing property values, a key indicator of a community's economic health and stability, where the primary "industry" is housing. Typically, the vitality of the area has also been demonstrated by new construction over the past few years, with development and redevelopment of retail and commercial corridors found throughout each community. However, even with the current foreclosure crisis and overall increase in delinquencies, there is a slight upturn in the State economy which caused the slight increase. A 2.2 mill levy was passed by the voters with over 68 percent approval in November 2014.

Although the Library relies heavily upon local property taxes to support its operations, we continue to actively solicit and receive additional grant and entitlement funds to help offset operating and program costs.

The majority of the Library's program expenses are for public services, 76.03 percent. Administration accounts for an additional 23.82 percent of total expenses. The increase in administration expenses is due to increases in personnel costs. The remaining program expense, amounting to less than one percent, represents interest and fiscal charges.

The Library's Funds

Information about the Library's governmental funds begins on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenue of \$9,501,776 and expenditures of \$8,309,141. The most significant fund is our general fund with an unassigned fund balance at year-end of \$7,571,065 compared to annual expenditures of \$8,090,362. \$550,000 was transferred to the building and repairs capital projects fund. This transfer enabled the Library to fund various capital improvements. The general fund balance had an increase from 2013 due to the Library receiving a \$500,000 donation from the Grace Brody Trust during 2014, as well as the Library being fiscally responsible and ensuring that revenues are far exceeding expenditures for the year.

General Fund Budgetary Highlights

The Library's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of 2014, the Library amended its general fund budget, but no amendment was significant. For the general fund, original and final budgeted revenues were \$8,805,065 and \$9,305,565, respectively. Actual revenues were \$130,496 higher than final budgeted resources due to an increase in intergovernmental revenues. Original and final budgeted expenditures in the general fund were \$9,274,241 and \$8,525,154, respectively. Actual expenditures were \$519,697 lower than final budgeted expenditures due to careful monitoring of expenditures that resulted in decreases to all expenditure line items.

Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

Capital Assets and Debt

Capital Assets

(Table 4)

*Capital Assets at December 31
(Net of Accumulated Depreciation)*

	Governmental Activities		
	2014	2013	Change
Land	\$791,638	\$791,638	\$0
Land Improvements	47,182	65,528	(18,346)
Buildings and Building Improvements	14,711,658	14,993,982	(282,324)
Equipment	960,245	956,252	3,993
Furniture	197,511	178,545	18,966
Vehicles	4,715	6,129	(1,414)
Total Capital Assets	<u>\$16,712,949</u>	<u>\$16,992,074</u>	<u>(\$279,125)</u>

The Library is committed to a long-term goal of rebuilding and renovating facilities. There were increases to buildings and improvements and equipment and furniture during 2014, however those increases were offset by the current year depreciation. See Note 9 for additional information on capital assets.

Long-term Obligations

As of December 31, 2014, the Cleveland Heights-University Heights Public Library had outstanding balances in compensated absences and capital leases. See Note 15 for additional information on the Library's debt.

(Table 5)

Outstanding Obligations at Year End

	Governmental Activities		
	2014	2013	Change
Compensated Absences	\$199,691	\$215,819	(\$16,128)
Capital Leases	390,096	317,055	73,041
Total	<u>\$589,787</u>	<u>\$532,874</u>	<u>\$56,913</u>

Current Financial Related Activities

The Cleveland Heights-University Heights Public Library has continued to maintain the highest standard of service to the patrons of our communities. The Cleveland Heights-University Heights Public Library is financially strong. The Library saw an increase in revenues from 2013 and revenues outpaced expenditures which is part of our strong, fiscally responsible financial plan to live within our means. The Board of Library Trustees and administration closely monitor its revenues and expenditures in accordance with its financial forecast.

Cleveland Heights-University Heights Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2014

Unaudited

The Cleveland Heights-University Heights Public Library relies on its property taxpayers to support its operations, and the fiscal capacity and community support for the Library is quite strong. The Cleveland Heights-University Heights Public Library voters have passed additional operating levies in the years 1992, 2001, 2008 and 2014, which help the general operations and permanent improvements of the Library. In addition, the community overwhelmingly passed a bond issue in 2001 to support the renovation of the main library and cultural arts center. The Cleveland Heights-University Heights Public Library continues to communicate to the community that they rely upon their support for the majority of its operations and will continue to work diligently to plan expenses, staying carefully within the Library's budget and financial forecast. The community realizes the income generated by local levies remains constant, thereby forcing the Library to come back to the voters from time to time for additional support.

The Board of Trustees and Director work extremely hard at containing health care costs by ensuring the pricing it receives is competitive and promotes employee wellness programs. While the cost increases for medical insurance are unavoidable in today's environment, the Library is working diligently to maintain a high level of coverage for its employees at the lowest cost possible. An Employee Wellness Initiative has lowered the rates of insurance renewals in recent years.

Contacting the Library's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the Library's finances and demonstrates the Library's accountability for all money it receives, spends, and invests. Please direct any questions about this report or financial information inquiries to the Finance Manager, Cleveland Heights-University Heights Public Library, 2345 Lee Road, Cleveland Heights, Ohio 44118-3493, or telephone 216-932-3600. We also offer information regarding our Library on our web site, www.heightslibrary.org.

Basic Financial Statements

Cleveland Heights-University Heights Public Library

Statement of Net Position

December 31, 2014

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$9,207,432
Accounts Receivable	5,066
Accrued Interest	1,292
Intergovernmental Receivable	1,581,404
Prepaid Items	32,900
Property Taxes Receivable	8,295,464
Nondepreciable Capital Assets	791,638
Depreciable Capital Assets, Net	15,921,311
<i>Total Assets</i>	<u>35,836,507</u>
Liabilities	
Accounts Payable	62,187
Contracts Payable	4,376
Accrued Wages	121,570
Intergovernmental Payable	64,402
Accrued Interest Payable	4,151
Long-Term Liabilities:	
Due Within One Year	232,341
Due In More Than One Year	357,446
<i>Total Liabilities</i>	<u>846,473</u>
Deferred Inflows of Resources	
Property Taxes	<u>7,310,006</u>
Net Position	
Net Investment in Capital Assets	16,322,853
Restricted for:	
Staff Development	
Nonexpendable	418,502
Expendable	143,936
Other Purposes	8,724
Unrestricted	10,786,013
<i>Total Net Position</i>	<u><u>\$27,680,028</u></u>

See accompanying notes to the basic financial statements

Cleveland Heights-University Heights Public Library

Statement of Activities

For the Year Ended December 31, 2014

	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities				
General Government:				
Public Service	\$6,471,499	\$80,535	\$9,000	(\$6,381,964)
Administration	2,028,001	53,156	0	(1,974,845)
Interest and Fiscal Charges	12,400	0	0	(12,400)
<i>Total Governmental Activities</i>	<u>\$8,511,900</u>	<u>\$133,691</u>	<u>\$9,000</u>	<u>(8,369,209)</u>
		General Revenues		
		Property Taxes Levied for General Purposes		5,570,878
		Grants and Entitlements not Restricted to Specific Programs		3,144,750
		Investment Earnings		61,291
		Unrestricted Contributions		517,995
		Miscellaneous		65,426
		<i>Total General Revenues</i>		<u>9,360,340</u>
		Change in Net Position		991,131
		<i>Net Position Beginning of Year</i>		<u>26,688,897</u>
		<i>Net Position End of Year</i>		<u>\$27,680,028</u>

See accompanying notes to the basic financial statements

Cleveland Heights-University Heights Public Library

Balance Sheet

Governmental Funds

December 31, 2014

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$7,712,827	\$1,493,844	\$9,206,671
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	761	0	761
Receivables:			
Property Taxes	8,295,464	0	8,295,464
Accounts	5,066	0	5,066
Intergovernmental	1,581,404	0	1,581,404
Accrued Interest	1,292	0	1,292
Prepaid Items	32,900	0	32,900
<i>Total Assets</i>	<u>\$17,629,714</u>	<u>\$1,493,844</u>	<u>\$19,123,558</u>
Liabilities			
Accounts Payable	\$62,187	\$0	\$62,187
Contracts Payable	0	4,376	4,376
Accrued Wages	121,570	0	121,570
Intergovernmental Payable	64,402	0	64,402
Accrued Interest Payable	4,151	0	4,151
<i>Total Liabilities</i>	<u>252,310</u>	<u>4,376</u>	<u>256,686</u>
Deferred Inflows of Resources			
Property Taxes	7,310,006	0	7,310,006
Unavailable Revenue	2,361,806	0	2,361,806
<i>Total Deferred Inflows of Resources</i>	<u>9,671,812</u>	<u>0</u>	<u>9,671,812</u>
Fund Balances			
Nonspendable	33,661	418,502	452,163
Restricted	0	151,899	151,899
Committed	12,514	228,913	241,427
Assigned	88,352	690,154	778,506
Unassigned	7,571,065	0	7,571,065
<i>Total Fund Balances</i>	<u>7,705,592</u>	<u>1,489,468</u>	<u>9,195,060</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$17,629,714</u>	<u>\$1,493,844</u>	<u>\$19,123,558</u>

See accompanying notes to the basic financial statements

Cleveland Heights-University Heights Public Library
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2014*

Total Governmental Fund Balances	\$9,195,060
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*Amounts reported for governmental activities in the
 statement of net position are different because*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,712,949
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Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:

Delinquent Property Taxes	985,458
Intergovernmental	<u>1,376,348</u>

Total	2,361,806
-------	-----------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Compensated Absences	(199,691)
Capital Leases	<u>(390,096)</u>

Total	<u>(589,787)</u>
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<i>Net Position of Governmental Activities</i>	<u><u>\$27,680,028</u></u>
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See accompanying notes to the basic financial statements

Cleveland Heights-University Heights Public Library
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$5,590,586	\$0	\$5,590,586
Patron Fines and Fees	80,535	0	80,535
Intergovernmental	3,123,787	0	3,123,787
Interest	13,928	47,363	61,291
Donations	517,995	9,000	526,995
Rentals	53,156	0	53,156
Miscellaneous	65,426	0	65,426
<i>Total Revenues</i>	<u>9,445,413</u>	<u>56,363</u>	<u>9,501,776</u>
Expenditures			
Current:			
General Government:			
Public Service	5,691,276	16,661	5,707,937
Administration	2,014,343	6,277	2,020,620
Capital Outlay	312,105	195,841	507,946
Debt Service:			
Principal Retirement	60,238	0	60,238
Interest and Fiscal Charges	12,400	0	12,400
<i>Total Expenditures</i>	<u>8,090,362</u>	<u>218,779</u>	<u>8,309,141</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,355,051</u>	<u>(162,416)</u>	<u>1,192,635</u>
Other Financing Sources (Uses)			
Inception of Capital Lease	133,279	0	133,279
Transfers In	0	550,000	550,000
Transfers Out	(550,000)	0	(550,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(416,721)</u>	<u>550,000</u>	<u>133,279</u>
<i>Net Change in Fund Balances</i>	938,330	387,584	1,325,914
<i>Fund Balances Beginning of Year</i>	<u>6,767,262</u>	<u>1,101,884</u>	<u>7,869,146</u>
<i>Fund Balances End of Year</i>	<u><u>\$7,705,592</u></u>	<u><u>\$1,489,468</u></u>	<u><u>\$9,195,060</u></u>

See accompanying notes to the basic financial statements

Cleveland Heights-University Heights Public Library
*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, 2014*

Net Change in Fund Balances - Total Governmental Funds	\$1,325,914
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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 outlay exceeded depreciation in the current period:

Capital Outlay	305,663
Depreciation	<u>(584,788)</u>

Total	(279,125)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property Taxes	(19,708)
Intergovernmental	<u>20,963</u>

Total	1,255
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Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	60,238
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Some expenses, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	16,128
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Other financing sources in the governmental funds, such as the inception of a capital lease, increase long-term liabilities in the statement of net assets.	<u>(133,279)</u>
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<i>Change in Net Position of Governmental Activities</i>	<u><u>\$991,131</u></u>
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See accompanying notes to the basic financial statements

Cleveland Heights-University Heights Public Library

*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2014*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$5,557,417	\$6,024,655	\$5,590,586	(\$434,069)
Patron Fines and Fees	80,057	86,600	80,535	(6,065)
Intergovernmental	2,520,999	2,560,410	3,115,463	555,053
Interest	14,756	16,500	14,844	(1,656)
Donations	515,890	518,000	517,995	(5)
Rentals	50,852	49,000	51,156	2,156
Miscellaneous	65,094	50,400	65,482	15,082
<i>Total Revenues</i>	<u>8,805,065</u>	<u>9,305,565</u>	<u>9,436,061</u>	<u>130,496</u>
Expenditures				
Current:				
General Government:				
Public Service	6,707,974	6,148,099	5,786,749	361,350
Administration	2,320,494	2,159,264	2,033,182	126,082
Capital Outlay	245,773	217,791	185,526	32,265
<i>Total Expenditures</i>	<u>9,274,241</u>	<u>8,525,154</u>	<u>8,005,457</u>	<u>519,697</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(469,176)</u>	<u>780,411</u>	<u>1,430,604</u>	<u>650,193</u>
Other Financing Uses				
Transfers Out	<u>(3,000)</u>	<u>(619,285)</u>	<u>(550,000)</u>	<u>69,285</u>
<i>Net Change in Fund Balance</i>	<u>(472,176)</u>	<u>161,126</u>	<u>880,604</u>	<u>719,478</u>
<i>Fund Balance Beginning of Year</i>	<u>6,600,016</u>	<u>6,600,016</u>	<u>6,600,016</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>133,302</u>	<u>133,302</u>	<u>133,302</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,261,142</u></u>	<u><u>\$6,894,444</u></u>	<u><u>\$7,613,922</u></u>	<u><u>\$719,478</u></u>

See accompanying notes to the basic financial statements

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Note 1 – Description of the Library and Reporting Entity

The Cleveland Heights-University Heights Public Library (the Library) was organized as a school district public library in 1920 under the laws of the State of Ohio. The Library has its own Board of Trustees consisting of seven members, who are appointed by the Cleveland Heights-University Heights Board of Education. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued, contracting, acquiring, holding, possessing, and disposing of real property, and of exercising such other powers and privileges conferred upon it by law. The Library also determines and operates under its own budget. Control and management of the Library is governed by sections 3375.33 to 3375.41 of the Ohio Revised Code with the administration of the day-to-day operations of the Library being the responsibility of the Director and financial accountability being solely that of the Fiscal Officer.

The Library is fiscally independent of the Board of Education, although the Board of Education serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the Board of Education must put the levy on the ballot. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the Board of Education.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board (GASB), “The Financial Reporting Entity,” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, The Financial Reporting Entity: Omnibus,” the Library is considered to be a related organization of the Cleveland Heights-University Heights City School District.

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

The Friends of the Cleveland Heights-University Heights Public Library, Inc. is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. Further, this organization is not accumulating large resources for the benefit of the Library. Therefore, this organization has been excluded from the reporting entity of the Library.

Note 2 - Summary of Significant Accounting Policies

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

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the Library as a whole. These statements usually distinguish between those activities of the Library that are governmental and those that are considered business-type. However, the Library has only governmental activities; therefore no business-type activities are presented.

The statement of net position presents the financial condition of the governmental activities of the Library at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Library's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are 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 Library, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Library.

Fund Financial Statements During the year, the Library segregates transactions related to certain Library 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 Library at this more detailed level. The focus of governmental 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.

Fund Accounting

The Library 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. The Library's funds are all classified as governmental.

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 is the Library's major governmental fund:

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

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

The other governmental funds of the Library account for other resources whose use is restricted or committed to a particular purpose.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the Library are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

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

Basis of Accounting

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

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

Nonexchange transactions, in which the Library receives value without directly giving equal value in return, include property taxes, Library and Local Government Support Fund payments, grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from Library and Local Government Support Fund payments, 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 Library must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Library 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: interest, federal and state grants and subsidies, state-levied locally shared taxes, fees and rentals.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Library, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance fiscal year 2015 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Library unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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.

Cash and Cash Equivalents

To improve cash management, cash received by the Library is deposited into one bank account. Monies for all funds are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the Library's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

During 2014, investments were limited to STAR Ohio, US Savings Bonds and nonnegotiable certificates of deposit.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold for on December 31, 2014.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the staff development special revenue fund during 2014 amounted to \$46,669, \$42,925 of which is assigned from other Library funds.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and reflecting the expenditure/expense in the year in which the services are consumed.

Restricted Assets

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

Capital Assets

All capital assets of the Library are general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

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

All capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Land Improvements	5-40 Years
Buildings and Improvements	5-99 Years
Equipment	3-20 Years
Furniture	5-20 Years
Vehicles	10 years

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

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. It is probable that the Library will compensate the employees for the benefits through paid time off or some other means. The Library 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 amounts accumulated by those employees who are currently eligible to receive termination benefits and those the Library has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the Library's termination policy. The Library records a liability for accumulated unused sick leave for all employees payable at 25 percent of their ending accumulated sick leave balance.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Capital leases are recognized as a liability on the governmental fund financial statements when due.

Fund Balance

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

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

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

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

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Assigned: Amounts in the assigned fund balance classification are intended to be used by the Library for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the Board of Trustees. In the general fund, assigned amounts represent intended uses established by Library Board or a Library official delegated that authority by Library resolution or by State statute. State statute authorizes the Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

Unassigned: Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Internal Activity

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

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

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.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Budgetary Process

All funds are legally required to be budgeted and appropriated. The budgetary process is prescribed by provisions of the Ohio Administrative Code and entails the preparation of budgetary documents within an established timetable. The Ohio Administrative Code section 117-8 does not require public libraries to budget receipts. However, sound budget practice suggests a government cannot appropriate responsibly unless they have an estimate of resources to support the appropriations. The Board must annually approve appropriation measures and subsequent amendments. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

The certificate of estimated resources establishes a limit on the amount the Board of Trustees may appropriate. The appropriations resolution is the Board of Trustees' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board of Trustees. The legal level of control has been established by the Board of Trustees at the fund and function level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Trustees. The Finance Manager has been given authority to allocate Board appropriations to the object level within each fund.

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

The appropriation resolution 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, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Trustees during the year.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Note 3 – Fund Balances

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

Fund Balances	General	Other Governmental Funds	Total
<u>Nonspendable:</u>			
Prepays	\$32,900	\$0	\$32,900
Unclaimed Monies	761	0	761
Staff Development Endowment	0	418,502	418,502
<i>Total Nonspendable</i>	<u>33,661</u>	<u>418,502</u>	<u>452,163</u>
<u>Restricted for:</u>			
Staff Development	0	143,936	143,936
Summer Teen Program	0	7,963	7,963
<i>Total Restricted</i>	<u>0</u>	<u>151,899</u>	<u>151,899</u>
<u>Committed to:</u>			
Building Improvements and Repair	0	228,913	228,913
Memorial Books and Society for Deaf	12,514	0	12,514
<i>Total Committed</i>	<u>12,514</u>	<u>228,913</u>	<u>241,427</u>
<u>Assigned to:</u>			
Building Improvements and Repair	0	690,154	690,154
Purchases on Order:			
Library Materials	88,352	0	88,352
<i>Total Assigned</i>	<u>88,352</u>	<u>690,154</u>	<u>778,506</u>
Unassigned:	<u>7,571,065</u>	<u>0</u>	<u>7,571,065</u>
Total Fund Balances	<u><u>\$7,705,592</u></u>	<u><u>\$1,489,468</u></u>	<u><u>\$9,195,060</u></u>

Note 4 - Budgetary Basis of Accounting

While the Library is 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 presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis (generally accepted accounting principles) are:

- a) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

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- b) Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
 - c) Encumbrances are treated as expenditures (budget) rather than restricted, committed or assigned fund balance (GAAP).

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

Net Change in Fund Balance

GAAP Basis	\$938,330
Net Adjustment for Revenue Accruals	(275,910)
Net Adjustment for Expenditure Accruals	184,571
Inception of Capital Lease	133,279
Encumbrances	<u>(99,666)</u>
Budget Basis	<u><u>\$880,604</u></u>

Note 5 - Deposits and Investments

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

Active monies are public monies necessary to meet current demands on the Library treasury. Such monies must be maintained either as cash in the Library 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 the Library has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Protection of the Library's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), 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.

Interim monies may be deposited or invested in the following securities:

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

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

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 (STAR Ohio).

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 Library, and must be purchased with the expectation that it will be held to maturity.

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

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of bank failure, the Library will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$1,760,166 of the Library's bank balance of \$8,467,781 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Library to a successful claim by the FDIC.

The Library has no deposit policy for custodial risk beyond the requirements of State Statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Library or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Investments

Investments are reported at fair value. As of December 31, 2014, the Library had the following investments:

	Fair Value	Maturity	Standard & Poor's	Percent of Total Investments
STAR Ohio	\$339,956	Average 50.1 Days	AAAm	N/A
United States Savings Bonds	28,741	Less than six months	N/A	3.41%
United States Savings Bonds	127,848	Less than three years	N/A	15.16
United States Savings Bonds	107,608	Less than five years	N/A	12.76
United States Savings Bonds	147,072	Less than nine years	N/A	17.43
United States Savings Bonds	92,320	Less than eleven years	N/A	10.94
Total Investments	<u>\$843,545</u>			

Interest Rate Risk arises because potential purchases of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Library does not have an investment policy beyond the requirements of State statute. Ohio Law addresses interest rate risk by requiring that the Library's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity.

Credit Risk Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Library has no investment policy that addresses credit risk.

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

Note 6 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Cleveland Heights-University Heights City School District. Property tax revenue received during 2014 for real and public utility property taxes represents collections of 2013 taxes.

2014 real property taxes were levied after October 1, 2014, on the assessed value as of January 1, 2014, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2014 real property taxes are collected in and intended to finance 2015.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2014 public utility property taxes which became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

The full tax rate for all Library operations for the year ended December 31, 2014 was \$10.00 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2014 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Values</u>
Real Estate	
Residential/Agricultural	\$886,426,760
Other Real Estate	171,565,400
Tangible Personal Property	
Public Utility	17,518,250
Total	<u>\$1,075,510,410</u>

The County Treasurer collects property tax on behalf of all taxing districts within the county, including the Library. The County Fiscal Officer periodically remits to the Library its portion of the taxes collected. Property taxes receivable represents real and public utility taxes which are measurable as of December 31, 2014, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2014 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Note 7 - Receivables

Receivables at December 31, 2014, consisted of taxes, intergovernmental, and accounts. The intergovernmental receivables at December 31, 2014, were \$1,199,109 of Library and Local Government Support Fund revenues received through the State of Ohio and \$382,295 for homestead and rollback. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables except property taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Note 8 – Capital Leases

In prior years, the Library entered into lease agreements for the acquisition of copiers, communication equipment, an office phone system and an energy management system. The Library’s lease obligations meet the criteria of a capital lease and have been recorded on the government-wide statements. The original amounts capitalized for the capital leases and the book value as of December 31, 2014 follows:

Assets:	
Equipment	\$814,121
Less: Accumulated Depreciation	<u>(294,902)</u>
Net Book Values	<u>\$519,219</u>

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

The following is a schedule of the future long-term minimum lease payments required on the capital leases and present value of the minimum lease payments as of December 31, 2014. All lease payments are made from the general fund.

Year Ending December 31,	Amount
2015	\$79,543
2016	79,543
2017	79,543
2018	79,543
2019	76,480
2020	49,986
Total Minimum Lease Payments	444,638
Less: Amount Representing Interest	(54,542)
Present Value of Minimum Lease	<u>\$390,096</u>

Note 9 - Capital Assets

Capital asset activity for the year ended December 31, 2014, was as follows:

	Balance 12/31/13	Additions	Reductions	Balance 12/31/14
Governmental activities:				
Capital assets, not being depreciated				
Land	\$791,638	\$0	\$0	\$791,638
Total capital assets not being depreciated	791,638	0	0	791,638
Capital assets, being depreciated				
Land Improvements	407,230	0	0	407,230
Buildings and Improvements	18,101,943	70,184	0	18,172,127
Equipment	1,962,173	195,546	0	2,157,719
Furniture	228,826	39,933	0	268,759
Vehicles	9,900	0	0	9,900
Total capital assets being depreciated	20,710,072	305,663	0	21,015,735
Accumulated depreciation				
Land Improvements	(341,702)	(18,346)	0	(360,048)
Buildings and Improvements	(3,107,961)	(352,508)	0	(3,460,469)
Equipment	(1,005,921)	(191,553)	0	(1,197,474)
Furniture	(50,281)	(20,967)	0	(71,248)
Vehicles	(3,771)	(1,414)	0	(5,185)
Total accumulated depreciation	(4,509,636)	(584,788)	0	(5,094,424)
Total Capital assets being depreciated, net	16,200,436	(279,125)	0	15,921,311
Governmental activities capital assets, net	<u>\$16,992,074</u>	<u>(\$279,125)</u>	<u>\$0</u>	<u>\$16,712,949</u>

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Depreciation expense was charged to governmental activities as follows:

General Government:	
Public Service	\$572,419
Administration	12,369
	<hr/>
Total	\$584,788
	<hr/> <hr/>

Note 10 - Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2014, the Library contracted with Love Insurance for various types of insurance coverage as follows:

Type of Coverage	Coverage
Commercial Property	\$31,165,216
Library Materials	8,170,401
Inland Marine:	
Electronic Equipment	395,000
Electronic Media and Extra Expense (per)	60,000
General Liability (per)	2,000,000
Commercial Crime and Computer Fraud (per)	100,000
Public Employee Dishonesty, Forgery and	
Funds Transfer Fraud (per)	100,000
Vehicle	2,000,000
Errors and Omissions	2,000,000
Library Officials	2,000,000

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

The Library 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. The System administers and pays all claims.

Note 11 – Defined Benefit Pension Plans

Plan Description - The Library 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. Under the combined plan, OPERS invests

Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which 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 the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2014, members in state and local classifications contributed 10 percent of covered payroll. For 2014, member and employer contribution rates were consistent across all three plans.

The Library's 2014 contribution rate was 14 percent. The portion of the Library's contribution used to fund pension benefits is net of postemployment health care benefits. The portion of the Library's contribution allocated to health care for members in both the traditional and combined plans was 2 percent for 2014. Effective January 1, 2015, the portion of the employer contribution allocated to health care remained at 2 percent. Employer contribution rates are actuarially determined.

The Library's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2014, 2013, and 2012 was \$464,591, \$486,638, and \$370,178, respectively. For 2014, 94.4 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012. Contributions to the member-directed plan for 2014 were \$30,702 made by the Library and \$21,930 made by plan members.

Note 12 – Postemployment Benefits

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

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan for qualifying members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment health care coverage. The plan includes a medical plan, a prescription drug program, and Medicare Part B premium reimbursement.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The postemployment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local employers contributed 14 percent of covered payroll. This is the maximum employer contribution rate permitted by the Ohio Revised Code.

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in both the traditional and combined plans was 2 percent for 2014. Effective January 1, 2015, the portion of the employer contribution allocated to health care remained at 2 percent for both plans as recommended by the OPERS actuary.

The OPERS retirement board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment health care plan.

The Library's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2014, 2013, and 2012 was \$77,432, \$37,434, and \$148,071, respectively. For 2014, 94.4 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 9, 2012, with a transition plan commencing on January 1, 2014. With the passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contribution toward the health care fund after the end of the transition period.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Note 13 – Other Employee Benefits

Compensated Absences

All full time, 30 hour and part time employees earn vacation by payroll period at different rates which are affected by length of service. As of 2014, vacation allowance is now capped at the following:

<u>Exempt</u>	<u>Years of Service</u>	<u>Maximum Balance</u>	<u>Maximum Carryover</u>
Full Time:	0-3	152 hours	120 hours
	4-9	168 hours	140 hours
	10+	200 hours	160 hours
<u>Non-Exempt</u>			
Full Time:	0-3	80 hours	80 hours
	4-9	120 hours	120 hours
	10+	160 hours	160 hours
Prorated-30+ Hours	0-3	60 hours	60 hours
	4-9	90 hours	60 hours
	10+	120 hours	90 hours
Part Time	0-3	40 hours*	40 hours
	4-9	60 hours*	60 hours
	10+	80 hours*	80 hours

*Part-time staff can earn ETO on and up to 16-20 hours per week.

Upon retirement or death, employees are paid 25 percent of their accumulated hours of sick leave. Accrued vacation leave is paid upon retirement, termination or death of the employee.

Sick leave for full time and 30 hour employees is also earned by payroll period and can be accumulated up to 105 days, plus the current year. Part time staff can also earn sick leave which accumulates to a comparable amount.

Insurance

The Library provides medical, dental, vision and life insurance to employees on a paid premium basis. Other employee benefits include long-term disability insurance and an IRC Section 125 flexible benefit plan.

Note 14 – Interfund Transfers

The general fund transferred \$550,000 to the building and repairs capital projects fund for the purchase and maintenance of various items throughout the Library.

Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

Note 15 - Long-Term Obligations

A schedule of changes in long-term obligations of the Library during 2014 follows:

	Principal Outstanding 12/31/2013	Additions	Deletions	Principal Outstanding 12/31/2014	Amounts Due In One Year
<i>Governmental Activities</i>					
Compensated Absences	\$215,819	\$313,900	\$330,028	\$199,691	\$167,506
Capital Lease Obligations	317,055	133,279	60,238	390,096	64,835
<i>Total Governmental Activities</i>	<u>\$532,874</u>	<u>\$447,179</u>	<u>\$390,266</u>	<u>\$589,787</u>	<u>\$232,341</u>

Compensated absences and capital leases will be paid from the general fund.

Note 16 – Construction and Improvement of Facilities

In 2001, the Board of Library Trustees of the Cleveland Heights-University Heights Public Library submitted to the Cleveland Heights-University Heights City School District a bond issue to be used for improvements to the Library System. The School District serves as the taxing authority and issues tax related debt on behalf of the Library, although their role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Library Trustees.

With approval of the bond issue in 2001, the School District issued bond anticipation notes for Library improvements in the amount of \$5,000,000 in 2001 and of \$4,500,000 during 2002. During 2002, the notes were rolled into bonds. Because the bonds are general obligations of the Cleveland Heights-University Heights City School District, the long-term obligation is excluded from the general long-term obligations of the Cleveland Heights-University Heights Public Library. The receipt and expenditure of the proceeds from the property tax levy for the retirement of the debt is reflected in the School District’s bond retirement fund.

Note 17 – Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General fund	\$99,666
Other Governmental Funds	243,933
Total	<u>\$343,599</u>

Combining and Individual Fund Statements and Schedules

Fund Descriptions - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Staff Development Fund – The staff development nonmajor governmental fund accounts for and reports revenue received as interest from principal left to the Library as part of the estate of Larry Bauer. An ordinance passed by the Library Trustees maintains the principal balance and is included as nonspendable, while the interest is restricted specifically for staff development programs.

Summer Teen Fund – To account for and report donations that are restricted for the summer teen program.

Nonmajor Capital Projects Funds

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

Building and Repairs Fund – This fund accounts for and reports assigned monies set aside by the Board of Library Trustees specifically for major capital and technology improvements that include the renovation and construction of the Library's branches.

Cleveland Heights-University Heights Public Library

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$570,401	\$923,443	\$1,493,844
Liabilities and Fund Balances			
Liabilities			
Contracts Payable	\$0	\$4,376	\$4,376
Fund Balances			
Nonspendable	418,502	0	418,502
Restricted	151,899	0	151,899
Committed	0	228,913	228,913
Assigned	0	690,154	690,154
<i>Total Fund Balances</i>	570,401	919,067	1,489,468
<i>Total Liabilities and Fund Balances</i>	\$570,401	\$923,443	\$1,493,844

Cleveland Heights-University Heights Public Library
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Donations	\$9,000	\$0	\$9,000
Interest	46,669	694	47,363
<i>Total Revenues</i>	<u>55,669</u>	<u>694</u>	<u>56,363</u>
Expenditures			
Current:			
General Government:			
Public Service	1,037	15,624	16,661
Administration	6,277	0	6,277
Capital Outlay	0	195,841	195,841
<i>Total Expenditures</i>	<u>7,314</u>	<u>211,465</u>	<u>218,779</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	48,355	(210,771)	(162,416)
Other Financing Sources			
Transfers In	0	550,000	550,000
<i>Net Change in Fund Balances</i>	48,355	339,229	387,584
<i>Fund Balances Beginning of Year</i>	<u>522,046</u>	<u>579,838</u>	<u>1,101,884</u>
<i>Fund Balances End of Year</i>	<u>\$570,401</u>	<u>\$919,067</u>	<u>\$1,489,468</u>

Cleveland Heights-University Heights Public Library

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2014

	<u>Staff Development</u>	<u>Summer Teen Program</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	<u>\$562,438</u>	<u>\$7,963</u>	<u>\$570,401</u>
Fund Balances			
Nonspendable	\$418,502	\$0	\$418,502
Restricted	<u>143,936</u>	<u>7,963</u>	<u>151,899</u>
<i>Total Fund Balances</i>	<u>562,438</u>	<u>7,963</u>	<u>570,401</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$562,438</u>	<u>\$7,963</u>	<u>\$570,401</u>

Cleveland Heights-University Heights Public Library
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2014

	Staff Development	Summer Teen	Total Nonmajor Special Revenue Funds
Revenues			
Donations	\$0	\$9,000	\$9,000
Interest	46,669	0	46,669
<i>Total Revenues</i>	46,669	9,000	55,669
Expenditures			
Current:			
General Government:			
Public Service	0	1,037	1,037
Administration	6,277	0	6,277
<i>Total Expenditures</i>	6,277	1,037	7,314
<i>Net Change in Fund Balances</i>	40,392	7,963	48,355
<i>Fund Balances Beginning of Year</i>	522,046	0	522,046
<i>Fund Balances End of Year</i>	\$562,438	\$7,963	\$570,401

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

Cleveland Heights-University Heights Public Library

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

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$5,557,417	\$6,024,655	\$5,590,586	(\$434,069)
Patron Fines and Fees	80,057	86,600	80,535	(6,065)
Intergovernmental	2,520,999	2,560,410	3,115,463	555,053
Interest	14,756	16,500	14,844	(1,656)
Donations	515,890	518,000	517,995	(5)
Rentals	50,852	49,000	51,156	2,156
Miscellaneous	65,094	50,400	65,482	15,082
<i>Total Revenues</i>	<u>8,805,065</u>	<u>9,305,565</u>	<u>9,436,061</u>	<u>130,496</u>
Expenditures				
Current:				
General Government:				
Public Service				
Salaries and Wages	4,364,333	3,910,799	3,786,062	124,737
Fringe Benefits	1,299,197	1,168,845	1,102,515	66,330
Purchased Services	1,018,833	972,069	875,954	96,115
Other	25,611	96,386	22,218	74,168
Total Public Service	<u>6,707,974</u>	<u>6,148,099</u>	<u>5,786,749</u>	<u>361,350</u>
Administration				
Salaries and Wages	1,533,414	1,374,064	1,330,238	43,826
Purchased Services	353,620	341,362	307,767	33,595
Materials and Supplies	424,461	409,973	387,370	22,603
Other	8,999	33,865	7,807	26,058
Total Administration	<u>2,320,494</u>	<u>2,159,264</u>	<u>2,033,182</u>	<u>126,082</u>
Capital Outlay				
Land Improvements	5,602	5,602	5,602	0
Building Improvements	69,531	69,531	51,270	18,261
Furniture and Equipment	120,640	92,658	78,667	13,991
Capital Outlay	50,000	50,000	49,987	13
Total Capital Outlay	<u>245,773</u>	<u>217,791</u>	<u>185,526</u>	<u>32,265</u>
<i>Total Expenditures</i>	<u>9,274,241</u>	<u>8,525,154</u>	<u>8,005,457</u>	<u>519,697</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(469,176)	780,411	1,430,604	650,193
Other Financing Uses				
Transfers Out	(3,000)	(619,285)	(550,000)	69,285
<i>Net Change in Fund Balance</i>	(472,176)	161,126	880,604	719,478
<i>Fund Balance Beginning of Year</i>	6,600,016	6,600,016	6,600,016	0
Prior Year Encumbrances Appropriated	133,302	133,302	133,302	0
<i>Fund Balance End of Year</i>	<u>\$6,261,142</u>	<u>\$6,894,444</u>	<u>\$7,613,922</u>	<u>\$719,478</u>

Cleveland Heights-University Heights Public Library
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Staff Development Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$15,000	\$15,000	\$46,989	\$31,989
Expenditures				
Current:				
General Government:				
Administration				
Purchased Services	6,500	6,500	6,277	223
<i>Net Change in Fund Balance</i>	8,500	8,500	40,712	32,212
<i>Fund Balance Beginning of Year</i>	504,792	504,792	504,792	0
<i>Fund Balance End of Year</i>	<u>\$513,292</u>	<u>\$513,292</u>	<u>\$545,504</u>	<u>\$32,212</u>

Cleveland Heights-University Heights Public Library

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Summer Teen Program Fund
For the Year Ended December 31, 2014*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Donations	\$4,000	\$9,000	\$9,000	\$0
Expenditures				
Current:				
General Government:				
Public Service				
Purchased Services	4,000	9,000	1,037	7,963
<i>Net Change in Fund Balance</i>	0	0	7,963	7,963
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$7,963	\$7,963

Cleveland Heights-University Heights Public Library
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Building and Repairs Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$414	\$414	\$694	\$280
Expenditures				
Current:				
General Government:				
Public Service				
Purchased Services	0	0	18,481	(18,481)
Capital Outlay				
Land Improvements	0	0	144,404	(144,404)
Building Improvements	680,000	679,999	213,145	466,854
Furniture and Equipment	164,279	164,280	67,204	97,076
Total Capital Outlay	844,279	844,279	424,753	419,526
<i>Total Expenditures</i>	844,279	844,279	443,234	401,045
<i>Excess of Revenues Under Expenditures</i>	(843,865)	(843,865)	(442,540)	401,325
Other Financing Sources				
Transfers In	550,000	550,000	550,000	0
<i>Net Change in Fund Balance</i>	(293,865)	(293,865)	107,460	401,325
<i>Fund Balance Beginning of Year</i>	544,052	544,052	544,052	0
Prior Year Encumbrances Appropriated	35,786	35,786	35,786	0
<i>Fund Balance End of Year</i>	\$285,973	\$285,973	\$687,298	\$401,325

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Statistical Section

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Statistical Section

This part of the Cleveland Heights-University Heights Public Library, Ohio's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Library's overall financial health.

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S9</i>
These schedules contain trend information to help the reader understand how the Library's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S10 – S20</i>
These schedules contain information to help the reader assess the Library's most significant local revenue, the property tax.	
<i>Debt Capacity</i>	<i>S21 – S22</i>
These schedules present information to help the reader assess the affordability of the Library's current levels of outstanding debt and the Library's ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	<i>S23 – S25</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the Library's financial activities take place.	
<i>Operating Information</i>	<i>S26 – S31</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the Library's financial report relates to the services the Library provides and the activities it performs.	

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

Cleveland Heights-University Heights Public Library

Net Position By Component

Last Ten Years

(Accrual Basis of Accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental Activities				
Net Investment in				
Capital Assets	\$16,322,853	\$16,675,019	\$16,419,092	\$16,340,379
Restricted for:				
Capital Projects	0	0	0	0
Staff Development				
Nonexpendable	418,502	418,502	418,502	418,502
Expendable	143,936	107,581	89,643	73,448
Other Purposes	8,724	0	0	0
Unrestricted	<u>10,786,013</u>	<u>9,487,795</u>	<u>8,891,875</u>	<u>7,692,761</u>
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$27,680,028</u>	<u>\$26,688,897</u>	<u>\$25,819,112</u>	<u>\$24,525,090</u>

2010	2009	2008	2007	2006	2005
\$15,825,402	\$16,014,552	\$16,066,388	\$16,231,023	\$18,041,395	\$11,967,722
1,040,906	672,782	702,020	555,910	1,311,793	6,997,038
418,502	418,502	418,502	418,502	418,502	418,502
55,174	32,612	32,612	45,334	47,902	51,697
15,610	6,883	0	0	2,000	0
5,905,026	4,427,955	2,392,699	3,188,303	3,308,194	3,491,863
<u>\$23,260,620</u>	<u>\$21,573,286</u>	<u>\$19,612,221</u>	<u>\$20,439,072</u>	<u>\$23,129,786</u>	<u>\$22,926,822</u>

Cleveland Heights-University Heights Public Library

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2014	2013	2012	2011
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government:				
Public Service	\$80,535	\$125,135	\$106,441	\$119,666
Administration	53,156	2,554	29,911	34,030
Subtotal - Charges for Services	<u>133,691</u>	<u>127,689</u>	<u>136,352</u>	<u>153,696</u>
Operating Grants and Contributions:				
General Government:				
Public Service	9,000	18,091	26,908	86,813
Administration	0	369	0	5,425
Subtotal - Operating Grants and Contributions	<u>9,000</u>	<u>18,460</u>	<u>26,908</u>	<u>92,238</u>
Capital Grants and Contributions:				
General Government				
Public Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government Program Revenues</i>	<u>142,691</u>	<u>146,149</u>	<u>163,260</u>	<u>245,934</u>
Expenses				
Governmental Activities:				
General Government:				
Public Service	6,471,499	6,603,614	6,032,580	6,334,670
Administration	2,028,001	1,609,684	1,571,627	1,553,407
Interest and Fiscal Charges	<u>12,400</u>	<u>13,490</u>	<u>14,589</u>	<u>18,729</u>
<i>Total Governmental Activities Expenses</i>	<u>8,511,900</u>	<u>8,226,788</u>	<u>7,618,796</u>	<u>7,906,806</u>
Net Expense				
Governmental Activities	<u>(8,369,209)</u>	<u>(8,080,639)</u>	<u>(7,455,536)</u>	<u>(7,660,872)</u>
General Revenues				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	5,570,878	5,698,149	5,528,009	5,658,014
Grants and Entitlements not Restricted to Specific Programs	3,144,750	3,131,633	3,149,291	3,177,827
Investment Earnings	61,291	32,243	24,330	26,913
Unrestricted Contributions	517,995	0	0	0
Miscellaneous	<u>65,426</u>	<u>88,399</u>	<u>47,928</u>	<u>62,588</u>
<i>Total Governmental Activities</i>	<u>9,360,340</u>	<u>8,950,424</u>	<u>8,749,558</u>	<u>8,925,342</u>
Change in Net Position				
Governmental Activities	<u>\$991,131</u>	<u>\$869,785</u>	<u>\$1,294,022</u>	<u>\$1,264,470</u>

2010	2009	2008	2007	2006	2005
\$115,270	\$105,416	\$103,739	\$116,109	\$100,472	\$105,936
31,073	27,571	22,918	28,589	20,658	21,698
<u>146,343</u>	<u>132,987</u>	<u>126,657</u>	<u>144,698</u>	<u>121,130</u>	<u>127,634</u>
42,670	38,494	5,914	2,573	36,541	2,318
3,473	5,946	644	633	703	475
<u>46,143</u>	<u>44,440</u>	<u>6,558</u>	<u>3,206</u>	<u>37,244</u>	<u>2,793</u>
0	3,000	0	0	598	257,999
<u>192,486</u>	<u>180,427</u>	<u>133,215</u>	<u>147,904</u>	<u>158,972</u>	<u>388,426</u>
6,209,429	6,368,432	7,047,915	9,026,175	6,201,050	6,956,913
1,512,688	1,577,866	1,478,715	2,038,947	1,452,755	1,178,367
21,507	21,251	29,122	28,289	42,244	13,564
<u>7,743,624</u>	<u>7,967,549</u>	<u>8,555,752</u>	<u>11,093,411</u>	<u>7,696,049</u>	<u>8,148,844</u>
<u>(7,551,138)</u>	<u>(7,787,122)</u>	<u>(8,422,537)</u>	<u>(10,945,507)</u>	<u>(7,537,077)</u>	<u>(7,760,418)</u>
5,619,186	6,242,776	4,019,850	4,000,385	4,045,997	4,154,144
3,575,503	3,437,579	3,506,609	3,688,533	3,628,958	3,617,300
21,094	30,077	67,337	162,444	357,563	414,154
0	0	0	0	0	0
22,689	37,755	1,890	90,942	20,012	3,688
<u>9,238,472</u>	<u>9,748,187</u>	<u>7,595,686</u>	<u>7,942,304</u>	<u>8,052,530</u>	<u>8,189,286</u>
<u>\$1,687,334</u>	<u>\$1,961,065</u>	<u>(\$826,851)</u>	<u>(\$3,003,203)</u>	<u>\$515,453</u>	<u>\$428,868</u>

Cleveland Heights-University Heights Public Library

Fund Balances, Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	2014	2013	2012	2011
General Fund				
Nonspendable	\$33,661	\$35,997	\$50,609	\$49,735
Committed	12,514	13,545	16,904	29,316
Assigned	88,352	332,612	89,041	46,583
Unassigned	7,571,065	6,385,108	5,925,424	5,096,806
Reserved	0	0	0	0
Unreserved	0	0	0	0
Total General Fund	7,705,592	6,767,262	6,081,978	5,222,440
All Other Governmental Funds				
Nonspendable	418,502	418,502	418,502	418,502
Restricted	151,899	103,544	89,643	73,448
Committed	228,913	35,000	493,763	69,289
Assigned	690,154	544,838	290,389	395,028
Reserved	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service fund	0	0	0	0
Capital Projects fund	0	0	0	0
Total All Other Governmental Funds	1,489,468	1,101,884	1,292,297	956,267
Total Governmental Funds	\$9,195,060	\$7,869,146	\$7,374,275	\$6,178,707

Note: The Library implemented GASB 54 in 2010.

2010	2009	2008	2007	2006	2005
\$32,390	\$28,255	\$0	\$0	\$0	\$0
21,024	9,747	0	0	0	0
30,039	69,877	0	0	0	0
3,857,080	2,552,844	0	0	0	0
0	0	52,263	217,258	239,157	164,238
0	0	822,519	1,290,179	1,444,866	1,570,289
<u>3,940,533</u>	<u>2,660,723</u>	<u>874,782</u>	<u>1,507,437</u>	<u>1,684,023</u>	<u>1,734,527</u>
418,502	418,502	0	0	0	0
70,784	39,495	0	0	0	0
866,671	0	0	0	0	0
174,235	672,782	0	0	0	0
0	0	104,731	6,118	1,051,773	5,986,236
0	0	449,604	462,212	464,618	467,195
0	0	0	0	312,489	0
0	0	598,799	551,416	263,806	1,013,806
<u>1,530,192</u>	<u>1,130,779</u>	<u>1,153,134</u>	<u>1,019,746</u>	<u>2,092,686</u>	<u>7,467,237</u>
<u>\$5,470,725</u>	<u>\$3,791,502</u>	<u>\$2,027,916</u>	<u>\$2,527,183</u>	<u>\$3,776,709</u>	<u>\$9,201,764</u>

Cleveland Heights-University Heights Public Library
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2014	2013	2012	2011
Revenues				
Property Taxes	\$5,590,586	\$5,535,659	\$5,550,237	\$5,510,252
Patron Fines and Fees	80,535	78,225	98,859	111,050
Intergovernmental	3,123,787	3,166,062	3,125,516	3,372,113
Interest	61,291	32,243	24,330	26,913
Donations	526,995	18,460	20,293	31,852
Rentals	53,156	49,464	37,493	42,646
Miscellaneous	65,426	88,399	47,928	62,588
<i>Total Revenues</i>	<u>9,501,776</u>	<u>8,968,512</u>	<u>8,904,656</u>	<u>9,157,414</u>
Expenditures				
Current:				
General Government:				
Public Service	5,707,937	5,837,385	5,630,208	5,580,315
Administration	2,020,620	1,592,004	1,565,815	1,534,769
Capital Outlay	507,946	958,362	421,536	1,233,446
Debt Service:				
Principal Retirement	60,238	72,400	76,940	82,173
Interest and Fiscal Charges	12,400	13,490	14,589	18,729
<i>Total Expenditures</i>	<u>8,309,141</u>	<u>8,473,641</u>	<u>7,709,088</u>	<u>8,449,432</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,192,635</u>	<u>494,871</u>	<u>1,195,568</u>	<u>707,982</u>
Other Financing Sources (Uses)				
Inception of Capital Lease	133,279	0	0	0
Transfers In	550,000	560,000	658,500	563,015
Transfers Out	(550,000)	(560,000)	(658,500)	(563,015)
<i>Total Other Financing Sources (Uses)</i>	<u>133,279</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$1,325,914</u>	<u>\$494,871</u>	<u>\$1,195,568</u>	<u>\$707,982</u>
Debt Service as a Percentage of Noncapital Expenditures	0.9%	1.1%	1.2%	1.4%

2010	2009	2008	2007	2006	2005
\$5,553,935	\$5,962,946	\$4,006,125	\$3,995,415	\$4,137,884	\$4,134,195
107,142	112,203	108,402	123,751	107,456	114,514
3,487,887	3,530,889	3,607,370	3,693,850	3,686,792	3,671,580
21,094	30,077	67,337	162,444	357,563	414,154
17,506	32,680	6,558	3,206	22,630	260,792
39,201	20,784	18,255	20,947	13,674	13,120
22,689	37,755	1,890	90,942	20,012	3,688
<u>9,249,454</u>	<u>9,727,334</u>	<u>7,815,937</u>	<u>8,090,555</u>	<u>8,346,011</u>	<u>8,612,043</u>
5,633,984	6,026,405	6,426,265	6,202,089	5,864,854	5,683,861
1,518,458	1,558,492	1,466,785	1,577,507	1,419,563	1,182,721
314,798	406,361	321,679	1,574,996	6,927,497	6,515,594
81,484	69,450	71,353	79,224	108,261	99,285
21,507	21,251	29,122	34,084	36,449	13,564
<u>7,570,231</u>	<u>8,081,959</u>	<u>8,315,204</u>	<u>9,467,900</u>	<u>14,356,624</u>	<u>13,495,025</u>
<u>1,679,223</u>	<u>1,645,375</u>	<u>(499,267)</u>	<u>(1,377,345)</u>	<u>(6,010,613)</u>	<u>(4,882,982)</u>
0	118,211	0	127,819	585,558	50,752
614,500	300,000	400,000	612,489	712,489	900,000
(614,500)	(300,000)	(400,000)	(612,489)	(712,489)	(900,000)
<u>0</u>	<u>118,211</u>	<u>0</u>	<u>127,819</u>	<u>585,558</u>	<u>50,752</u>
<u>\$1,679,223</u>	<u>\$1,763,586</u>	<u>(\$499,267)</u>	<u>(\$1,249,526)</u>	<u>(\$5,425,055)</u>	<u>(\$4,832,230)</u>
1.4%	1.2%	1.2%	1.2%	2.0%	1.6%

Cleveland Heights-University Heights Public Library
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2014	\$886,426,760	\$171,565,400	\$3,022,834,743	\$17,518,250	\$19,907,102
2013	896,858,400	171,379,150	3,052,107,286	16,523,940	18,777,205
2012	900,875,670	167,529,470	3,052,586,114	15,110,130	17,170,602
2011	948,255,120	172,363,120	3,201,766,400	13,770,650	15,648,466
2010	958,818,960	174,565,760	3,238,242,057	13,289,430	15,101,625
2009	959,766,770	172,123,380	3,233,971,857	12,905,470	14,665,307
2008	1,035,088,170	182,208,130	3,477,989,429	12,095,890	13,745,330
2007	1,034,579,860	196,135,280	3,516,328,971	11,548,270	13,123,034
2006	1,031,665,920	186,687,680	3,481,010,286	17,706,520	20,121,045
2005	903,510,300	165,323,030	3,053,809,514	27,878,630	31,680,261

Source: Cuyahoga County, Ohio; Fiscal Officer

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 percent for 2007, 6.25 percent for 2008 and zero percent for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Tangible Personal Property					Weighted Average Tax Rate (per \$1,000 of Assessed Value)
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$0	\$0	\$1,075,510,410	\$3,042,741,845	35.35 %	\$8.2636
0	0	1,084,761,490	3,070,884,490	35.32	6.0140
0	0	1,083,515,270	3,069,756,717	35.30	5.9130
0	0	1,134,388,890	3,217,414,866	35.26	5.2635
0	0	1,146,674,150	3,253,343,682	35.25	5.2772
0	0	1,144,795,620	3,248,637,164	35.24	5.2743
4,791,945	76,671,120	1,234,184,135	3,568,405,879	34.59	5.4490
9,140,242	73,121,936	1,251,403,652	3,602,573,942	34.74	3.6256
17,686,445	94,327,707	1,253,746,565	3,595,459,038	34.87	3.6480
23,111,301	100,483,917	1,119,823,261	3,185,973,692	35.15	4.1328

Cleveland Heights-University Heights Public Library

Property Tax Rates - Direct and Overlapping Governments

(Per \$1,000 of Assessed Valuation)

Last Ten Years

	2014	2013	2012	2011
Voted Millage - by levy				
1992 Current Expense				
Residential/Agricultural Real	\$2.5700	\$2.5401	\$2.5299	\$2.4060
Commercial/Industrial and Public Utility Real	2.9100	2.8819	2.8874	2.7867
General Business and Public Utility Personal	4.0000	4.0000	4.0000	4.0000
2000 Current Expense				
Residential/Agricultural Real	1.5000	1.4831	1.4772	1.4048
Commercial/Industrial and Public Utility Real	1.5600	1.5386	1.5415	1.4878
General Business and Public Utility Personal	1.9000	1.9000	1.9000	1.9000
2008 Current Expense				
Residential/Agricultural Real	1.9000	1.9000	1.9000	1.9000
Commercial/Industrial and Public Utility Real	1.9000	1.8964	1.9000	1.9000
General Business and Public Utility Personal	1.9000	1.9000	1.9000	1.9000
2014 Current Expense				
Residential/Agricultural Real	2.2000	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	2.2000	0.0000	0.0000	0.0000
General Business and Public Utility Personal	2.2000	0.0000	0.0000	0.0000
Total Millage				
Residential/Agricultural Real	\$8.1700	\$5.9232	\$5.9071	\$5.7108
Commercial/Industrial and Public Utility Real	8.5700	6.3169	6.3289	6.1745
General Business and Public Utility Personal	10.0000	7.8000	7.8000	7.8000
 Total Weighted Average Rate	 \$8.2636	 \$6.0140	 \$5.9130	 \$5.2635

Overlapping Rates by Taxing District

Cleveland Heights City

Residential/Agricultural Real	\$13.9200	\$12.9000	\$13.0000	\$12.9000
Commercial/Industrial and Public Utility Real	13.9200	12.9000	13.0000	12.9000
General Business and Public Utility Personal	13.9200	12.9000	13.0000	12.9000

University Heights City

Residential/Agricultural Real	13.2000	13.2000	13.2000	13.2000
Commercial/Industrial and Public Utility Real	13.2000	13.2000	13.2000	13.2000
General Business and Public Utility Personal	13.2000	13.2000	13.2000	13.2000

2010	2009	2008	2007	2006	2005
\$2.3828	\$2.3771	\$2.2031	\$2.1967	\$2.1947	\$2.4945
2.7398	2.7856	2.7275	2.7105	2.7188	2.9866
4.0000	4.0000	4.0000	4.0000	4.0000	4.0000
1.3913	1.3880	1.2864	1.2826	1.2815	1.4565
1.4628	1.4872	1.4562	1.4471	1.4515	1.5945
1.9000	1.9000	1.9000	1.9000	1.9000	1.9000
1.9000	1.9000	1.9000	0.0000	0.0000	0.0000
1.8688	1.9000	1.9000	0.0000	0.0000	0.0000
1.9000	1.9000	1.9000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
\$5.6741	\$5.6651	\$5.3895	\$3.4793	\$3.4762	\$3.9510
6.0714	6.1728	6.0837	4.1576	4.1703	4.5811
7.8000	7.8000	7.8000	5.9000	5.9000	5.9000
\$5.2772	\$5.2743	\$5.4490	\$3.6256	\$3.6480	\$4.1328

\$12.9000	\$12.9000	\$12.9000	\$12.9000	\$13.0000	\$13.0000
12.9000	12.9000	12.9000	12.9000	13.0000	13.0000
12.9000	12.9000	12.9000	12.9000	13.0000	13.0000
13.2000	13.2000	13.2000	13.2000	13.2000	13.2000
13.2000	13.2000	13.2000	13.2000	13.2000	13.2000
13.2000	13.2000	13.2000	13.2000	13.2000	13.2000

(continued)

Cleveland Heights-University Heights Public Library
Property Tax Rates - Direct and Overlapping Governments (continued)
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2014	2013	2012	2011
South Euclid City				
Residential/Agricultural Real	\$16.0500	\$16.1215	\$13.1000	\$13.1000
Commercial/Industrial and Public Utility Real	15.9600	16.3500	13.1000	13.1000
General Business and Public Utility Personal	16.0500	16.3500	13.1000	13.1000
Cleveland Heights/University Heights City School District				
Residential/Agricultural Real	80.9500	92.7788	74.3049	71.7220
Commercial/Industrial and Public Utility Real	93.5400	80.3810	87.0446	84.6791
General Business and Public Utility Personal	149.5900	149.5900	143.7000	143.7000
Cuyahoga County				
Residential/Agricultural Real	14.0500	13.9495	13.2200	13.1182
Commercial/Industrial and Public Utility Real	14.0200	14.0500	12.9968	12.7846
General Business and Public Utility Personal	14.0500	14.0500	13.2200	13.2200
Special Taxing Districts (1)				
Residential/Agricultural Real	9.3600	5.9639	5.0635	5.0041
Commercial/Industrial and Public Utility Real	9.3400	5.8843	4.9621	4.8649
General Business and Public Utility Personal	9.3800	5.9800	5.0800	5.0800

Source: Cuyahoga County Fiscal Officer

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The Library's basic property tax rate may be increased only by a majority vote of the Library's residents.

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

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

(1) Metro Parks, Port Authority, County Library, Community College

2010	2009	2008	2007	2006	2005
\$13.1000	\$13.2670	\$13.1066	\$12.9048	\$12.9037	\$13.2397
13.1000	13.2621	13.2611	13.0691	13.0711	13.2964
13.1000	14.9000	14.9000	14.7000	14.7000	14.9000
64.3156	64.1927	60.2980	60.1573	53.0145	59.4523
76.5609	77.7531	76.2906	75.8676	68.9863	75.1736
136.8000	136.8000	136.7000	136.7000	129.6000	129.5000
13.1866	13.1789	12.6607	11.8688	11.8655	11.7227
12.8412	12.8457	12.8153	12.4535	12.4941	12.5762
13.3200	13.3200	13.3200	13.4200	13.4200	13.5200
4.9900	4.5068	4.1597	4.1590	4.1576	4.2965
4.8450	4.4119	4.3911	4.3800	4.3962	4.5552
5.0800	4.7800	4.7800	4.7800	4.7800	4.7800

Cleveland Heights-University Heights Public Library
Real Property and Public Utility Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy(1)	Current Tax Collections(1)	Percent of Current Tax Collections To Current Tax Levy	Delinquent Tax Collection (3)	Total Tax Collections(2)(4)
2014	\$6,530,159	\$6,016,335	92.13%	\$336,860	\$6,353,195
2013	7,383,904	6,025,104	81.60	296,178	6,321,282
2012	7,370,086	6,095,982	82.71	314,701	6,410,683
2011	6,658,267	6,030,499	90.57	301,253	6,331,752
2010	6,654,296	6,082,138	91.40	337,096	6,419,234
2009	6,781,043	6,310,205	93.06	308,608	6,618,813
2008	4,437,530	4,120,788	92.86	220,649	4,341,437
2007	4,464,818	4,112,555	92.11	221,087	4,333,642
2006	4,511,524	4,245,826	94.11	234,895	4,480,721
2005	4,560,243	4,276,028	93.77	223,680	4,499,708

Source: Cuyahoga County, Ohio; Fiscal Officer

- (1) Information for Real and Public Utility Property Only
- (2) State Reimbursements of Rollback and Homestead Exemptions are included
- (3) The County does not identify delinquent collections by the year for which the tax was levied.
- (4) Penalties and interest are included, since by Ohio Law, they become part of the tax obligation as assessment occurs.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Total Tax Levy
97.29%	\$985,458	15.09 %
85.61	971,103	13.15
86.98	808,031	10.96
95.10	829,594	12.46
96.47	678,890	10.20
97.61	624,212	9.21
97.83	355,942	8.02
97.06	358,336	8.03
99.32	353,366	7.83
98.67	445,253	9.76

Cleveland Heights-University Heights Public Library

Personal Property Tax Levies And Collections

Last Ten Years

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections (4)</u>	<u>Percent of Current Tax Collections To Tax Levy</u>	<u>Delinquent Tax Collections (2)(3)</u>	<u>Total Tax Collections</u>
2014	\$0	\$0	0.00 %	\$0	\$0
2013	34,234	0	0.00 %	182	182
2012	35,122	0	0.00	512	512
2011	0	0	0.00	344	344
2010	6,969	6,969	100.00	(3,305)	3,664
2009	15,149	15,149	100.00	1,701	16,850
2008	58,520	58,167	99.40	14,940	73,107
2007	110,798	107,935	97.42	8,944	116,879
2006	108,802	105,406	96.88	20,597	126,003
2005	149,948	135,438	90.32	368	135,806

Source: Cuyahoga County, Ohio; County Fiscal Officer

- (1) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.
- (2) The County does not identify delinquent collections by the year for which the tax was levied.
- (3) The negative delinquent tax collections are the result of refunds on delinquencies exceeding the collections in a given year.
- (4) Penalties and interest are included, since by Ohio law, they become part of the tax obligation as the assessment occurs.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (1)	Percentage of Delinquent Taxes to Total Tax Levy
N/A	\$34,063	N/A %
0.53 %	34,063	99.50
1.46	34,645	98.64
N/A	35,310	N/A
52.58	38,252	548.89
111.23	27,679	182.71
124.93	16,119	27.54
105.49	49,536	44.71
115.81	42,370	38.94
90.57	58,250	38.85

Cleveland Heights-University Heights Public Library

Principal Real Property Taxpayers

2014 and 2005

<u>2014</u>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating	\$13,096,160	1.22 %
Kaiser Foundation	11,348,150	1.05
Severance SPE Lease Company	9,711,730	0.90
Severance SPE FEECO, LLC	4,466,180	0.42
Inland Cedar Center South	6,212,210	0.58
University Heights Holdings	5,443,380	0.51
ARC Cleveland Heights LLC	2,724,580	0.25
East Ohio Gas	2,704,690	0.25
The May Department	2,607,500	0.24
Kensington Ltd Partnership	2,573,270	0.24
Total	\$60,887,850	5.66 %
Total Assessed Valuation	\$1,075,510,410	
<u>2005</u>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
SCIT, Incorporated	\$14,963,610	1.34 %
Star Wood Wasserman	12,748,090	1.14
AT&T Wireless	8,820,870	0.79
May Department Stores Company	8,538,110	0.76
Kaiser Foundation	8,407,390	0.75
University Square	7,861,180	0.70
Cleveland Electric Illuminating	7,839,200	0.70
Ohio Bell Telephone Company	6,761,230	0.60
Target Corporation	5,804,650	0.52
Huntington House	3,945,290	0.35
Total	\$85,689,620	7.65 %
Total Assessed Valuation	\$1,119,823,261	

Source: Cuyahoga County Fiscal Officer

Cleveland Heights-University Heights Public Library

*Ratios of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

<u>Fiscal Year</u>	<u>Capital Leases</u>	<u>Total Personal Income (1)</u>	<u>Percentage Of Personal Income</u>	<u>Population (1)</u>	<u>Per Capita</u>
2014	\$390,096	\$1,810,919,640	0.02 %	59,660	\$7
2013	317,055	1,769,694,580	0.02	59,660	5
2012	389,455	1,395,626,380	0.03	59,660	7
2011	466,395	1,745,532,280	0.03	59,660	8
2010	548,568	2,012,988,060	0.03	59,660	9
2009	630,052	2,078,917,974	0.03	61,614	10
2008	581,291	2,078,917,974	0.03	61,614	9
2007	652,644	2,078,917,974	0.03	61,614	11
2006	604,049	2,078,917,974	0.03	61,614	10
2005	126,752	2,099,250,690	0.01	62,610	2

(1) Personal Income and Population amounts derived from S24.

Cleveland Heights-University Heights Public Library

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2014*

Jurisdiction	Governmental Activities Debt	Percentage Applicable to Library(1)	Amount Applicable to the Library
Direct			
Capital Leases	390,096	100.00 %	390,096
Overlapping			
Cuyahoga County			
General Obligation Bonds	285,597,336	4.19	11,966,528
Revenue Bonds	576,029,491	4.19	24,135,636
Certificates of Participation	230,885,000	4.19	9,674,082
Capital Leases	478,545,611	4.19	20,051,061
Loans	4,859,876	4.19	203,629
Notes	2,000,000	4.19	83,800
Greater Cleveland Regional Transit Authority			
General Obligation Bonds	135,834,194	4.19	5,691,453
Capital Leases	14,430,918	4.19	604,655
City of Cleveland Heights			
General Obligation Bonds	14,692,733	95.00	13,958,096
OPWC Loans	1,563,831	95.00	1,485,639
Notes	1,979,703	95.00	1,880,718
City of University Heights			
General Obligation Bonds	2,055,000	100.00	2,055,000
OPWC Loans	668,319	100.00	668,319
Loans	388,420	100.00	388,420
City of South Euclid			
General Obligation Bonds	20,341,950	6.51	1,324,261
OPWC Loans	2,973,590	6.51	193,581
OWDA Loans	1,385,541	6.51	90,199
OAQDA Loans	660,601	6.51	43,005
Capital Leases	287,020	6.51	18,685
Cleveland Heights-University Heights City School District			
General Obligation Bonds	142,955,899	100.00	142,955,899
Certificates of Participation	20,970,227	100.00	20,970,227
QZAB Bonds	5,500,000	100.00	5,500,000
Capital Lease	246,742	100.00	246,742
<i>Total Overlapping Debt</i>	<u>1,944,852,002</u>		<u>264,189,635</u>
<i>Total Direct and Overlapping Debt</i>	<u>\$1,945,242,098</u>		<u>\$264,579,731</u>

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2013 collection year. The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent those of the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.

Cleveland Heights-University Heights Public Library

*Principal Employers
2014 and Eight Years Ago (1)*

2014

Employer	Nature of Activity	Employees
John Carroll University	Higher Education	2,254
Group Management Services	Property Management	N/A
Cleveland Heights-University Heights City School District	Public Education	984
City of Cleveland Heights	Local Government	413
CAS Investors	Financial Services	394
Bellefaire Jewish Children's Center	Social Services	324
Cuyahoga County Fiscal Office	Local Government	321
Home Depot	Retail Store	212
City of University Heights	Local Government	174
Toyota on the Heights	Auto Dealership	136
Total		<u>5,212</u>
Total Employment within the Library District		<u>N/A</u>

2006

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Cleveland Heights-University Heights City School District	Public Education	1,164	3.69 %
John Carroll University	Higher Education	585	1.85
City of Cleveland Heights	Local government	496	1.58
Wal-Mart, Inc.	Retail Store	300	0.95
Kaiser Foundation	Medical Facility	300	0.95
Heinen's	Grocery/Retail	200	0.64
Kauffman's	Retail Store	200	0.64
Target	Retail Store	200	0.64
Tops	Grocery/Retail	190	0.60
Home Depot, Inc.	Retail Store	150	0.48
Total		<u>3,785</u>	<u>12.02 %</u>
Total Employment within the Library District		<u>31,488</u>	

Source: Survey conducted by the two Cities. (2)

(1) Information prior to 2006 is not available.

(2) The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent combined totals for the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.

NA Information not available.

Cleveland Heights-University Heights Public Library

Demographic and Economic Statistics

Last Ten Years

Year	Population (1)	Total Personal Income (2)	Median Family Income (3)	Per Capita Income (2)	Unemployment Rate (2)	
					Cuyahoga County	State of Ohio
2014	59,660	\$1,810,919,640	\$58,968	\$30,354	6.5%	4.8%
2013	59,660	1,769,694,580	53,194	29,663	7.2	7.1
2012	59,660	1,395,626,380	62,240	23,393	6.6	6.7
2011	59,660	1,745,532,280	60,618	29,258	7.1	7.6
2010	59,660	2,012,988,060	66,726	33,741	9.4	9.5
2009	61,614	2,078,917,974	61,401	33,741	9	10.7
2008	61,614	2,078,917,974	61,401	33,741	6.8	6.5
2007	61,614	2,078,917,974	61,401	33,741	6.3	5.6
2006	61,614	2,078,917,974	61,401	33,741	6.1	5.6
2005	62,610	2,099,250,690	60,864	33,529	5.9	5.9

Sources:

- (1) Estimates 2004-2013, Environmental Systems Research Institute (ESRI), 2013. The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent combined totals for the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.
- (2) ESRI, 2005-2013
- (3) County and State Records
- (4) Records of Cities of Cleveland Heights and University Heights.
- (5) Cuyahoga County, Ohio; County Auditor
Represents total real property assessed value for the Cities of Cleveland Heights and University Heights.

<u>City Square Miles (4)</u>	<u>Estimated Actual Property Value (5)</u>	<u>Number of Building Permits (4)</u>	<u>Dollar Value of Building Permits (4)</u>
10.11	\$3,042,741,845	3,550	\$33,086,052
10.11	3,070,884,490	2,373	14,847,219
10.11	3,069,756,717	1,433	21,208,864
10.11	3,217,414,866	1,397	29,625,288
10.11	3,253,343,682	1,530	22,853,095
10.11	3,248,637,164	1,511	18,627,975
10.11	3,568,405,879	4,278	30,508,251
10.11	3,602,573,942	4,563	40,280,589
10.11	3,595,459,038	2,159	42,688,348
10.11	3,185,973,692	2,071	52,872,625

Cleveland Heights-University Heights Public Library
Full-Time Equivalent Library Employees by Function/Program
Last Nine Years (1)

Function/Program	2014	2013	2012	2011
Public Service				
Adult Services	11.950	12.000	11.950	13.875
Young Adult Services	0.000	0.000	0.000	3.600
Children's Services	0.000	0.000	0.000	7.200
Youth Services	11.000	10.500	10.500	0.000
Circulation Services	12.400	13.200	12.200	10.750
Technical Services	4.500	4.750	4.750	5.250
Information Technology	2.000	2.000	2.000	2.000
Training	5.800	5.300	4.800	0.000
Building Services	9.500	9.500	9.000	9.800
Coventry Village Library	6.900	5.900	6.150	5.100
Noble Neighborhood Library	9.050	7.980	7.975	6.775
University Heights Library	8.000	6.650	6.650	5.900
Marketing and Communications	4.000	4.000	4.000	4.000
Administrative Support	1.000	1.000	1.000	1.500
Sub Reference Hours	1.550	1.550	1.550	1.550
Circulation Reference	N/A	N/A	N/A	N/A
Main Library Pages	10.100	11.400	11.100	8.750
Administration				
Main Library	5.000	5.000	5.000	6.000
Branch Library	3.000	3.000	3.000	3.000
Totals:	<u>105.750</u>	<u>103.730</u>	<u>101.625</u>	<u>95.050</u>

Method: Using all positions (open or filled) divided by a 40-hour work week at December 31.

(1) Information prior to 2006 is not available

2010	2009	2008	2007	2006
13.925	13.920	16.625	16.700	17.825
3.600	3.600	6.600	4.975	4.600
7.000	6.600	9.325	8.200	7.875
0.000	0.000	0.000	0.000	0.000
11.550	11.500	21.550	20.825	20.250
5.250	4.250	8.700	6.925	5.525
2.000	3.000	2.000	2.000	2.175
0.000	0.000	0.000	0.000	0.000
9.600	9.000	6.000	5.725	5.950
5.100	5.700	6.750	5.675	5.800
6.775	7.770	8.150	7.400	8.725
5.300	6.300	7.650	6.375	6.225
4.000	3.000	4.000	2.225	1.500
1.500	3.500	2.500	5.925	5.800
1.350	1.350	N/A	N/A	N/A
N/A	0.500	N/A	N/A	N/A
8.750	8.750	N/A	N/A	N/A
6.000	5.000	5.000	10.000	10.000
3.000	3.000	3.000	3.000	3.000
94.700	96.740	107.850	105.950	105.250

Cleveland Heights-University Heights Public Library

Capital Assets Statistics by Function/Program

Last Nine Years (1)

Function/Program	2014	2013	2012	2011
Public Service				
Number of Buildings	5	5	4	4
Public Meeting Rooms	10	10	13	13
Vehicles for Delivery	1	1	1	1
 Square Footage				
1920 Coventry Village Library	5,105	5,105	5,105	5,105
1937 Noble Neighborhood Library	11,160	11,160	11,160	11,160
1952 University Heights Library	11,160	11,160	11,160	11,160
1932 Lee Road (Main) Library	107,856	107,856	107,856	107,856
2013 Lee Road (HKIC) Library	4,000	4,000	0	0
 Public Use Copy Machines	8	7	7	7
Public Use Fax Machines	6	5	4	4
Public Use PCs	160	137	133	133
ATMs	0	0	1	1
Cafes	0	0	1	1
Art Galleries	1	1	1	1
Technology Classrooms	1	1	1	1
 Administration				
Square Footage (at Lee Road)	2,144	2,144	2,144	2,144
Administrative Copy Machine	1	1	1	1
Staff Use PCs	96	95	94	94

(1) Information prior to 2006 is not available

2010	2009	2008	2007	2006
4	4	4	4	4
13	13	12	12	12
1	1	1	1	1
5,105	5,105	5,105	5,105	5,105
11,160	11,160	11,160	11,160	11,160
11,160	11,160	11,160	11,160	11,160
107,856	107,856	107,856	107,856	107,856
0	0	0	0	0
7	8	8	8	7
4	4	4	4	4
123	120	120	127	123
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	2	N/A	N/A
2,144	2,144	2,144	2,144	2,144
1	1	1	1	1
96	96	92	92	89

Cleveland Heights-University Heights Public Library
Operating Indicators by Function/Program
Last Nine Years (1)

Function/Program	2014	2013	2012	2011
Public Service				
Circulation By Building				
Coventry Village Library	117,100	123,945	125,497	120,281
Lee Road Library	1,270,117	1,283,982	1,307,227	1,158,207
Noble Neighborhood Library	179,990	182,587	187,101	106,594
University Heights Library	212,365	204,906	200,115	193,243
Total Circulation, All Buildings	1,779,572	1,795,420	1,819,940	1,578,325
Circulation By Age Level				
Total Adult Circulation	1,237,050	1,293,901	1,306,911	1,332,370
Total Juvenile Circulation	542,522	448,082	473,437	465,583
Circulation By Type of Materials				
Books and Magazines	915,445	916,864	928,942	920,247
Videocassettes and DVDs	592,621	613,227	638,680	665,329
Recordings (Discs, Tapes, CDs)	194,638	206,841	207,286	206,446
Computer Software	622	485	319	528
E-media	71,478	53,345	39,532	N/A
Other Items	4,768	4,658	5,181	5,574
Library Collections Systemwide				
Books	266,906	266,791	269,434	270,610
E-books	124,395	115,779	79,089	34,073
Videocassettes and DVDs	39,537	42,453	38,432	35,219
Recordings (Discs, Tapes, CDs)	68,825	60,769	55,613	50,423
Computer Software	17	19	13	96
Magazine Subscriptions	362	362	729	795
Databases Provided	92	413	413	312
Electronic Resources				
Number of PCs Available for Public	137	137	133	133
Number of Weekly Users of Electronic Resources	5,593	5,542	5,517	5,802
Annual Number of Users of Electronic Resources	290,836	288,184	286,884	301,744
Public Service Transactions Systemwide				
Average Weekly Building Attendance	20,134	20,585	21,714	20,898
Annual Building Attendance	1,046,968	1,070,404	1,129,152	1,086,696
Average Weekly Reference Transactions	11,271	10,626	7,505	5,985
Annual Reference Transactions	586,092	552,552	390,260	311,220
Total Annual Library Programs	3,378	3,149	5,904	3,929
Total Annual Library Programs Attendance	70,025	33,773	66,342	32,728
Administration				
Purchase orders Issued	1,303	1,307	1,324	1,625
Accounts Payable Checks/Vouchers Issued	1,765	1,899	188	2,343
Payroll Checks/Direct Deposits Processed/Issued	3,987	3,939	3,699	3,931
W-2s and 1099s Issued	184	208	195	187
Board Resolutions	72	64	61	74

(1) Information prior to 2006 is not available.

2010	2009	2008	2007	2006
133,160	156,376	142,632	123,230	143,688
1,209,339	1,371,795	1,325,253	1,248,260	1,127,499
133,998	224,310	218,722	239,337	278,741
193,425	220,054	213,859	200,039	216,506
1,669,922	1,972,535	1,900,466	1,810,866	1,766,434
1,438,758	1,499,759	1,449,501	1,379,985	1,337,745
476,085	472,776	450,896	436,781	428,689
753,957	1,041,514	1,032,297	1,021,905	1,019,068
684,773	691,858	627,489	553,931	509,809
223,349	231,111	232,494	234,135	229,645
678	1,147	1,225	1,202	2,211
N/A	N/A	N/A	N/A	N/A
7,165	6,905	6,892	5,693	5,691
240,750	283,101	288,070	284,276	306,202
34,073	22,807	18,801	15,944	15,944
32,022	29,475	28,977	25,736	23,904
44,057	26,475	37,932	31,771	28,415
98	108	119	145	194
728	666	847	1,033	1,181
278	324	325	78	80
123	120	120	127	123
2,351	2,277	2,103	2,103	5,755
122,252	118,404	109,356	109,356	299,260
22,325	21,884	19,553	18,862	19,963
1,160,900	1,137,968	1,016,783	980,864	1,038,076
6,367	4,411	6,482	5,936	6,238
331,084	229,372	337,064	308,672	324,376
2,718	2,358	1,886	2,955	1,935
53,219	46,343	28,651	43,251	13,821
2,352	2,278	2,569	1,056	644
2,039	2,385	2,628	3,682	2,658
4,406	4,156	4,520	4,582	4,595
178	209	202	221	205
67	44	60	50	81

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Dave Yost • Auditor of State

CLEVELAND HEIGHTS UNIVERSITY HEIGHTS PUBLIC LIBRARY

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
JUNE 30, 2015**