

CITY OF MAPLE HEIGHTS, OHIO

SINGLE AUDIT REPORT

DECEMBER 31, 2003



**Auditor of State
Betty Montgomery**

Members of Council
City of Maple Heights

We have reviewed the Independent Auditor's Report of the City of Maple Heights, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2003 through December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

October 5, 2004

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CITY OF MAPLE HEIGHTS, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

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Ohio Society of Certified Public Accountants

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio (the City), as of and for the year ended December 31, 2003, which collectively comprise the City of Maple Heights, Ohio's basic financial statements and have issued our report thereon dated July 16, 2004. The City adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* as of January 1, 2003. This resulted in a change to the City's method of accounting for certain nonexchange revenues, capital assets, long-term liabilities, and changes in the format and context of the basic financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Maple Heights, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted one matter involving the internal control over financial reporting that we have reported to the management of the City of Maple Heights, Ohio in a separate letter dated July 16, 2004.

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

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

July 16, 2004

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

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

Compliance

We have audited the compliance of the City of Maple Heights, Ohio, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2003. The City of Maple Heights, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Maple Heights, Ohio's management. Our responsibility is to express an opinion on the City of Maple Heights, Ohio's compliance based on our audit.

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

In our opinion, the City of Maple Heights, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of and for the year ended December 31, 2003, and have issued our report thereon dated July 16, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Maple Heights, Ohio's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

July 16, 2004

CITY OF MAPLE HEIGHTS, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003

Federal Grantor/ Pass Through Grantor/Expenditures/ Program Title	Federal CFDA Number	Pass-Through Identifying Number	Federal Expenditures
<u>United States Department of Transportation</u>			
<i>Passed through the Ohio Department of Transportation</i>			
Highway Planning and Construction	20.205	TE21g000000222	\$ 20,315
Total United States Department of Transportation			<u>20,315</u>
<u>United States Department of Housing and Urban Development</u>			
<i>Passed through Cuyahoga County Department of Development</i>			
CDBG Entitlement Grant	14.218	ce-13620-01	107,485
CDBG Entitlement Grant	14.218	ce-0300112-01	<u>30,937</u>
Total United States Department of Housing and Urban Development			<u>138,422</u>
<u>United States Department of Health and Human Services</u>			
<i>Special Programs for the Aging - Title III - Part C - Nutrition Services</i>			
	93.045	N/A	<u>42,670</u>
Total United States Department of Health and Human Services			<u>42,670</u>
<u>United States Department of Homeland Security</u>			
<i>Direct Program</i>			
Federal Emergency Management Agency - Fire Grant	97.036	N/A	80,850
<i>Passed through Ohio Department of Public Safety</i>			
Federal Emergency Management Agency - Blackout	97.036	3187-em-oh	<u>31,470</u>
Total United States Department of Homeland Security			<u>112,320</u>
<u>United States Department of Justice</u>			
COPS Equipment Grant	16.710	N/A	<u>75,000</u>
Total United States Department of Justice			<u>75,000</u>
Total Expenditures of Federal Awards			<u>\$ 388,727</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

CITY OF MAPLE HEIGHTS, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003

NOTE 1: **SIGNIFICANT ACCOUNTING POLICIES**

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

CITY OF MAPLE HEIGHTS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 DECEMBER 31, 2003

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

2003(i)	Type of Financial Statement Opinion	Unqualified
2003(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2003(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
2003(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
2003(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
2003(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
2003(v)	Type of Major Programs' Compliance Opinions	Unqualified
2003(vi)	Are there any reportable findings under .510?	No
2003(vii)	Major Programs (list):	14.218 - U.S. Department of Housing and Urban Development CDBG Entitlement Grant
2003(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2003(ix)	Low Risk Auditee?	Yes

CITY OF MAPLE HEIGHTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2003

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

None.

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

None.

CITY OF MAPLE HEIGHTS, OHIO
STATUS OF PRIOR CITATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2003

There were no prior audit findings or questioned costs for federal awards reported in 2002.

Comprehensive Annual Financial Report

**For The Fiscal Year Ended
December 31, 2003**



**The City of
Maple Heights, Ohio**

**INTRODUCTORY
SECTION**

CITY OF MAPLE HEIGHTS, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2003

PREPARED BY
THE DEPARTMENT
OF FINANCE

Keith D. Schuster, CPA
Director

Gary S. Vargo
Assistant Director

City of Maple Heights, Ohio
Comprehensive Annual Financial Report
For The Year Ended December 31, 2003
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Michael G. Ciaravino
Mayor

Keith D. Schuster, CPA
Director of Finance



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July 16, 2004

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

We are pleased to submit the Comprehensive Annual Financial Report of the City of Maple Heights, Ohio for the year ended December 31, 2003. We believe this report, prepared by the Department of Finance, presents comprehensive financial and operating information about the City's activities during 2003 that should be useful to citizens and taxpayers. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and the results of operations of the City; and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial activity have been included.

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

CITY ORGANIZATION

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

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

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

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

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

REPORTING ENTITY

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

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The reporting entity of the City does not include any component units.

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

ECONOMIC CONDITIONS AND OUTLOOK

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

During 2003, the local economy reflected the significant changes that occurred on the national level. Income tax collections for the year were down 2% over 2002. This decrease in addition to a 5% reduction in State assistance played a significant role in the reduction to fund balance of the general fund in 2003. In addition, wage increases of 3.25% and health insurance increases of 13% were also pivotal in 2003 and will play a significant role in the City's fiscal health in 2004.

The City expects to be a participant in the Cuyahoga County Brownfield Redevelopment Program. This program will address the redevelopment of the former Cook United building, which has been vacant since 1984. This program is earmarked for sites in the County that cannot be redeveloped without substantial environmental remediation. It is anticipated that this site may be available for redevelopment during 2004.

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

The public investment in infrastructure is reflected in what is going on in the private sector. Many private companies purchased and renovated large properties. For example, the new owners of Sterling Oaks, located on Northfield Road, invested over \$1 million to renovate the 92 unit senior housing facility. Donatos Pizzeria constructed a new facility across from RTA's new transportation hub. Other private investors adaptively reused previously vacant buildings. For example, the former Southgate Medical Building is home to Educational Alternatives, the former Mapletown Theater is home to the Word Church and the former Super K is home to Liberty Ford, the largest Ford Dealership in the Midwest. Also, Spitzer Development recently purchased a former grocery store and will convert it to a new car dealership.

In 1989, the City entered into an agreement with the neighboring Village of Valley View to operate a joint enterprise zone, named the 'Southport Business Center.' Since its inception, the Southport Business Center has created more than 700 jobs. Under the joint enterprise zone agreement, 10% of all tax revenues generated by the existence of the enterprise zone will be turned over to the City during the term of the tax abatement, but in no case for fewer than 10 years. This agreement expired in 1999. For 2003 and 2002 the amounts paid to the City were \$51,076 and \$56,484, respectively.

Community Development

The City has initiated a variety of programs to assist property owners in improving their properties. All of these programs and improvements have been implemented to the extent possible by leveraging local City funds with available State and Federal funds. For example, the City has created a tool lending program, a senior assistance program which includes free driveway snow plowing, and a federally funded home exterior maintenance program, which offers grants to homeowners to correct housing violations through linkages with the Cuyahoga County Department of Development (CDBG). Numerous Community Development projects were in progress in 2003. These projects include:

- **Broadway Streetscape** – During 2001, the City completed Phase I and Phase II of the beautification of Broadway Avenue. The City received \$300,000 in Community Development Block Grant (CDBG) funds to assist with the project. The City also contributed \$400,000 for this project. In addition, the City has been awarded an additional \$150,000 from CDBG monies in 2002 for Phase III, which will consist of renovations to Library Lane and additional curb work along Broadway Avenue. The project is substantially complete in 2003.
- **Home Exterior Maintenance Program** - This program, administered by the City, provides financial assistance to low to moderate homeowners to repair their homes. Assistance is provided to those in violation of the housing code or those in need of maintenance. In 2003, the City received a \$35,000 grant from Community Development Block Grant funds that assisted 15 homeowners.
- **Cuyahoga County Link-Deposit Program** – Since 1993, the Cuyahoga County Treasurers Office offered this program to Maple Heights residents. The program offers participants a 3% interest rate reduction on any property improvement loan. To date, 116 loans were made to Maple Heights single family and multi family residents for a total of \$874,891.
- **Cuyahoga County Home Loan Rehabilitation Program** – In 2003, The Cuyahoga County Office of Development offered these loans to Maple Heights residents. The program offers reduced interest rates to those who qualify. During 2003, four loans valued at \$21,704 were granted to residents.

Proprietary Functions

The City began operating the Maple Heights Transit System in 1935. In 1975 the City contracted with the Greater Cleveland Regional Transit Authority (GCRTA) (which provides public transportation services throughout the County), establishing a uniform fare structure and mutual transfer privileges as part of an effort to coordinate transit service within the County. The Authority reimburses the City for costs of transportation services provided and furnishes some equipment as required. In 1999, the City renegotiated a new five-year operating agreement with GCRTA that expires on December 31, 2004. The City's transit system currently provides service, to residents of and employees in the City, between the City and nearby communities and downtown Cleveland. It has 43 employees, operates 21 buses, and maintains a bus storage and maintenance garage.

During 2003, the City continued operating a "Community Circulator" route utilizing buses much smaller than the standard 50 passenger coaches. The intent of the "circulator" is to provide neighborhood bus service to major shopping areas and as a connector with major cross-town and downtown destinations.

FINANCIAL CONDITION

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

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

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

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

As part of the new reporting model, management is responsible for preparing a discussion and analysis of the City. The discussion follows the Independent Auditors' Report providing an assessment of the City's finances for 2003.

Cash Management

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

Risk Management

In 2003, the City continued to participate in the Northern Ohio Risk Management Association (NORMA) municipal insurance pool. Originally formed in 1987, this pool is currently comprised of eleven member cities that pool resources for the purpose of gaining maximum general liability, property and casualty coverages at the least possible cost. Losses are paid in a three step process. Each member city has an individual self insurance limit (currently \$2,500). The overall pool has a retention limit (currently \$147,500) and various insurance coverages protect members of the pool to a maximum of up to \$11 million. In addition, the pool has implemented risk control techniques to minimize potential losses to member cities.

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

Pension Plans

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

OTHER INFORMATION

Independent Audit

In accordance with Ohio law, annual independent audits are required to be performed on all financial operations of the City. These audits are conducted by either the Auditor of the State of Ohio or, if the Auditor permits, an independent public accounting firm. The City of Maple Heights has engaged the independent accounting firm of James G. Zupka, C.P.A., Inc. to perform an annual audit for 2003, their report is included in the Financial Section of this report.

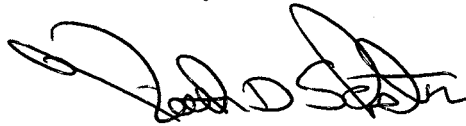
AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Maple Heights, Ohio for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2002. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting and is awarded to governmental entities who publish an easily readable and efficiently organized CAFR. The report must conform to program standards established by the GFOA. These standards included generally accepted accounting principles and all applicable legal standards. The Certificate is valid for a one year period. The City of Maple Heights has received a Certificate of Achievement for the last 18 consecutive years (fiscal years ended 1985-2002). We believe the current report continues to conform to the Certificate of Achievement requirements, and we are submitting it to the GFOA to determine its eligibility for a succeeding certificate.

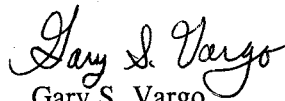
ACKNOWLEDGMENTS

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

Sincerely,

A handwritten signature in black ink, appearing to read "Keith D. Schuster". The signature is fluid and cursive, with a large initial "K" and "S".

Keith D. Schuster, CPA
Director of Finance

A handwritten signature in black ink, appearing to read "Gary S. Vargo". The signature is cursive and elegant, with a large initial "G" and "V".

Gary S. Vargo
Assistant Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Maple Heights,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2002

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



President

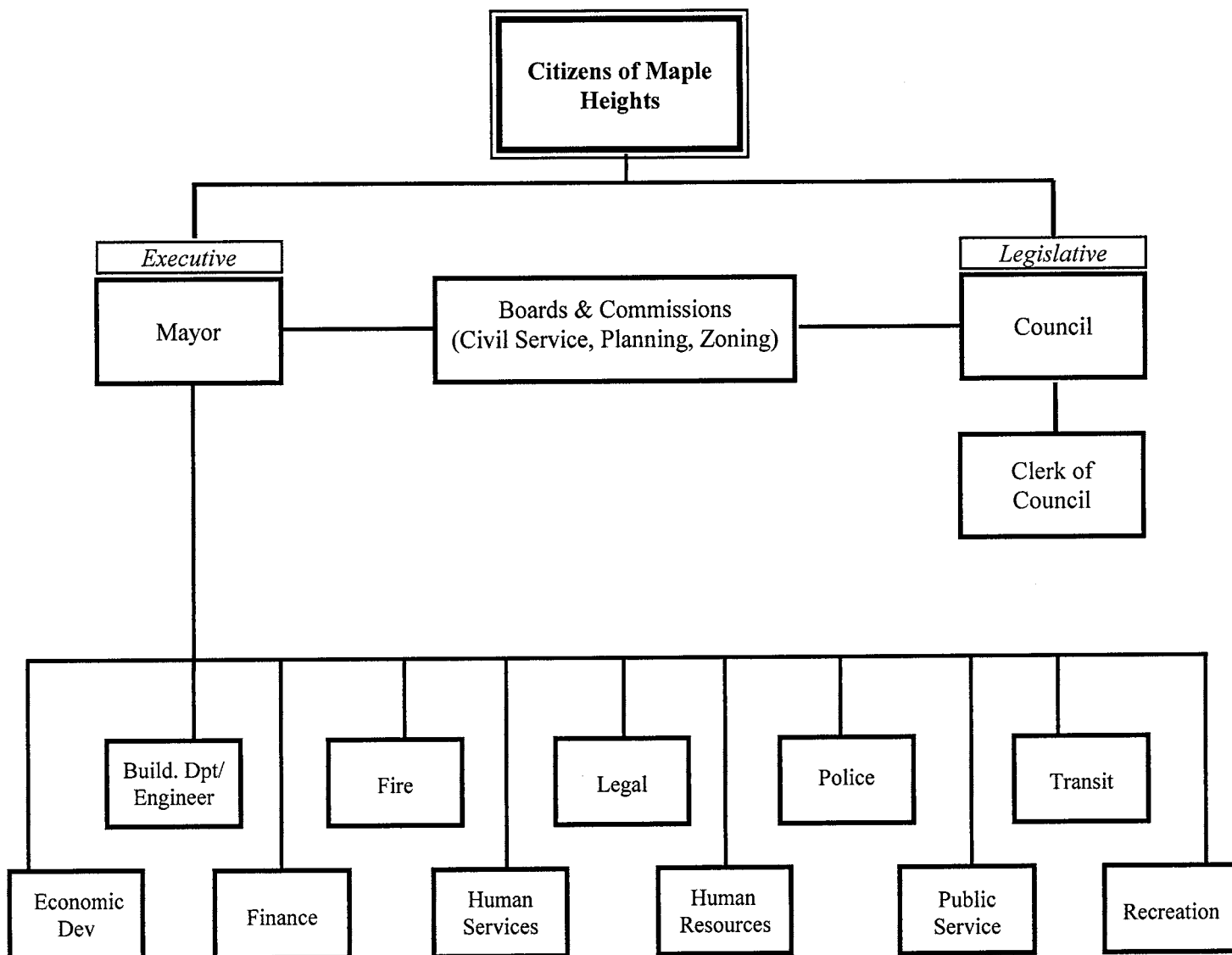
Executive Director

City of Maple Heights, Ohio

Principal City Officials
December 31, 2003

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

CITY OF MAPLE HEIGHTS, OHIO ORGANIZATION CHART - DECEMBER 2003



**FINANCIAL
SECTION**

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

The Honorable Betty Montgomery
Auditor of State
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of and for the year ended December 31, 2003, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

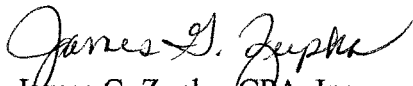
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Heights, Ohio, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the general fund and the major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, during the year ended December 31, 2003, the City implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for States and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2004 on our consideration of the City of Maple Heights, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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


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

July 16, 2004

City of Maple Heights, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2003

Unaudited

As management of the City of Maple Heights, Ohio, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2003. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the City's financial statements, which follow this section.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2003 by \$35,137,888. Of this amount, \$3,180,918 million is considered unrestricted. The unrestricted net assets of the City's governmental activities are \$2,755,410 and may be used to meet the government's on-going obligations. The unrestricted net assets of the City's business type activities are \$425,508 and may be used to meet the on-going obligations of the City's solid waste collection, public transit and advertising business-type activities.
- The City's total net assets decreased \$929,934 in 2003. Net assets of the governmental activities decreased \$1,091,790, which represents a 3 percent decrease from 2002. Net assets of the business-type activities increased \$ 161,857 or 51 percent from 2002.
- The total cost of the City's governmental activities in 2003 was \$20,576,328. The total cost of the City's business-type activities was \$4,401,980 in 2003.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$2,099,517. Approximately \$1,876,195 of the \$2,099,517 fund balance is considered unreserved at December 31, 2003.
- The general fund reported a fund balance of \$1,052,609 at the end of the current fiscal year. The unreserved fund balance for the general fund was \$837,325.

Overview of the financial Statements

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

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

City of Maple Heights, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

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

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

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

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

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

The City maintains 33 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the bond retirement fund, and the municipal income tax fund, all of which considered to be major funds. Data from the other 30 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 13 of this report.

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

City of Maple Heights, Ohio
 Management's Discussion and Analysis
 For the Year Ended December 31, 2003
Unaudited

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

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

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

Table 1 - Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Assets						
Current and Other Assets	\$15,231,591	\$16,006,133	\$ 1,157,468	\$ 986,558	\$16,389,059	\$16,992,691
Capital Assets	<u>41,819,404</u>	<u>42,139,132</u>	<u>55,381</u>	<u>65,829</u>	<u>41,874,785</u>	<u>42,204,961</u>
Total Assets	57,050,995	58,145,265	1,212,849	1,052,387	58,263,844	59,197,652
Liabilities						
Long-Term Liabilities	12,963,083	13,809,471	264,400	308,153	13,227,483	14,117,624
Other Liabilities	<u>9,430,913</u>	<u>8,587,005</u>	<u>467,560</u>	<u>425,202</u>	<u>9,898,473</u>	<u>9,012,207</u>
Total Liabilities	<u>22,393,996</u>	<u>22,396,476</u>	<u>731,960</u>	<u>733,355</u>	<u>23,125,956</u>	<u>23,129,831</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	29,263,578	30,554,018	55,381	65,829	29,318,959	30,619,847
Restricted	2,638,011	2,540,848	0	0	2,638,011	2,540,848
Unrestricted	<u>2,755,410</u>	<u>2,653,923</u>	<u>425,508</u>	<u>253,203</u>	<u>3,180,918</u>	<u>2,907,126</u>
Total Net Assets	<u>\$ 34,656,999</u>	<u>\$ 35,748,789</u>	<u>\$480,889</u>	<u>\$319,032</u>	<u>\$ 35,137,888</u>	<u>\$36,067,821</u>

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's assets exceeded liabilities by \$ 35,137,888 at the close of the most recent fiscal year.

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

City of Maple Heights, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2003

Unaudited

An additional portion of the City's net assets reflects resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net assets may be used to meet the government's on-going obligations to citizens and creditors. It is important to note that, although the total unrestricted net assets is \$3,180,918, the net assets of the City's business-type activities \$425,508 may not be used to fund governmental activities.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. Overall, net assets of the City decreased \$929,934 in 2003. Net assets for governmental activities decreased \$1,091,790, while net assets for business-type activities increased \$161,857. There was an increase of \$97,163 in restricted net assets reported in connection with the City's governmental activities. There was also a decrease of \$1,290,440 in the amount invested in capital assets, net of related debt for governmental activities.

In order to further understand what makes up the changes in net assets for the current year, Table 2 shows the change in net assets for the fiscal year ended December 31, 2003. Since this is the first year the City has prepared financial statements following GASB 34, revenues and expense comparisons to fiscal 2002 are not available. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

Table 2 - Changes in Net Assets

	Governmental Activities 2003	Business-Type Activities 2003	Total 2003
Revenues			
Program Revenues			
Charges for Services	\$ 3,453,980	\$ 4,555,292	\$ 8,009,272
Operating Grants and Contributions	808,141	0	808,141
Capital Grants and Contributions	336,732	0	336,732
General Revenues			
Property Taxes	5,058,593	0	5,058,593
Income Taxes	6,337,898	0	6,337,898
Other Taxes	47,677	0	47,677
Grants and Entitlements	3,265,061	0	3,265,061
Other	177,588	7,412	185,000
Total Revenues	<u>19,485,670</u>	<u>4,562,704</u>	<u>24,048,374</u>
Expenses			
General Government	3,347,862	0	3,347,862
Security of Persons and Property	10,670,426	0	10,670,426
Public Health Services	81,084	0	81,084
Transportation	1,904,228	0	1,904,228
Community Development	842,663	0	842,663
Basic Utility Services	1,692,586	0	1,692,586
Leisure Time Activities	1,591,973	0	1,591,973
Interest and Fiscal Charges	445,506	0	445,506
Solid Waste Collection	0	1,055,877	1,055,877
Maple Heights Transit	0	3,346,103	3,346,103
Recreation Banner	0	0	0
Total Program Expenses	<u>20,576,328</u>	<u>4,401,980</u>	<u>24,978,308</u>
Internal Transfer	(1,132)	1,132	0
Increase (Decrease) in Net Assets	\$ <u>(1,091,790)</u>	\$ <u>161,856</u>	\$ <u>(929,934)</u>

City of Maple Heights, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2003

Unaudited

Governmental Activities

Governmental activities decreased the City's net assets by \$ 1,091,790. Several types of revenue fund our governmental activities, with the City income tax being the largest contributor. The income tax rate was 2% for 2003. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a municipality that has an income tax, the City provides 80% credit up to 2% for those who pay income tax to another city. Most recently the last three years' income tax collections have decreased by an average of 3.3%. While a decrease of income tax revenues is reason for concern, the City feels this is in large part a reflection of the economy as a whole.

The income tax revenue for 2003 was \$6,337,898. Of the \$19,485,670 in total revenues, income tax accounts for 32.53% of that total. Property taxes of \$5,058,593 account for 25.96% of total revenues, and operating grants, capital grants and contributions, general revenues from grants and entitlements account for 22.63% of total revenues, and charges for services, and other revenue make up the remaining 18.88%.

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

For the most part, increases in expenses closely parallel inflation and growth in the demand for services. The largest program function for the City relates to security of persons and property. In 2003, 51.86% of program expenses for governmental activities were for the security of persons and property, which includes police, fire, jail, auxiliary police, school guards and safety dispatch. The next largest function was general government which accounted for 16.27% of the expenses in 2003. 11.83% of the expenses were spent on culture and recreation, while expenses for street, sewers and highway maintenance, including snow removal accounted for 17.48%.

Business-type Activities

While total net assets of the City decreased \$1,091,790, business-type activity net assets increased by \$161,857. Charges for services increased \$297,745 over 2002. This increase is from additional revenues from Maple Heights Transit. The increase in business-type activities net assets before the transfers was \$160,724. This increase is attributed to stable revenue inflows and containment of costs related to enterprise activities.

City of Maple Heights, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2003

Unaudited

Financial Analysis of the Government's Funds

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

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

As of December 31, 2003, the City's governmental funds reported combined ending fund balances of \$2,099,517, a decrease of \$1,705,223 in comparison with the prior year. Approximately \$1,228,025 of this amount constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period and for non-current loans receivable.

The general fund is the chief operating fund of the City. At December 31, 2003, unreserved fund balance of the general fund was \$837,325, while total fund balance was \$1,052,609. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures (including transfers out). Unreserved fund balance represents 6 percent of total general fund expenditures (including transfers out), while total fund balance represents 7.3 percent of that same amount.

The fund balance of the City's general fund decreased by \$434,312 during 2003. This decrease reflects general economic conditions.

- Total revenues excluding transfers increased by \$ 145,742.
- Investment income decreased by \$46,688 due to significant decreases in rates earned by investments permitted by the City code.
- Shared revenue, which represents taxes levied by the state or counties and partially distributed to the City or other political subdivisions, decreased \$320,389 due to a reduced level of support from the state of Ohio.
- Revenues from property taxes increased approximately \$346,803. This increase was the result of the assessment reevaluation for 2003.
- Expenditures increased by \$552,290. The City continued its pattern of cost containment while maintaining basic services. The primary increases in expenditures were from health care, workers compensation and wages.

The bond retirement fund has a total fund balance of \$319,428. The net decrease in fund balance during 2003 in this fund was approximately \$100,984. The bond retirement fund is funded primarily with income tax revenue at the level necessary to meet debt service requirements.

City of Maple Heights, Ohio

Management's Discussion and Analysis
 For the Year Ended December 31, 2003
 Unaudited

The municipal income tax fund has a total fund balance of \$1,456,428. The decrease in fund balance during 2003 in this fund was approximately \$437,561. The reduction is attributed to additional funding of operations of the general fund, and the street maintenance and repair fund. During 2003, municipal income tax revenues decreased by \$98,133 as a result of the state of the local economy.

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

Unrestricted net assets at the end of the year amounted to \$12,147, \$399,248, and \$14,113 for the solid waste collection, maple heights transit, and advertising banner enterprises, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The total original and final appropriations, including those for transfers out, were \$15,234,596. Actual budgetary expenditures were \$859,000 less than appropriations reflecting management's commitment in reducing costs in changing economic times.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for governmental and business-type activities as of December 31, 2003, amounts to \$41,874,785 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, equipment, roads, traffic signals, sidewalks, and storm sewers. The total decrease in the City's investment in a capital asset for 2003 was \$330,176 over 2002.

Table 3 - Capital Assets, Net of Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$ 180,871	\$ 157,702	\$ 0	\$ 0	\$ 180,871	\$ 157,702
Buildings	2,729,046	2,929,915	0	0	2,729,046	2,929,915
Equipment	286,543	120,746	26,157	30,044	312,700	150,790
Vehicles	2,524,452	2,572,221	29,224	35,785	2,553,676	2,608,006
Infrastructure						
Roads	13,862,333	13,703,837	0	0	13,862,333	13,703,837
Traffic Signals	2,492,555	2,611,006	0	0	2,492,555	2,611,006
Sidewalks	1,064,175	1,096,820	0	0	1,064,175	1,096,820
Storm Sewers	18,679,429	18,946,885	0	0	18,679,429	18,946,885
Total	\$ 41,819,404	\$42,139,132	\$ 55,381	\$ 65,829	\$41,874,785	\$ 42,204,961

Additional information on the City's capital assets can be found in notes to the financial statements.

City of Maple Heights, Ohio

Management’s Discussion and Analysis

For the Year Ended December 31, 2003

Unaudited

Long-Term Debt. As of December 31, 2003, the City had \$11,338,287 in bonds, notes, and loans outstanding with \$2,997,023 due within one year.

Table 4 - General Obligation and Revenue Bonds Outstanding

	<u>Governmental Activities</u>	
	<u>2003</u>	<u>2002</u>
General Obligation Bonds, Notes, and Capital Leases	\$ 8,956,358	\$ 9,701,808
Special Assessment Bonds	34,672	69,347
OWDA Loans	2,435,202	2,580,738
OPWC Loans	<u>1,129,594</u>	<u>1,173,221</u>
Total	<u>\$12,555,826</u>	<u>\$13,525,114</u>

The City’s general obligation bonds ratings by Moody’s Investor Services, Inc. is “A2”.

The General Obligation Bonds are composed of 1984 Street Resurfacing, 1993 and 1994 Sewer Improvement, 1998 Capital Purpose and Refunding and 2000 Capital Purpose Bonds. The Special Assessment bonds were issued in 1984 for sewer improvements and will be retired in 2004. The County Auditor collects principal and interest for these bonds on behalf of the City for special assessments to be used for debt service. The OWDA and OPWC loans were reported in the special revenue fund and some costs will be paid from revenues collected from storm sewer charges.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5% of total assessed valuation. The City’s net legal debt margin within the 10.5% limit was \$38,254,510 on December 31, 2004.

Additional information regarding the City’s long-term debt can be found in the notes to the financial statements.

Economic Factors and Next Year’s General Fund Budget

The City’s elected and appointed officials considered many factors when setting the fiscal year 2003 budget. The events of September 11, 2001 and the impact of those events on the economy had a significant influence on the objectives that the City set for the 2003 budget: jobs, safety, and long-term financial stability. With the continued uncertainty surrounding the local economy, the City considered the impact on two primary revenue sources: income tax revenue and state shared revenue. The income tax continues to be the largest revenue source for the City. Projected revenue for 2004 include a modest increase over 2003. State shared revenues for 2004 will be less than 2003 due to the lingering economic effects that have reduced these monies from the State. Further cost containment and/or revenue enhancement will be necessary in order to maintain current service levels.

Contacting the City’s Finance Department

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

City of Maple Heights, Ohio

Statement of Net Assets

December 31, 2003

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$3,571,568	\$695,336	\$4,266,904
Materials and Supplies Inventory	57,547	0	57,547
Accrued Interest Receivable	10,248	2,048	12,296
Accounts Receivable	255,250	460,084	715,334
Intergovernmental Receivable	1,999,809	0	1,999,809
Prepaid Items	83,110	0	83,110
Taxes Receivable	9,089,151	0	9,089,151
Special Assessments Receivable	164,908	0	164,908
Nondepreciable Capital Assets	180,871	0	180,871
Depreciable Capital Assets, Net	41,638,533	55,381	41,693,914
Total Assets	57,050,995	1,212,849	58,263,844
<u>Liabilities</u>			
Accounts Payable	496,855	98,591	595,446
Accrued Wages	752,465	142,886	895,351
Intergovernmental Payable	402,310	82,425	484,735
Accrued Interest Payable	82,193	0	82,193
Deferred Revenue	5,757,090	117,571	5,874,661
Notes Payable	1,940,000	0	1,940,000
Long-Term Liabilities:			
Due Within One Year	1,208,331	26,087	1,234,418
Due In More Than One Year	11,754,752	264,400	12,019,152
Total Liabilities	22,393,996	731,960	23,125,956
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	29,263,578	55,381	29,318,959
Restricted for:			
Capital Projects	433,397	0	433,397
Debt Service	624,813	0	624,813
Other Purposes	1,579,801	0	1,579,801
Unrestricted (Deficit)	2,755,410	425,508	3,180,918
Total Net Assets	\$34,656,999	\$480,889	\$35,137,888

See accompanying notes to the basic financial statements.

City of Maple Heights, Ohio
Statement of Activities

For the Year Ended December 31, 2003

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		Total
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Primary Government							
Governmental Activities:							
Security of Persons and Property	\$10,670,426	\$1,452,446	\$62,702	\$158,969	(\$8,996,309)	\$0	(\$8,996,309)
Public Health	81,084	0	0	0	(81,084)	0	(81,084)
Leisure Time Activities	1,591,973	97,227	1,694	0	(1,493,052)	0	(1,493,052)
Community Development	842,663	608,235	0	29,441	(204,987)	0	(204,987)
Basic Utility Service	1,692,586	610,663	0	110,952	(970,971)	0	(970,971)
Transportation	1,904,228	445,463	743,745	37,370	(677,650)	0	(677,650)
General Government	3,347,862	239,946	0	0	(3,107,916)	0	(3,107,916)
Interest and Fiscal Charges	445,506	0	0	0	(445,506)	0	(445,506)
Total Governmental Activities	20,576,328	3,453,980	808,141	336,732	(15,977,475)	0	(15,977,475)
Business-Type Activities:							
Solid Waste Collection	1,055,877	1,009,462	0	0	0	(46,415)	(\$46,415)
Transit	3,346,103	3,544,630	0	0	0	198,527	198,527
Recreation Banner	0	1,200	0	0	0	1,200	1,200
Total Business-Type Activities	4,401,980	4,555,292	0	0	0	153,312	153,312
Total - Primary Government	\$24,978,308	\$8,009,272	\$808,141	\$336,732	(\$15,977,475)	\$153,312	(\$15,824,163)
General Revenues							
Property Taxes Levied for:							
General Purposes					2,634,050	0	2,634,050
Special Revenue					1,584,668	0	1,584,668
Debt Service					839,875	0	839,875
Capital Outlay					0	0	0
Income Tax Levied for:							
General Purposes					6,337,898	0	6,337,898
Other Taxes					47,677	0	47,677
Grants and Entitlements not Restricted to Specific Programs					3,265,061	0	3,265,061
Gain or Loss on Sale of Capital Asset					122,729	0	122,729
Investment Earnings					52,298	7,412	59,710
Miscellaneous					2,561	0	2,561
Total General Revenues					14,886,817	7,412	14,894,229
Internal Transfers					(1,132)	1,132	0
Total General Revenues, Special Item, Contribution and Transfers					14,885,685	8,544	14,894,229
Change in Net Assets					(1,091,790)	161,856	(929,934)
Net Assets Beginning of Year, As Restated					35,748,789	319,033	36,067,822
Net Assets End of Year					\$34,656,999	\$480,889	\$35,137,888

See accompanying notes to the basic financial statements.

City of Maple Heights, Ohio
Balance Sheet
Governmental Funds
December 31, 2003

	General	Municipal Income Tax	Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$ 1,278,588	\$ 562,999	\$ 318,467	\$ 1,411,514	\$ 3,571,568
Receivables:					
Taxes	3,341,645	2,305,893	1,060,274	2,381,339	9,089,151
Accounts	0	0	0	255,250	255,250
Accrued Interest	5,986	0	961	3,301	10,248
Special Assessment	0	0	164,908	0	164,908
Intergovernmental	1,058,748	0	63,000	878,061	1,999,809
Inventory	57,547	0	0	0	57,547
Prepaid Items	83,110	0	0	0	83,110
Total Assets	\$ 5,825,624	\$ 2,868,892	\$ 1,607,610	\$ 4,929,465	\$ 15,231,591
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 111,693	\$ 18,877	\$ 0	\$ 366,285	\$ 496,855
Accrued Wages and Benefits	373,553	0	0	378,912	752,465
Due to Other Governments	335,362	0	0	66,948	402,310
Deferred Revenue	3,952,407	1,393,587	1,288,182	2,906,268	9,540,444
Notes Payable	0	0	0	1,940,000	1,940,000
Total Liabilities	4,773,015	1,412,464	1,288,182	5,658,413	13,132,074
Fund Balances:					
Reserved for Inventory	57,547	0	0	0	57,547
Reserved for Prepaid Items	83,110	0	0	0	83,110
Reserved for Encumbrances	74,627	0	0	8,038	82,665
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	837,325	0	0	0	837,325
Special Revenue Funds	0	1,456,428	0	769,617	2,226,045
Bond Retirement Fund	0	0	319,428	0	319,428
Capital Projects Funds	0	0	0	(1,506,603)	(1,506,603)
Total Fund Balances (Deficits)	1,052,609	1,456,428	319,428	(728,948)	2,099,517
Total Liabilities and Fund Balances	\$ 5,825,624	\$ 2,868,892	\$ 1,607,610	\$ 4,929,465	\$ 15,231,591

See accompanying notes to the basic financial statements

City of Maple Heights, Ohio

Reconciliation of Total Governmental Fund Balances to

Net Assets of Governmental Activities

December 31, 2003

Total Governmental Funds Balance \$2,099,517

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

Capital Assets used in governmental activities are not financial resources
and therefore are not reported in the funds: 41,819,404

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

Property tax	1,026,168	
Grants and Entitlements	1,046,153	
Income Tax	1,393,587	
Special Assessments	164,908	
Accounts Receivable	<u>152,538</u>	
Total		3,783,354

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

General Obligation Bonds	(6,978,805)	
Special Assessment Bonds	(34,672)	
OWDA Loan	(1,129,594)	
OPWC Loan	(2,435,202)	
Capital Lease	(37,553)	
Compensated Absences	(2,347,257)	
Accrued Interest Payable	<u>(82,193)</u>	
Total		<u>(13,045,276)</u>

Net Assets of Governmental Activities

\$34,656,999

City of Maple Heights, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2003

	General	Municipal Income Tax	Bond Retirement	Other Governmental Funds	Total Governmental Funds
REVENUES:					
Municipal Income Taxes	\$0	\$6,342,672	\$0	\$0	\$6,342,672
Property Taxes	2,585,013	0	828,049	1,493,100	4,906,162
Intergovernmental revenue	2,940,989	0	123,618	1,218,328	4,282,935
Special Assessments	0	0	62,026	0	62,026
Charges for Services	425,566	0	0	1,057,533	1,483,099
Fines, licenses, permits	1,253,648	0	0	359,348	1,612,996
Interest Income	29,989	0	8,704	13,634	52,327
Workers Compensation refund	44,614	0	0	0	44,614
Miscellaneous	287,017	0	0	212,383	499,400
Total Revenue	7,566,836	6,342,672	1,022,397	4,354,326	19,286,231
EXPENDITURES:					
Security of Persons and Property	7,760,697	0	0	2,504,024	10,264,721
Public Health	81,084	0	0	0	81,084
Leisure Time Activities	1,503,985	0	0	50,533	1,554,518
Community Development	619,351	0	0	78,561	697,912
Basic Utilities Services	1,141,133	0	0	275,624	1,416,757
Transportation	0	0	0	1,383,017	1,383,017
General Government	2,596,379	297,904	26,286	466,151	3,386,720
Capital Outlay	0	0	0	804,728	804,728
Debt Service:					
principal retirement	0	0	831,392	179,881	1,011,273
interest and fiscal charges	0	0	315,723	139,835	455,558
Total Expenditures	13,702,629	297,904	1,173,401	5,882,354	21,056,288
Excess of Revenues over(under) Expenditures	(6,135,793)	6,044,768	(151,004)	(1,528,028)	(1,770,057)
Other Financing Sources (Uses)					
Sales of Fixed Assets	5,709	0	0	0	5,709
Capitalization of Lease	0	0	0	41,985	41,985
Transfers In	6,450,000	79,161	83,000	1,813,389	8,425,550
Transfers Out	(772,500)	(6,561,490)	(32,980)	(1,059,712)	(8,426,682)
Total Other Financing Sources (Uses)	5,683,209	(6,482,329)	50,020	795,662	46,562
Net Change in Fund Balances	(452,584)	(437,561)	(100,984)	(732,366)	(1,723,495)
Fund Balances (Deficits) Beginning of Year - Restated (See Note 3)	1,486,921	1,893,989	420,412	3,418	3,804,740
Increase (Decrease) in Reserve for Inventory	18,272	0	0	0	18,272
Fund Balances (Deficits) End of Year	\$ 1,052,609	\$ 1,456,428	\$ 319,428	\$ (728,948)	\$ 2,099,517

See accompanying notes to the basic financial statements

City of Maple Heights, Ohio

Reconciliation of The Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended December 31, 2003

Net Change in Fund Balances--Total Governmental Funds (\$1,723,495)

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

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

Capital Asset Additions	1,289,413	
Current Year Depreciation	<u>(1,433,611)</u>	(144,198)

Governmental funds only report the disposal of capital assets to the extent
proceeds are received from the sale. In the statement of activities, a gain
or loss is reported for each disposal. (175,530)

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

Delinquent Property Tax	149,783	
Grants and Entitlements	(39,255)	
Income Tax	(4,776)	
Special Assessments	(36,776)	
Special Assessments	<u>7,747</u>	
Total		76,723

Repayment of bond, loan, and capital lease principal is an expenditure in the governmental
funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,011,273

In the statement of activities, interest is accrued on outstanding bonds, whereas in
governmental funds an interest expenditure is reported when due. 10,050

Other financing sources in the governmental funds that increase long-term
liabilities in the statement of net assets are not reported as revenues
in the statement of activities (41,985)

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

Compensated Absences	(122,900)	
Change in Inventory	<u>18,272</u>	
Total		<u>(104,628)</u>

Change in Net Assets of Governmental Activities (\$1,091,790)

City of Maple Heights, Ohio

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

General Fund

For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
General Fund				
Revenues				
Property Taxes	\$ 2,608,758	\$ 2,608,758	\$ 2,587,654	\$ (21,104)
Intergovernmental	3,053,699	2,996,129	3,067,510	71,381
Charges For Services	433,009	433,009	425,566	(7,443)
Fees, Licenses, Permits	601,250	601,250	608,235	6,985
Fines and Forfeitures	659,500	659,500	645,413	(14,087)
Interest Income	40,000	40,000	33,233	(6,767)
Workers Compensation Settlement & Refunds		41,000	44,614	3,614
Miscellaneous	369,000	369,000	287,017	(81,983)
Total Revenues	7,765,216	7,748,646	7,699,242	(49,404)
Expenditures				
Current:				
Security of Persons and Property	7,865,500	7,932,500	7,656,922	275,578
Leisure Time Activities	1,684,560	1,685,560	1,511,763	173,797
Community Development	644,515	646,615	617,566	29,049
Basic Utility Services	1,296,090	1,261,990	1,149,249	112,741
General Government	2,831,847	2,795,847	2,586,510	209,337
Public Health & Welfare	81,084	81,084	81,084	0
Total Expenditures	14,403,596	14,403,596	13,603,094	800,502
Excess of Revenues Over (Under) Expenditures	(6,638,380)	(6,654,950)	(5,903,852)	751,098
Other Financing Sources (Uses)				
Proceeds From Sale of Fixed Assets	3,000	3,000	5,709	2,709
Operating Transfer-In	7,180,000	6,818,541	6,450,000	(368,541)
Operating Transfer-Out	(831,000)	(831,000)	(772,500)	58,500
Total Other Financing Sources (Uses)	6,352,000	5,990,541	5,683,209	(307,332)
Net Change in Fund Balance	(286,380)	(664,409)	(220,643)	443,766
Decertification of prior year encumbrances	0	36,854	36,854	0
Fund Balance at Beginning of Year	1,364,409	1,364,409	1,364,409	0
Fund Balance at End of Year	\$ 1,078,029	\$ 736,854	\$ 1,180,620	\$ 443,766

see accompanying notes to the basic financial statements

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - (Non-GAAP Basis) and Actual
 Municipal Income Tax Fund
 For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Municipal Income Tax	\$ 6,400,000	\$ 6,400,000	\$ 6,394,814	\$ (5,186)
<u>Expenditures</u>				
Current Operations and Maintenance:				
General Government				
Other	425,000	425,000	297,961	127,039
Excess of Revenues Over (Under) Expenditures	5,975,000	5,975,000	6,096,853	121,853
Other Financing Sources (Uses)				
Operating Transfers - In	79,000	79,000	79,162	162
Operating Transfers - Out	(6,915,000)	(6,915,000)	(6,561,490)	353,510
Total Other Financing Sources (Uses)	(6,836,000)	(6,836,000)	(6,482,328)	353,672
Net Change in Fund Balance	(861,000)	(861,000)	(385,475)	475,525
Fund Balance at Beginning of Year	948,475	948,475	948,475	0
Fund Balance at End of Year	\$ 87,475	\$ 87,475	\$ 563,000	\$ 475,525

see accompanying notes to the basic financial statements

City of Maple Heights, Ohio

Statement of Net Assets - Proprietary Funds

December 31, 2003

	Solid Waste Collection	Business Type Activities		Total
		Maple Heights Transit	Recreation Banner	
<u>Assets</u>				
Current Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 51,672	\$ 629,593	\$ 14,071	\$ 695,336
Receivables:				
Accounts	168,894	291,190	0	460,084
Accrued Interest	105	1,901	42	2,048
Total Current Assets	<u>220,671</u>	<u>922,684</u>	<u>14,113</u>	<u>1,157,468</u>
Non-current Assets				
Depreciable Capital Assets, (Net of Accumulated Depreciation)	<u>0</u>	<u>55,381</u>	<u>0</u>	<u>55,381</u>
Total Assets	\$ <u>220,671</u>	\$ <u>978,065</u>	\$ <u>14,113</u>	\$ <u>1,212,849</u>
<u>Liabilities</u>				
Current Liabilities				
Accounts Payable	\$ 85,033	\$ 13,558	\$ 0	\$ 98,591
Accrued Wages and Benefits	1,939	140,947	0	142,886
Due to Other Governments	1,256	81,169	0	82,425
Deferred Revenue	117,571	0	0	117,571
Accrued Compensated Absences - current	0	26,087	0	26,087
Total Current Liabilities	<u>205,799</u>	<u>261,761</u>	<u>0</u>	<u>467,560</u>
Non-current Liabilities				
Accrued Compensated Absences	<u>2,725</u>	<u>261,675</u>	<u>0</u>	<u>264,400</u>
Total Liabilities	<u>208,524</u>	<u>523,436</u>	<u>0</u>	<u>731,960</u>
<u>Net Assets</u>				
Invested in Capital Assets	0	55,381	0	55,381
Unrestricted	<u>12,147</u>	<u>399,248</u>	<u>14,113</u>	<u>425,508</u>
Total Net Assets	\$ <u>12,147</u>	\$ <u>454,629</u>	\$ <u>14,113</u>	\$ <u>480,889</u>

See Accompanying Notes to the Basic Financial Statements

City of Maple Heights, Ohio

Statement of Revenues, Expenses and Changes
 In Fund Net Assets – Proprietary Funds
 For The Year Ended December 31, 2003

	<u>Business Type Activities</u>			<u>Total</u>
	<u>Solid Waste Collection</u>	<u>Maple Heights Transit</u>	<u>Recreation Banner</u>	
<u>Operating Revenues</u>				
Charges for Services	\$ <u>1,009,462</u>	\$ <u>3,544,630</u>	\$ <u>1,200</u>	\$ <u>4,555,292</u>
<u>Operating Expenses</u>				
Personnel	49,222	2,792,311	0	2,841,533
Contractual Services	993,121	435,601	0	1,428,722
Materials and Supplies	13,534	18,200	0	31,734
Repairs and Maintenance	0	60,349	0	60,349
Other	0	29,194	0	29,194
Depreciation	0	10,448	0	10,448
Total Operating Expenses	<u>1,055,877</u>	<u>3,346,103</u>	<u>0</u>	<u>4,401,980</u>
Operating Income (Loss)	<u>(46,415)</u>	<u>198,527</u>	<u>1,200</u>	<u>153,312</u>
<u>Non-Operating Revenues (Expenses)</u>				
Interest Income	<u>600</u>	<u>6,661</u>	<u>151</u>	<u>7,412</u>
Income (Loss) Before Operating Transfers	<u>(45,815)</u>	<u>205,188</u>	<u>1,351</u>	<u>160,724</u>
Operating Transfers – In		77,860		77,860
Operating Transfers - Out	<u>0</u>	<u>(76,728)</u>	<u>0</u>	<u>(76,728)</u>
Total Operating Transfers	<u>0</u>	<u>1,132</u>	<u>0</u>	<u>1,132</u>
Net Income (Loss)	(45,815)	206,320	1,351	161,856
Net Assets at Beginning of Year	<u>57,962</u>	<u>248,309</u>	<u>12,762</u>	<u>319,033</u>
Net Assets at End of Year	\$ <u>12,147</u>	\$ <u>454,629</u>	\$ <u>14,113</u>	\$ <u>480,889</u>

See Accompanying Notes to the Basic Financial Statements

City of Maple Heights, Ohio

Statement of Cash Flows - Proprietary Funds

For The Year Ended December 31, 2003

	Solid Waste Collection	<u>Business Type Activities</u>		
		Maple Heights Transit	Recreation Banner	Total
<u>Increase (Decrease) in Cash and Cash Equivalents</u>				
<u>Cash Flows From Operating Activities</u>				
Cash Received from Customers	\$ 1,029,053	\$ 3,534,764	\$ 1,200	\$ 4,565,017
Other Operating Revenue	10,925	426	0	11,351
Cash Payments to Employees for Services	(51,468)	(3,156,685)	0	(3,208,153)
Cash Payments to Suppliers for Goods or Services	<u>(1,002,652)</u>	<u>(178,531)</u>	<u>0</u>	<u>(1,181,183)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(14,142)</u>	<u>199,974</u>	<u>1,200</u>	<u>187,032</u>
<u>Cash Flows From Non-Capital Financing Activities</u>				
Cash Transfers from Other Funds		77,860		77,860
Cash Transfers to Other Funds	<u>0</u>	<u>(76,728)</u>	<u>0</u>	<u>(76,728)</u>
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>0</u>	<u>1,132</u>	<u>0</u>	<u>1,132</u>
<u>Cash Flows From Investing Activities</u>				
Interest Earned on Investments	<u>688</u>	<u>6,152</u>	<u>151</u>	<u>6,991</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(13,454)	207,258	1,351	195,155
Cash and Cash Equivalents at Beginning of Year	<u>65,126</u>	<u>422,335</u>	<u>12,720</u>	<u>500,181</u>
Cash and Cash Equivalents at End of Year	\$ <u>51,672</u>	\$ <u>629,593</u>	\$ <u>14,071</u>	\$ <u>695,336</u>

See Accompanying Notes to the Basic Financial Statements

City Of Maple Heights, Ohio

Statement of Cash Flows – Proprietary Funds
(Continued)

For The Year Ended December 31, 2003

	<u>Business Type Activities</u>			
	<u>Solid Waste Collection</u>	<u>Maple Heights Transit</u>	<u>Recreation Banner</u>	<u>Total</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities</u>				
Operating Income (Loss)	\$ <u>(46,415)</u>	\$ <u>198,527</u>	\$ <u>1,200</u>	\$ <u>153,312</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash From Operating Activities:				
Depreciation	0	10,448	0	10,448
Changes in Assets and Liabilities:				
(Increase) Decrease in Receivables	34,107	(9,440)	0	24,667
Increase (Decrease) in Accounts Payable	4,002	3,353	0	7,355
Increase (Decrease) in Accrued Wages and Benefits	(516)	(27,282)	0	(27,798)
Increase (Decrease) in Accrued Compensated Absences	(2,306)	(15,360)	0	(17,666)
Increase (Decrease) in Deferred Revenue	(3,589)	0	0	(3,589)
Increase (Decrease) in Due to Other Governments	<u>575</u>	<u>39,728</u>	<u>0</u>	<u>40,303</u>
Total Adjustments	<u>32,273</u>	<u>1,447</u>	<u>0</u>	<u>33,720</u>
Net Cash Provided by (Used in) Operating Activities	\$ <u>(14,142)</u>	\$ <u>199,974</u>	\$ <u>1,200</u>	\$ <u>187,032</u>

See Accompanying Notes to the Basic Financial Statements

City of Maple Heights, Ohio

Statement of Fiduciary Net Assets – Fiduciary Funds

December 31, 2003

<u>Assets</u>	<u>Agency</u>
Equity in Pooled Cash and Cash Equivalents	<u>\$161,225</u>
<u>Liabilities</u>	
Deposits Held and Due to Others	<u>\$161,225</u>

See Accompanying Notes to The Basic Financial Statements

Note 1 – Description of City and Reporting Entity

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

Reporting Entity

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

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

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

Note 2 – Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

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

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

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

B. Fund Accounting

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

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

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

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

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

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

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

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

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

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

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

Fiduciary Funds

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

C. Measurement Focus

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

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

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

D. Basis of Accounting

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

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

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

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

Property taxes for which there is an enforceable legal claim as of December 31, 2003, but which were levied to finance year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. Cash and Cash Equivalents

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

During 2003, investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio) and Federal agency securities.

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

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2003.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2003 amounted to \$29,989, which includes \$11,256 assigned from other City funds. Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash and cash equivalents.

F. Inventory

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated a lower of cost or market. For all funds, cost is determined on a first-in, first-out

City of Maple Heights, Ohio
 Notes to the Basic Financial Statements
 For Year Ended December 31, 2003

basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used. Inventory consists of expendable supplies held for consumption.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2003 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

J. Capital Assets

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

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

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

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

For 2003, infrastructure capital assets were calculated without the City's watermains. The infrastructure assets will be completed in 2004 with inclusion of this item to capital assets.

K. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

L. Compensated Absences

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

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

M. Accrued Liabilities and Long-term Obligations

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

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

N. Fund Balance Reserves

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

O. Net Assets

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

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

P. Operating Revenues and Expenses

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

Q. Interfund Activity

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

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

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type occurred in 2003.

S. 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.

T. Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated however, only governmental funds are required to be reported. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances. Council appropriations are made to personnel costs, (including benefits) other costs, capital outlay, debt service, and transfer accounts for each department. The legal level of budgetary control is at the object level (i.e. personnel costs) whereby the City maintains this control by not permitting expenditures to exceed appropriations for departments of the City without approval of City Council. Adjustments to the budget can only be made within a

department and then within each category. Further legislation is needed in order to move budget authority from 'personnel costs' to 'other costs' or vice versa, or between departments.

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

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

Note 3 –Change in Accounting Principles, Restatement of Prior Year Fund Balance, and Compliance and Accountability

A. Changes in Accounting Principles

For 2003, the City has implemented GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus", GASB Statement No. 38, "Certain Financial Statement Note Disclosures", GASB Statements No. 41. "Budgetary comparison schedule-perspective differences, and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements."

GASB Statement No. 34 creates new basic financial statements for reporting on the City's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the City's programs between business-type and governmental activities. The beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at December 31, 2002, and the conversion to the accrual basis of accounting.

GASB Statement No. 37 clarifies certain provisions of Statement No. 34, including the required content of the MD&A, the classification of program revenues and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes and rescinds certain financial statement note disclosures.

GASB Statement No. 41 allows the presentation of budgetary schedules as required supplementary information on the fund, organization, or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the City not being able to present budgetary comparisons

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

for the general fund and each major special revenue fund. The implementation of GASB Statements No. 41 did not affect the presentation of budgetary statements of the City.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice. The City restated the fund liability of compensated absences in governmental funds that matured during fiscal year 2002.

B. Restatement of Fund Balance

During 2003, The City also implemented a new capital asset policy increasing the capitalization threshold for capital assets from \$1,000 to \$5,000.

The implementation of these changes and an understatement of deferred revenue had the following effects on fund balance of the major and nonmajor funds of the City as they were previously reported. The transition from governmental fund balance to net assets of the governmental activities is also presented.

	General	Municipal Income Tax	Bond Retirement	Non-Major
Fund Balances (Deficit), December 31, 2002	\$951,295	\$1,893,989	\$420,412	67,002
Matured Compensated Absences Payable	535,626	0	0	81,207
Understatement of Deferred Revenue	0	0	0	(144,791)
Adjusted Fund Balances (Deficit) December 31, 2002	<u>\$1,486,921</u>	<u>\$1,893,989</u>	<u>\$420,412</u>	<u>\$3,418</u>

(continued)

	Total
Fund Balances (Deficit), December 31, 2002	\$3,332,698
Matured Compensated Absences Payable	\$616,833
Understatement of Deferred Revenue	(144,791)
Adjusted Fund Balances (Deficit) December 31, 2002	3,804,740
GASB 34 Adjustments:	
Capital Assets	42,139,132
Long-Term (Deferred) Assets	3,706,631
Accrued Interest Payable	(92,243)
Long-Term Liabilities:	(11,585,114)
Compensated Absences Payable	(2,224,357)
Governmental Activities Net Assets, December 31, 2002	<u>\$35,748,789</u>

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

C. Compliance and Accountability

The following funds had deficit fund balances/net assets at December 31, 2003:

Special Revenue Funds:	
Police Pension	\$132,125
Fire Pension	\$136,628
Capital Project Funds:	
Street Improvement	\$921,760
C.D.B.G.	\$ 85,503
Turney Road Reconstruction	\$670,000

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

Note 4 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Investments are reported at cost (budget) rather than fair value (GAAP).

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

Net Change in Fund Balance

	General	Municipal Income Tax
GAAP Basis	(\$452,584)	(\$437,561)
Net Adjustment for Revenue Accruals	132,406	52,142
Net Adjustment for Expenditure Accruals	105,344	(56)
Encumbrances	(5,809)	0
Budget Basis	(\$220,643)	(\$385,475)

Note 5 – Deposits and Investments

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

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

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

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAROhio).

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

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

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

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

Deposits

At year-end, the carrying amount of the City's deposits was \$729,588, and the bank balance was \$770,557. Of the bank balance:

1. \$231,752 was covered by Federal depository insurance.
2. \$538,805 was considered uninsured and uncollateralized, even though securities for collateral were held by the pledging financial institutions' trust department in the financial institution's name and all State statutory requirements for the deposit of money had been followed. Non-compliance with federal requirements would potentially subject the City to a successful claim by the FDIC. At year end, the City had \$2,630 of undeposited cash on hand

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

B. Investments

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

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

	Category 3	Fair Value
Federal Home Loan Bank Bonds	\$ 500,000	\$ 500,000
Federal National Mortgage Association Bonds	1,497,250	1,497,250
STAROhio	Non Categorized	1,701,291
Total Investments	<u>\$1,997,250</u>	<u>\$ 3,698,541</u>

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No.9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

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

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$4,428,129	\$0
Parts of Pool:		
STAROhio	(1,701,291)	1,701,291
Federal Home Bank Bonds	(500,000)	500,000
Federal National Mortgage Assn. Bonds.	<u>(\$1,497,250)</u>	<u>\$1,497,250</u>
GASB Statement No. 3	<u>\$729,588</u>	<u>\$3,698,541</u>

City of Maple Heights, Ohio
 Notes to the Basic Financial Statements
 For Year Ended December 31, 2003

Note 6 - Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2003 for real and public utility property taxes represents collections of the 2002 taxes. Property tax payments received during 2003 for tangible personal property (other than public utility property) are for 2003 taxes.

2003 real property taxes are levied after October 1, 2003 on the assessed value as of January 1, 2003, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2003 real property taxes are collected in and intended to finance 2004.

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. 2003 public utility property taxes which became a lien December 31, 2002, are levied after October 1, 2003, and are collected in 2004 with real property taxes.

2003 tangible personal property taxes are levied after October 1, 2002, on the value as of December 31, 2002. Collections are made in 2003. Tangible personal property assessments are 25 percent of true value for capital assets and 24 percent of true value for inventory.

The full tax rate for all City operations for the year ended December 31, 2003, was \$14.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2003 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$350,154,050
Public Utility Real	14,477,060
Tangible Personal	39,466,822
Total	<u>\$404,097,932</u>

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

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Maple Heights. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2003 and for which there is an enforceable legal claim. In the general fund, the bond retirement, street lighting, police and fire pension funds and police and fire levy special revenue funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2003 operations and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectable delinquent property taxes have been recorded as revenue while the remainder of the receivables is deferred.

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

Note 7 - Income Tax

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

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

Note 8 - Receivables

Receivables at December 31, 2003, consisted of taxes, accounts (billings for user charged services), special assessments, interest, and intergovernmental receivables. All receivables are deemed collectible in full.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Gasoline Tax	\$68,138
Auto Registration	104,458
Municipal Cents Per Gallon	136,039
Permissive Tax	10,134
Local Government	788,128
Estate Tax	8,000
Homestead and Rollback	389,727
Water Use Fees	286,685
S.E.A.L.E. Reimbursement	6,869
Prisoner Recovery	52,916
Garfield Heights Municipal Court	8,900
Valley View Income Tax Sharing	47,677
Broadway Streetscape CDBG	85,702
Miscellaneous	6,436
Total	<u><u>\$1,999,809</u></u>

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

Note 10 – Capital Assets

A summary of changes in capital assets during 2003 follows:

	Balance 12/31/02	Additions	Deletions	Balance 12/31/03
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$157,702	\$23,169	\$0	\$180,871
<i>Total Capital Assets Not Being Depreciated</i>	<u>157,702</u>	<u>23,169</u>	<u>0</u>	<u>180,871</u>
<i>Capital Assets Being Depreciated</i>				
Building	5,216,016			5,216,016
Equipment	167,094	195,559	(3,887)	358,766
Vehicles	4,346,053	439,498	(415,309)	4,370,242
Infrastructure				
Roads	17,019,209	591,369		17,610,578
Traffic Signals	2,870,010	25,691		2,895,701
Sidewalks	1,305,802			1,305,802
Storm Sewers	21,111,650	14,127		21,125,777
<i>Total Capital Assets Being Depreciated</i>	<u>52,035,834</u>	<u>1,266,244</u>	<u>(419,196)</u>	<u>52,882,882</u>
Less Accumulated Depreciation				
Building	(2,286,101)	(200,869)		(2,486,970)
Equipment	(46,348)	(29,762)	3,887	(72,223)
Vehicles	(1,791,730)	(311,737)	257,677	(1,845,790)
Infrastructure				
Roads	(3,315,372)	(432,873)		(3,748,245)
Traffic Signals	(259,004)	(144,142)		(403,146)
Sidewalks	(208,982)	(32,645)		(241,627)
Storm Sewers	(2,164,765)	(281,583)		(2,446,348)
<i>Total Accumulated Depreciation</i>	<u>(10,072,302)</u>	<u>(1,433,611)</u>	<u>261,564</u>	<u>(11,244,349)</u>
Total Capital Assets Being Depreciated, Net	<u>\$41,963,532</u>	<u>(\$167,367)</u>	<u>(\$157,632)</u>	<u>\$41,638,533</u>
Governmental Activities Capital Assets, Net	<u>\$42,121,234</u>	<u>(\$144,198)</u>	<u>(\$157,632)</u>	<u>\$41,819,404</u>

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

	Balance 12/31/02	Additions	Deletions	Balance 12/31/03
Business Type Activities				
<i>Capital Assets Being Depreciated</i>				
Building	\$225,338	\$0	\$0	\$225,338
Equipment	169,558	0	0	169,558
Vehicles	81,126	0	(17,898)	63,228
<i>Total Capital Assets Being Depreciated</i>	<u>476,022</u>	<u>0</u>	<u>(17,898)</u>	<u>458,124</u>
Less Accumulated Depreciation				
Building	(225,338)	0		(225,338)
Equipment	(139,514)	(3,887)	0	(143,401)
Vehicles	(45,341)	(6,561)	17,898	(34,004)
<i>Total Accumulated Depreciation</i>	<u>(410,193)</u>	<u>(10,448)</u>	<u>17,898</u>	<u>(402,743)</u>
Total Business Type Activities Capital Assets, Net	<u>\$65,829</u>	<u>(\$10,448)</u>	<u>\$0</u>	<u>\$55,381</u>

Depreciation expense was charged to governmental functions as follows:

Security of Persons and Property	\$ 386,578
Transportation	693,868
General Government	8,918
Leisure Time Activities	50,852
Basic Utility Services	290,956
	<u> </u>
Total	<u>\$1,431,172</u>

Note 11 - Risk Management

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

Each member provides operating resources to NORMA based on actuarially determined rates and shares in NORMA's equity based on the City's percentage of contributions. In the event of losses, the first \$2,500 of any valid claim will be paid by the member. The next payment, up to an additional \$147,500 will be paid from the self-insurance pool. Any additional payment is made from the stop loss coverage carried by the pool. As of December 31, 2003 NORMA had an aggregate stop loss of \$750,000 per policy year. Any losses over these amounts would be the obligation of the excess insurance carriers. If the aggregate claims paid by the pool

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

exceed the available resources, the pool may require the members to make additional supplementary payments up to a maximum of the regular annual payment. (This has not been necessary throughout the fourteen-year history of the pool.)

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

Type of Coverage	Coverage Amount
Property	\$15,655,197
Automobile Liability	1,000,000
General Liability, Per Occurrence	1,000,000
General Liability, In Aggregate	5,000,000
Public Employee Dishonest Bond	50,000
Money and Securities	100,000
Fire/EMT Liability	2,000,000
Public Officials Liability	2,000,000
Umbrella Liability	2,000,000
Inland Marine	1,000,000
Law Enforcement Liability	
Per Occurrence	1,000,000
In Aggregate	2,000,000

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

Note 12 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, the members of all three plans were required to contribute 8.5 percent of their annual covered salaries. The City's contribution rate for pension benefits for 2003 was 8.55 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2003, 2002, and 2001 were \$1,010,248, \$992,185, and \$833,764 respectively; 84.27 percent has been contributed for 2003 and 100 percent for 2002 and 2001. Contributions to the member-directed plan for 2003 were \$ 316 made by the City and \$198 made by the plan members.

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 11.75 percent for police officers and 16.25 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$510,697 and \$553,917 for the year ended December 31, 2003, \$507,777 and \$529,307 for the year ended December 31, 2002, and \$481,780 and \$522,574 for the year ended December 31, 2001. The full amount has been contributed for 2002 and 2001. 75.31 percent for police and 76.42 percent for firefighters has been contributed for 2003 with the remainder being reported as a liability.

Note 13 – Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2003 local government employer contribution rate was 13.55 percent of covered payroll; 5.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent

City of Maple Heights, Ohio
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compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care premiums were assumed to increase 4 percent annually.

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

The number of active contributing participants in the traditional and combined plans was 364,881. Actual employer contributions for 2003 which were used to fund postemployment benefits were \$372,789. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care plan. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

B. Ohio Police and Fire Pension Fund

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

The City's actual contributions for 2003 that were used to fund postemployment benefits were \$202,969 for police and \$178,869 for fire. The OP&F's total health care expenses for the year ended December 31, 2002, (the latest information available) were \$141,028,006, which was net of member contributions of \$12,623,875. The number of OP&F participants eligible to receive health care benefits as of December 31, 2002, was 13,527 for police and 10,396 for firefighters.

Note 14 - Compensated Absences

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

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

Note 15 - Capital Leases

The capital lease obligations are agreements entered into by the City for certain leased equipment. Such agreements are treated as lease purchases (capital leases) and meet the criteria of a capital lease as defined by Financial Accounting Standards No. 13 "Accounting for Leases" and have been recorded on the government-wide statements. Upon satisfaction of the lease obligations, title to the equipment will pass to the City. The City acquired a bucket truck and sewer flusher through capital lease in 1998 and 2003 respectively. The capital lease for the sewer flusher was fully retired in 2003. Future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2003 are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities-Bucket Truck</u>
2004	\$9,381
2005	\$9,381
2006	\$9,381
2007	\$9,381
2008	<u>\$3,909</u>
Total minimum lease payments	\$41,433
Less: amount representing interest	<u>(\$3,880)</u>
Present value of minimum lease payments	<u>\$37,553</u>

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

	<u>Bucket Truck</u>	<u>Sewer Flusher</u>
Assets:		
Vehicles	\$42,491	\$165,800
Accumulated		
Depreciation:	<u>(\$2,833)</u>	<u>(\$45,733)</u>
Net Book Value	<u>\$39,658</u>	<u>\$120,067</u>

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

Note 16 - Note Obligations

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

	Outstanding 12/31/02	Additions	Reductions	Outstanding 12/31/03
General Obligation Notes				
1.70% Capital Purpose Notes, Series 2002	\$1,940,000	\$0	\$1,940,000	\$0
1.15% Capital Purpose Notes, Series 2003	\$0	\$1,940,000	\$0	\$1,940,000
Total Notes	\$1,940,000	\$1,940,000	\$1,940,000	\$1,940,000

All notes are backed by the full faith and credit of the City of Maple Heights. The Note liability is reflected in the fund which received the proceeds. By Ohio Law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50% of anticipated revenue collections. All notes outstanding at year-end are bond anticipation notes. The notes will be refinanced until the projects are complete and the City determines it to be advantageous to issue bonds.

Note 17 - Long-Term Obligations

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

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

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

	Outstanding 12/31/2002	Additions	Reductions	Outstanding 12/31/2003	Amount Due in One Year
Governmental Activities					
General Obligation Bonds					
1984 Street Resurfacing	\$200,651	\$0	\$100,326	\$100,325	\$100,325
1993 Sewer Improvement	915,000		65,000	850,000	65,000
1994 Sewer Improvement	160,000		79,000	81,000	81,000
1998 Capital Purpose & Refunding	3,652,480		420,000	3,232,480	440,000
2000 Capital Purpose Bonds	2,815,000	0	100,000	2,715,000	105,000
Total General Obligation Bonds	7,743,131	0	764,326	6,978,805	791,325
Special Assessment Bonds					
1984 Special Assessments	69,347	0	34,675	34,672	34,672
Total Special Assessment Bonds	69,347	0	34,675	34,672	34,672
Compensated Absences Payable	2,224,357	274,208	151,308	2,347,257	151,308
Capital Lease Payable	18,677	41,985	23,109	37,553	7,869
OWDA Loans					
1996 Kenyon/Gardenview Sewer Imp.	1,911,463	0	108,076	1,803,387	112,618
1996 Phase I Sewer Imp.	584,202	0	32,611	551,591	34,045
1997 Phase II Sewer Imp.	85,073	0	4,849	80,224	5,047
Total OWDA Loans	2,580,738	0	145,536	2,435,202	151,710
OPWC Loans					
1994 Maplewood/Northwood Sewers	463,657	0	34,345	429,312	34,345
1997 Southgate Pk/Lee Rd. South	153,161	0	9,282	143,879	9,282
2003 Industrial Ave./E.141st. Imp.	556,403	0	0	556,403	27,820
Total OPWC Loans	1,173,221	0	43,627	1,129,594	71,447
Total Loans Payable	3,753,959	0	189,163	3,564,796	223,157
Total Governmental Activities	\$13,809,471	\$316,193	\$1,162,581	\$12,963,083	\$1,208,331
Business Type Activities					
Compensated Absences Payable	\$ 308,153	\$ 8,421	\$ 26,087	\$ 290,487	\$ 26,087
Total Business Type Activities	\$ 308,153	\$ 8,421	\$ 26,087	\$ 290,487	\$ 26,087

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

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

The City's overall legal debt margin was \$38,254,509 at December 31, 2003. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2003, are as follows:

	General Obligation Bonds		Special Assessment Bonds		Ohio Water Development Authority		Total Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$ 791,325	\$ 265,762	\$ 34,672	\$ 3,597	\$ 151,710	\$ 100,680	\$ 977,707	\$ 370,039
2005	650,000	223,432			158,147	94,244	808,147	317,676
2006	528,150	355,737			164,857	87,534	693,007	443,271
2007	516,460	362,652			171,852	80,539	688,312	443,191
2008	518,353	370,747			179,143	73,247	697,496	443,994
2009-2013	2,204,517	1,373,222			1,016,395	245,559	3,220,912	1,618,781
2014-2018	1,320,000	319,175			593,098	37,880	1,913,098	357,055
2019-2020	450,000	35,700					450,000	35,700
Total	\$6,978,805	\$3,306,427	\$34,672	\$3,597	\$2,435,202	\$719,683	\$9,448,679	\$4,029,707

	Ohio Public Works Commission	
	Principal	Interest
2004	\$71,447	\$0
2005	71,447	0
2006	71,447	0
2007	71,447	0
2008	71,447	0
2009-2013	357,240	0
2014-2018	271,377	0
2019-2020	143,742	0
Total	\$1,129,594	\$0

Note 19 - Litigation

The City of Maple Heights is a party to legal proceedings. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Note 20 - Jointly Governed Organizations

A. Northern Ohio Risk Management Association

The Northern Ohio Risk Management Association (NORMA) municipal insurance pool was originally formed in 1987. The city of Maple Heights became a member on October 1, 1993. The pool is comprised of eleven member cities that pool resources for the purpose of gaining maximum general liability, property and casualty coverages at the least possible cost. NORMA is governed by a board of Trustees consisting of a representative from each municipality. The Trustees exercise control over such matters as budgeting and contracting services. Each city's degree of control is limited to its representation on the Board. In 2003, the City of Maple Heights remitted \$193,063 in insurance premiums to NORMA.

B. Northeast Ohio Public Energy Council

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

C. Southeast Area Law Enforcement Organization

The Southeast Area Law Enforcement Organization is comprised of seven municipalities in southeastern Cuyahoga County for the purpose of providing assistance in the form of a SWAT team, Bomb Unit, Investigative Unit, Narcotics Unit, Crisis Negotiation Team, and Communications Unit. In 2003, the City of Maple Heights contributed \$17,360 to the organization. The Southeast Area Law Enforcement organization financial statements may be obtained by contacting the Finance Director from the City of Bedford, Ohio.

D. Chagrin/Southeast Council of Governments

The Chagrin/Southeast Council of Governments operates the Chagrin/Southeast Haz-Mat Response Team. The team was formed in 1990 to assist local fire departments in responding to incidents involving industrial chemicals. In 2003, the City of Maple Heights contributed \$2,000 to the organization. The Chagrin/Southeast Council of Governments financial statements may be obtained by contacting the Finance Director from the City of Bedford Heights, Ohio.

City of Maple Heights, Ohio
Notes to the Basic Financial Statements
For Year Ended December 31, 2003

Note 21 - Interfund Transfers

The municipal income tax fund transfers to the major and non-major governmental funds were made to provide additional resources for current operations. The transfer from the non-major governmental funds to major and non-major governmental funds were made to provide additional resources for current operations. The transfers from the non-major governmental funds to the bond retirement fund were to cover various debt obligations of the City. The transfers from the general fund to the non-major governmental funds were to pay for the current portion of the Ohio Police and Fire Pension. The transfer from the Transit enterprise fund to the non-major governmental funds was to pay for local expenses originally covered by the capital projects non-major governmental fund.

Transfers made during the year ended December 31, 2003 were as follows:

Transfer To	Transfer from						
	Governmental Activities				Business Type Activities		
	General	Municipal Income Tax	Bond Retirement	Non-Major Governmental Activities	Total Governmental Activities	Maple Heights Transit Total	Total
<i>Governmental Activities</i>							
General	\$0	\$6,100,000	\$0	\$350,000	\$6,450,000		\$6,450,000
Municipal Income Tax	0	0	0	79,161	79,161	0	\$79,161
Bond Retirement	0	0	0	83,000	83,000	0	\$83,000
Non-Major Governmental Funds	772,500	461,490	32,980	469,691	1,736,661	76,728	\$1,813,389
<i>Total Governmental Activities</i>	<u>\$ 772,500</u>	<u>\$ 6,561,490</u>	<u>\$ 32,980</u>	<u>\$ 981,852</u>	<u>\$ 8,348,822</u>	<u>\$ 76,728</u>	<u>\$8,425,550</u>
<i>Business Type Activities</i>							
Maple Heights Transit	0	0	0	77,860	77,860		\$77,860
<i>Total</i>	<u>\$772,500</u>	<u>\$6,561,490</u>	<u>\$32,980</u>	<u>\$1,059,712</u>	<u>\$8,426,682</u>	<u>\$76,728</u>	<u>\$8,503,410</u>

Note 22 - Contractual Commitments

At December 31, 2003, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contractor</u>	<u>Amount Remaining on Contract</u>
2003 Road Resurfacing	Osterland Paving Co.	\$298,159
Broadway Streetscape	Velotta Paving	131,885
		<u>\$430,044</u>

Note 23 - Subsequent Events

On May 19, 2004, Maple Heights City Council authorized the issuance of \$4,120,000 of various purpose General Obligation Bonds. The proceeds from the bonds will be used to finance various capital improvements, to refund certain outstanding General Obligation Bonds and to pay costs of issuance.

City of Maple Heights, Ohio

Combining Statements and Individual Fund Schedules

Non-Major Governmental Funds- Nonmajor Special Revenue

Street Maintenance and Repair Fund

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

State Highway Fund

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

COPS Equipment Fund

To account for the proceeds and disbursements for a federal grant used in community police programs.

Police Pension Fund

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

Fire Pension Fund

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

Cable Television Fund

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

Water Use Charge Fund

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

Street Lighting Fund

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

Ambulance Billing Service Fund

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

Municipal Motor Vehicle License Tax Fund

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

Continued

City of Maple Heights, Ohio

Combining Statements and Individual Fund Schedules

Continued

Non-Major Governmental Funds- Nonmajor Special Revenue

Drug Law Enforcement Fund

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

Computer Fee Fund

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

COPS Fast Grant Fund

To account for the proceeds and disbursements for a federal grant used for community police programs.

Police Services Levy Fund

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

Fire Services Levy Fund

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

Inmate Commissary Fund

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

DARE Fund

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

Office on Aging

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

Enterprise Park Fund

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

FEMA Fire Grant

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

City of Maple Heights, Ohio

Combining Statements and Individual Fund Schedules

Nonmajor Governmental Funds – Nonmajor Capital Projects Funds

City Hall Improvement Fund

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

Street Improvement Fund

To account for the financing and construction of street improvements.

Lee Road Improvement Fund

The account for the reconstruction of Lee Road.

Fire Truck Rehabilitation Fund

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

Community Development Block grant Fund

To account for monies associated with CDBG funded projects.

Northfield Road Improvement

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

Sidewalk Improvement Fund

To account for monies allocated for citywide sidewalk replacement.

Turney Road Reconstruction Fund

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

Traffic Signalization Fund

To account for monies associated with the replacement of traffic signals.

Industrial Avenue/E. 141st. Improvement Fund

To account for monies associated with the improvement of Industrial Ave./E. 141st.

City of Maple Heights, Ohio

Combining Balance Sheet – Non Major Governmental Funds

December 31, 2003

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 857,922	\$ 553,592	\$ 1,411,514
Receivables:			
Taxes	2,381,339	0	2,381,339
Accounts	255,250	0	255,250
Interest	2,472	829	3,301
Intergovernmental	<u>792,359</u>	<u>85,702</u>	<u>878,061</u>
Total Assets	\$ <u>4,289,342</u>	\$ <u>640,123</u>	\$ <u>4,929,465</u>
<u>Liabilities</u>			
Accounts Payable	\$ 159,559	\$ 206,726	\$ 366,285
Accrued Wages and Benefits	378,912	0	378,912
Due to Other Governments	66,948	0	66,948
Deferred Revenues	2,906,268	0	2,906,268
Notes Payable	<u>0</u>	<u>1,940,000</u>	<u>1,940,000</u>
Total Liabilities	<u>3,511,687</u>	<u>2,146,726</u>	<u>5,658,413</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	8,038	0	8,038
Unreserved:			
Undesignated	<u>769,617</u>	<u>(1,506,603)</u>	<u>(736,986)</u>
Total Fund Balances	<u>777,655</u>	<u>(1,506,603)</u>	<u>(728,948)</u>
Total Liabilities and Fund Balances	\$ <u>4,289,342</u>	\$ <u>640,123</u>	\$ <u>4,929,465</u>

City of Maple Heights, Ohio

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

For The Year Ended December 31, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$ 1,493,100	\$ 0	\$ 1,493,100
Intergovernmental	1,066,642	151,686	1,218,328
Charges for Services	1,057,533	0	1,057,533
Fees, Licenses, Permits	359,348	0	359,348
Interest Income	9,648	3,986	13,634
Miscellaneous Income	<u>212,383</u>	<u>0</u>	<u>212,383</u>
Total Revenues	<u>4,198,654</u>	<u>155,672</u>	<u>4,354,326</u>
Expenditures			
Current Operations and Maintenance:			
Security of Persons and Property	2,504,024	0	2,504,024
Leisure Time Activities	50,533	0	50,533
Basic Utility Services	275,624	0	275,624
Transportation	1,239,508	143,509	1,383,017
Community Development	0	78,561	78,561
General Government	419,244	46,907	466,151
Capital Outlay	246,320	558,408	804,728
Debt Service:			
Principal Retirement	179,881	0	179,881
Interest and Fiscal Charges	<u>106,855</u>	<u>32,980</u>	<u>139,835</u>
Total Expenditures	<u>5,021,989</u>	<u>860,365</u>	<u>5,882,354</u>
Excess of Revenues Over (Under) Expenditures	<u>(823,335)</u>	<u>(704,693)</u>	<u>(1,528,028)</u>
Other Financing Sources (Uses)			
Capitalization of Lease	41,985	0	41,985
Operating Transfers - In	1,372,192	441,197	1,813,389
Operating Transfers - Out	<u>(956,852)</u>	<u>(102,860)</u>	<u>(1,059,712)</u>
Total Other Financing Sources (Uses)	<u>457,325</u>	<u>338,337</u>	<u>795,662</u>
Net Changes in Fund Balances	(366,010)	(366,356)	(732,366)
Fund Balances at Beginning of Year as Restated	<u>1,143,665</u>	<u>(1,140,247)</u>	<u>3,418</u>
Fund Balances (Deficit) at End of Year	\$ <u>777,655</u>	\$ <u>(1,506,603)</u>	\$ <u>(728,948)</u>

City of Maple Heights, Ohio

Combining Balance Sheet – Non Major Governmental Funds – Special Revenue

December 31, 2003

	<u>Street Maintenance & Repair</u>	<u>State Highway</u>	<u>COPS Equipment Grant</u>	<u>Police Pension</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 116,436	\$ 34,653	\$ 0	\$ 6,627
Receivables:				
Taxes	0	0	0	135,522
Accounts	0	0	0	0
Interest	352	104	0	0
Intergovernmental	<u>285,489</u>	<u>23,148</u>	<u>0</u>	<u>6,368</u>
Total Assets	\$ <u>402,277</u>	\$ <u>57,905</u>	\$ <u>0</u>	\$ <u>148,517</u>
<u>Liabilities</u>				
Accounts Payable	\$ 24,360	\$ 2,099	\$ 0	\$ 0
Accrued Wages and Benefits	33,461	7,497	0	138,752
Due to Other Governments	24,290	2,849	0	0
Deferred Revenues	<u>215,678</u>	<u>17,487</u>	<u>0</u>	<u>141,890</u>
Total Liabilities	<u>297,789</u>	<u>29,932</u>	<u>0</u>	<u>280,642</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	2,468	241	0	0
Unreserved:				
Undesignated	<u>102,020</u>	<u>27,732</u>	<u>0</u>	<u>(132,125)</u>
Total Fund Balances	<u>104,488</u>	<u>27,973</u>	<u>0</u>	<u>(132,125)</u>
Total Liabilities and Fund Balances	\$ <u>402,277</u>	\$ <u>57,905</u>	\$ <u>0</u>	\$ <u>148,517</u>

<u>Fire Pension</u>	<u>Cable Television</u>	<u>Water Use Charge</u>	<u>Street Lighting</u>	<u>Ambulance Billing Service</u>	<u>Municipal Motor Vehicle License Tax</u>
\$ 10,800	\$ 40,210	\$ 33,781	\$ 181,232	\$ 79,898	\$ 12,476
135,522	0	0	446,265	0	0
0	52,306	0	0	202,944	0
0	121	102	547	239	37
<u>6,368</u>	<u>0</u>	<u>286,685</u>	<u>24,000</u>	<u>0</u>	<u>10,134</u>
\$ <u>152,690</u>	\$ <u>92,637</u>	\$ <u>320,568</u>	\$ <u>652,044</u>	\$ <u>283,081</u>	\$ <u>22,647</u>
\$ 0	\$ 0	\$ 57,286	\$ 60,284	\$ 13,016	\$ 0
147,428	0	0	0	3,983	0
0	0	0	0	2,591	0
<u>141,890</u>	<u>0</u>	<u>152,538</u>	<u>470,265</u>	<u>0</u>	<u>0</u>
<u>289,318</u>	<u>0</u>	<u>209,824</u>	<u>530,549</u>	<u>19,590</u>	<u>0</u>
0	0	0	2,953	2,376	0
<u>(136,628)</u>	<u>92,637</u>	<u>110,744</u>	<u>118,542</u>	<u>261,115</u>	<u>22,647</u>
<u>(136,628)</u>	<u>92,637</u>	<u>110,744</u>	<u>121,495</u>	<u>263,491</u>	<u>22,647</u>
\$ <u>152,690</u>	\$ <u>92,637</u>	\$ <u>320,568</u>	\$ <u>652,044</u>	\$ <u>283,081</u>	\$ <u>22,647</u>

Continued

City of Maple Heights, Ohio

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

December 31, 2003

	<u>Drug Law Enforcement</u>	<u>Computer Fee</u>	<u>COPS Fast Grant</u>	<u>Police Services Levy</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 63,727	\$ 14,082	\$ 0	\$ 45,436
Receivables:				
Taxes	0	0	0	832,015
Accounts	0	0	0	0
Interest	192	0	0	137
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>	<u>51,245</u>
Total Assets	\$ <u>63,919</u>	\$ <u>14,082</u>	\$ <u>0</u>	\$ <u>928,833</u>
<u>Liabilities</u>				
Accounts Payable	\$ 0	\$ 1,707	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	0	21,473
Due to Other Governments	0	0	0	19,507
Deferred Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>883,260</u>
Total Liabilities	\$ <u>0</u>	\$ <u>1,707</u>	\$ <u>0</u>	\$ <u>924,240</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	0	0	0	0
Unreserved:				
Undesignated	<u>63,919</u>	<u>12,375</u>	<u>0</u>	<u>4,593</u>
Total Fund Balances	<u>63,919</u>	<u>12,375</u>	<u>0</u>	<u>4,593</u>
Total Liabilities and Fund Balances	\$ <u>63,919</u>	\$ <u>14,082</u>	\$ <u>0</u>	\$ <u>928,833</u>

<u>Fire Services Levy</u>	<u>Inmate Commissary</u>	<u>DARE</u>	<u>Office On Aging</u>	<u>Enterprise Park</u>	<u>FEMA Fire Grant</u>	<u>Total</u>
\$ 36,258	\$ 3,407	\$ 2,160	\$ 95,718	\$ 81,021	\$ 0	\$ 857,922
832,015	0	0	0	0	0	2,381,339
0	0	0	0	0	0	255,250
110	0	0	287	244	0	2,472
<u>51,245</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>47,677</u>	<u>0</u>	<u>792,359</u>
<u>\$ 919,628</u>	<u>\$ 3,407</u>	<u>\$ 2,160</u>	<u>\$ 96,005</u>	<u>\$ 128,942</u>	<u>\$ 0</u>	<u>\$ 4,289,342</u>
\$ 0	\$ 564	\$ 0	\$ 243	\$ 0	\$ 0	\$ 159,559
26,318	0	0	0	0	0	378,912
17,711	0	0	0	0	0	66,948
<u>883,260</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,906,268</u>
<u>\$ 927,289</u>	<u>\$ 564</u>	<u>\$ 0</u>	<u>\$ 243</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,511,687</u>
0	0	0	0	0	0	8,038
<u>(7,661)</u>	<u>2,843</u>	<u>2,160</u>	<u>95,762</u>	<u>128,942</u>	<u>0</u>	<u>769,617</u>
<u>(7,661)</u>	<u>2,843</u>	<u>2,160</u>	<u>95,762</u>	<u>128,942</u>	<u>0</u>	<u>777,655</u>
<u>\$ 919,628</u>	<u>\$ 3,407</u>	<u>\$ 2,160</u>	<u>\$ 96,005</u>	<u>\$ 128,942</u>	<u>\$ 0</u>	<u>\$ 4,289,342</u>

City of Maple Heights, Ohio

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

For The Year Ended December 31, 2003

	<u>Street Maintenance & Repair</u>	<u>State Highway</u>	<u>COPS Equipment Grant</u>	<u>Police Pension</u>
<u>Revenues</u>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 103,506
Intergovernmental	574,956	48,579	75,000	15,451
Charges for Services	0	0	0	0
Fees, Licenses, Permits	0	0	0	0
Interest Income	347	230	0	0
Miscellaneous Income	84,004	0	0	0
Total Revenues	<u>659,307</u>	<u>48,809</u>	<u>75,000</u>	<u>118,957</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property	0	0	100,000	491,718
Leisure Time Activities	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	1,142,139	97,369	0	0
General Government	0	0	0	0
Capital Outlay	67,207	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>1,209,346</u>	<u>97,369</u>	<u>100,000</u>	<u>491,718</u>
Excess of Revenues Over (Under) Expenditures	<u>(550,039)</u>	<u>(48,560)</u>	<u>(25,000)</u>	<u>(372,761)</u>
<u>Other Financing Sources (Uses)</u>				
Capitalization of Lease	41,985	0	0	0
Operating Transfers - In	400,000	15,000	25,000	396,500
Operating Transfers - Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>441,985</u>	<u>15,000</u>	<u>25,000</u>	<u>396,500</u>
Net Changes in Fund Balances	(108,054)	(33,560)	0	23,739
Fund Balances at Beginning of Year as Restated	<u>212,542</u>	<u>61,533</u>	<u>0</u>	<u>(155,864)</u>
Fund Balances (Deficit) at End of Year	\$ <u>104,488</u>	\$ <u>27,973</u>	\$ <u>0</u>	\$ <u>(132,125)</u>

<u>Fire Pension</u>	<u>Cable Television</u>	<u>Water Use Charge</u>	<u>Street Lighting</u>	<u>Ambulance Billing Service</u>	<u>Municipal Motor Vehicle License Tax</u>
\$ 103,506	\$ 0	\$ 0	\$ 345,020	\$ 0	\$ 0
15,451	0	0	51,507	3,119	0
0	0	605,515	0	417,878	0
0	205,806	0	0	0	153,544
0	608	104	2,484	105	574
0	0	2,251	0	0	0
<u>118,957</u>	<u>206,414</u>	<u>607,870</u>	<u>399,011</u>	<u>421,102</u>	<u>154,118</u>
618,749	0	0	0	157,365	0
0	0	0	0	0	0
0	0	275,624	0	0	0
0	0	0	0	0	0
0	0	0	370,005	0	0
0	0	14,127	0	160,125	0
0	0	179,881	0	0	0
0	0	106,855	0	0	0
<u>618,749</u>	<u>0</u>	<u>576,487</u>	<u>370,005</u>	<u>317,490</u>	<u>0</u>
<u>(499,792)</u>	<u>206,414</u>	<u>31,383</u>	<u>29,006</u>	<u>103,612</u>	<u>154,118</u>
0	0	0	0	0	0
526,000	0	0	0	0	0
<u>0</u>	<u>(350,000)</u>	<u>(33,000)</u>	<u>0</u>	<u>(59,690)</u>	<u>(310,000)</u>
<u>526,000</u>	<u>(350,000)</u>	<u>(33,000)</u>	<u>0</u>	<u>(59,690)</u>	<u>(310,000)</u>
26,208	(143,586)	(1,617)	29,006	43,922	(155,882)
<u>(162,836)</u>	<u>236,223</u>	<u>112,361</u>	<u>92,489</u>	<u>219,569</u>	<u>178,529</u>
\$ <u>(136,628)</u>	\$ <u>92,637</u>	\$ <u>110,744</u>	\$ <u>121,495</u>	\$ <u>263,491</u>	\$ <u>22,647</u>

Continued

City of Maple Heights, Ohio

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

For The Year Ended December 31, 2003

	<u>Drug Law Enforcement</u>	<u>Computer Fee</u>	<u>COPS Fast Grant</u>	<u>Police Services Levy</u>
Revenues				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 470,534
Intergovernmental	0	0	16,662	68,695
Charges for Services	0	34,140	0	0
Fees, Licenses, Permits	0	0	0	0
Interest Income	766	0	0	1,095
Miscellaneous Income	<u>70,752</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>71,518</u>	<u>34,140</u>	<u>16,662</u>	<u>540,324</u>
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property	18,891	0	0	525,549
Leisure Time Activities	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
General Government	0	49,239	0	0
Capital Outlay	0	3,876	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>18,891</u>	<u>53,115</u>	<u>0</u>	<u>525,549</u>
Excess of Revenues Over (Under) Expenditures	<u>52,627</u>	<u>(18,975)</u>	<u>16,662</u>	<u>14,775</u>
Other Financing Sources (Uses)				
Capitalization of Lease	0	0	0	0
Operating Transfers - In	0	0	0	0
Operating Transfers - Out	<u>0</u>	<u>0</u>	<u>(54,162)</u>	<u>(30,000)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(54,162)</u>	<u>(30,000)</u>
Net Change in Fund Balances	52,627	(18,975)	(37,500)	(15,225)
Fund Balances at Beginning of Year as Restated	<u>11,292</u>	<u>31,350</u>	<u>37,500</u>	<u>19,818</u>
Fund Balances (Deficit) at End of Year	\$ <u>63,919</u>	\$ <u>12,375</u>	\$ <u>0</u>	\$ <u>4,593</u>

Fire Services Levy	Inmate Commissary	DARE	Office on Aging	Enterprise Park	FEMA Fire Grant	Total
\$ 470,534	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,493,100
68,695	0	0	0	47,677	80,850	1,066,642
0	0	0	0	0	0	1,057,533
0	0	0	0	0	0	359,348
1,270	0	0	1,110	953	0	9,648
0	12,352	2,945	40,079	0	0	212,383
<u>540,499</u>	<u>12,352</u>	<u>2,945</u>	<u>41,189</u>	<u>48,630</u>	<u>80,850</u>	<u>4,198,654</u>
486,356	12,122	2,732	0	0	90,542	2,504,024
0	0	0	50,533	0	0	50,533
0	0	0	0	0	0	275,624
0	0	0	0	0	0	1,239,508
0	0	0	0	0	0	419,244
0	0	0	0	985	0	246,320
0	0	0	0	0	0	179,881
0	0	0	0	0	0	106,855
<u>486,356</u>	<u>12,122</u>	<u>2,732</u>	<u>50,533</u>	<u>985</u>	<u>90,542</u>	<u>5,021,989</u>
<u>54,143</u>	<u>230</u>	<u>213</u>	<u>(9,344)</u>	<u>47,645</u>	<u>(9,692)</u>	<u>(823,335)</u>
0	0	0	0	0	0	41,985
0	0	0	0	0	9,692	1,372,192
<u>(120,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(956,852)</u>
<u>(120,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,692</u>	<u>457,325</u>
(65,857)	230	213	(9,344)	47,645	0	(366,010)
<u>58,196</u>	<u>2,613</u>	<u>1,947</u>	<u>105,106</u>	<u>81,297</u>	<u>0</u>	<u>1,143,665</u>
\$ <u>(7,661)</u>	\$ <u>2,843</u>	\$ <u>2,160</u>	\$ <u>95,762</u>	\$ <u>128,942</u>	\$ <u>0</u>	\$ <u>777,655</u>

City of Maple Heights, Ohio

Combining Balance Sheet - Non Major Governmental Funds - Capital Projects

December 31, 2003

	<u>City Hall Improvement</u>	<u>Street Improvement</u>	<u>Lee Road Improvement</u>	<u>Fire Truck Rehabilitation</u>	<u>Community Development Block Grants</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 112,842	\$ 274,582	\$ 19,183	\$ 7,747	\$ 91,497
Receivables:					
Interest	0	829	0	0	0
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>85,702</u>
Total Assets	<u>\$ 112,842</u>	<u>\$ 275,411</u>	<u>\$ 19,183</u>	<u>\$ 7,747</u>	<u>\$ 177,199</u>
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 107,171	\$ 295	\$ 0	\$ 85,702
Notes Payable	<u>0</u>	<u>1,090,000</u>	<u>0</u>	<u>0</u>	<u>180,000</u>
Total Liabilities	<u>0</u>	<u>1,197,171</u>	<u>295</u>	<u>\$ 0</u>	<u>265,702</u>
<u>Fund Balances</u>					
Unreserved:					
Undesignated (Deficit)	<u>112,842</u>	<u>(921,760)</u>	<u>18,888</u>	<u>7,747</u>	<u>(88,503)</u>
Total Fund Balances (Deficit)	<u>112,842</u>	<u>(921,760)</u>	<u>18,888</u>	<u>7,747</u>	<u>(88,503)</u>
Total Liabilities and Fund Balances	<u>\$ 112,842</u>	<u>\$ 275,411</u>	<u>\$ 19,183</u>	<u>\$ 7,747</u>	<u>\$ 177,199</u>

<u>Northfield Road Improvements</u>	<u>Sidewalk Improvement</u>	<u>Turney Road Reconstruction</u>	<u>Traffic Signalization</u>	<u>Industrial Ave. East 141st. Imp.</u>	<u>Total</u>
\$ 43,959	\$ 3,782	\$ 0	\$ 0	\$ 0	\$ 553,592
0	0	0	0	0	829
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>85,702</u>
\$ <u>43,959</u>	\$ <u>3,782</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>640,123</u>
\$ 13,558	\$ 0	\$ 0	\$ 0	\$ 0	\$ 206,726
<u>0</u>	<u>0</u>	<u>670,000</u>	<u>0</u>	<u>0</u>	<u>1,940,000</u>
\$ <u>13,558</u>	\$ <u>0</u>	<u>670,000</u>	<u>0</u>	<u>0</u>	<u>2,146,726</u>
<u>30,401</u>	<u>3,782</u>	<u>(670,000)</u>	<u>0</u>	<u>0</u>	<u>(1,506,603)</u>
<u>30,401</u>	<u>3,782</u>	<u>(670,000)</u>	<u>0</u>	<u>0</u>	<u>(1,506,603)</u>
\$ <u>43,959</u>	\$ <u>3,782</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>640,123</u>

City of Maple Heights, Ohio

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

For The Year Ended December 31, 2003

	<u>City Hall Improvement</u>	<u>Street Improvement</u>	<u>Lee Road Improvement</u>	<u>Fire Truck Rehabilitation</u>	<u>Community Development Block Grants</u>
<u>Revenues</u>					
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 115,143
Interest Income	<u>0</u>	<u>3,986</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>3,986</u>	<u>0</u>	<u>0</u>	<u>115,143</u>
<u>Expenditures</u>					
Current Operations and Maintenance:					
Community Development	0		0	0	78,561
Transportation	0	75,996	0	0	0
General Government	0		46,882	25	0
Capital Outlay	23,169	349,666	0	0	163,234
Debt Service:					
Interest and Fiscal Charges	<u>0</u>	<u>18,469</u>	<u>0</u>	<u>0</u>	<u>2,968</u>
Total Expenditures	<u>23,169</u>	<u>444,131</u>	<u>46,882</u>	<u>25</u>	<u>244,763</u>
Excess of Revenues Over (Under) Expenditures	<u>(23,169)</u>	<u>(440,145)</u>	<u>(46,882)</u>	<u>(25)</u>	<u>(129,620)</u>
<u>Other Financing Sources (Uses)</u>					
Operating Transfers - In	0	328,469	0	0	24,458
Operating Transfers - Out	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>(25,000)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>328,469</u>	<u>0</u>	<u>0</u>	<u>(542)</u>
Net Change in Fund Balances	(23,169)	(111,676)	(46,882)	(25)	(130,162)
Fund Balances (Deficit) at Beginning of Year	<u>136,011</u>	<u>(810,084)</u>	<u>65,770</u>	<u>7,772</u>	<u>41,659</u>
Fund Balances (Deficit) at End of Year	\$ <u>112,842</u>	\$ <u>(921,760)</u>	\$ <u>18,888</u>	\$ <u>7,747</u>	\$ <u>(88,503)</u>

<u>Northfield Road Improvements</u>	<u>Sidewalk Improvement</u>	<u>Turney Road Reconstruction</u>	<u>Traffic Signalization</u>	<u>Industrial Ave. E.141st. Imp.</u>	<u>Total</u>
\$ 17,055	\$ 0	\$ 0	\$ 19,488	\$ 0	\$ 151,686
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,986</u>
<u>17,055</u>	<u>0</u>	<u>0</u>	<u>19,488</u>	<u>0</u>	<u>155,672</u>
0	0	0	0	0	78,561
64,988	0	0	2,525	0	143,509
0	0	0	0	0	46,907
0	0	0	22,339	0	558,408
<u>0</u>	<u>0</u>	<u>11,543</u>	<u>0</u>	<u>0</u>	<u>32,980</u>
<u>64,988</u>	<u>0</u>	<u>11,543</u>	<u>24,864</u>	<u>0</u>	<u>860,365</u>
<u>(47,933)</u>	<u>0</u>	<u>(11,543)</u>	<u>(5,376)</u>	<u>0</u>	<u>(704,693)</u>
0	0	88,270	0	0	441,197
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(77,860)</u>	<u>(102,860)</u>
<u>0</u>	<u>0</u>	<u>88,270</u>	<u>0</u>	<u>(77,860)</u>	<u>338,337</u>
(47,933)	0	76,727	(5,376)	(77,860)	(366,356)
<u>78,334</u>	<u>3,782</u>	<u>(746,727)</u>	<u>5,376</u>	<u>77,860</u>	<u>(1,140,247)</u>
\$ <u>30,401</u>	\$ <u>3,782</u>	\$ <u>(670,000)</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(1,506,603)</u>

City of Maple Heights, Ohio

Combining Statements – Agency Funds

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

3%OBBS Fees

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

Street Openings

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

Tree Deposits

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

Architect and Engineering Deposits

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

Mayor's Court Bond Account

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

Payroll Agency

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

City of Maple Heights, Ohio

Combining Statement of Assets and Liabilities – Agency Funds

December 31, 2003

	<u>Three Percent OBBS Fees</u>	<u>Street Openings</u>	<u>Tree Deposits</u>	<u>Architect & Engineering Deposits</u>	<u>Mayor's Court Bond Account</u>
<u>Assets</u>					
Equity in Pooled					
Cash and Cash Equivalents	\$ <u>841</u>	\$ <u>15,275</u>	\$ <u>3,900</u>	\$ <u>28,400</u>	\$ <u>7,900</u>
Total Assets	\$ <u>841</u>	\$ <u>15,275</u>	\$ <u>3,900</u>	\$ <u>28,400</u>	\$ <u>7,900</u>
<u>Liabilities</u>					
Deposits Held and Due to Others	\$ <u>841</u>	\$ <u>15,275</u>	\$ <u>3,900</u>	\$ <u>28,400</u>	\$ <u>7,900</u>
Total Liabilities	\$ <u>841</u>	\$ <u>15,275</u>	\$ <u>3,900</u>	\$ <u>28,400</u>	\$ <u>7,900</u>

<u>Payroll</u> <u>Agency</u>	<u>Total</u>
\$ <u>104,909</u>	\$ <u>161,225</u>
\$ <u>104,909</u>	\$ <u>161,225</u>
\$ <u>104,909</u>	\$ <u>161,225</u>
\$ <u>104,909</u>	\$ <u>161,225</u>

City of Maple Heights, Ohio

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

For The Year Ended December 31, 2003

	<u>Three Percent OBBS Fees</u>	<u>Street Openings</u>	<u>Tree Deposits</u>	<u>Architect & Engineering Deposits</u>	<u>Mayor's Court Bond Account</u>
Cash and Offsetting Agent Liability Balances, December 31, 2002	\$ 556	\$ 14,325	\$ 3,700	\$ 33,532	\$ 12,150
Additions	1,445	950	200	15,882	168,201
Deductions	<u>(1,160)</u>	<u>0</u>	<u>0</u>	<u>(21,014)</u>	<u>(172,451)</u>
Cash and Offsetting Agent Liability Balances, December 31, 2003	\$ <u>841</u>	\$ <u>15,275</u>	\$ <u>3,900</u>	\$ <u>28,400</u>	\$ <u>7,900</u>

<u>Payroll</u> <u>Agency</u>	<u>Total</u>
\$ 140,734	\$ 204,997
13,177,049	13,363,727
<u>(13,212,874)</u>	<u>(13,407,499)</u>
\$ <u>104,909</u>	\$ <u>161,225</u>

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

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
General Fund				
Revenues				
Property Taxes	\$ 2,608,758	\$ 2,608,758	\$ 2,587,654	\$ (21,104)
Intergovernmental	3,053,699	2,996,129	3,067,510	71,381
Charges For Services	433,009	433,009	425,566	(7,443)
Fees, Licenses, Permits	601,250	601,250	608,235	6,985
Fines and Forfeitures	659,500	659,500	645,413	(14,087)
Interest Income	40,000	40,000	33,233	(6,767)
Workers Compensation Settlement & Refunds		41,000	44,614	3,614
Miscellaneous	369,000	369,000	287,017	(81,983)
Total Revenues	7,765,216	7,748,646	7,699,242	(49,404)
Expenditures				
Security of Persons & Property				
Police				
Personnel	2,860,050	2,840,050	2,714,587	125,463
Other	378,200	398,200	357,626	40,574
Total Police	3,238,250	3,238,250	3,072,213	166,037
School Guards				
Personnel	81,400	82,900	81,211	1,689
Jail Administrators				
Personnel	769,700	801,200	798,292	2,908
Other	150,100	155,100	144,763	10,337
Total Jail Administrators	919,800	956,300	943,055	13,245
Fire Department				
Personnel	2,466,750	2,466,750	2,395,110	71,640
Other	265,700	265,700	252,817	12,883
Total Fire Department	2,732,450	2,732,450	2,647,927	84,523
Auxiliary Police				
Personnel	118,400	125,400	122,488	2,912
Police Administration				
Personnel	775,200	797,200	790,028	7,172
Total Security of Persons and Property	7,865,500	7,932,500	7,656,922	275,578

Continued

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Leisure Time Activities				
Parks				
Personnel	\$ 53,700	\$ 53,700	\$ 47,801	\$ 5,899
Other	73,750	73,750	64,082	9,668
Total Parks	127,450	127,450	111,883	15,567
Recreation				
Personnel	468,500	468,500	423,176	45,324
Other	246,200	246,200	206,031	40,169
Total Recreation	714,700	714,700	629,207	85,493
Human Services				
Personnel	582,160	582,160	529,605	52,555
Other	64,700	65,700	65,277	423
Total Human Services	646,860	647,860	594,882	52,978
Administrative Services				
Personnel	181,750	181,750	165,146	16,604
Other	13,800	13,800	10,645	3,155
Total Administrative Services	195,550	195,550	175,791	19,759
Total Leisure Time Activities	1,684,560	1,685,560	1,511,763	173,797
Community Development				
Community Planning				
Personnel	14,855	14,855	14,706	149
Other	75	175	79	96
Total Community Planning	14,930	15,030	14,785	245
Zoning Board				
Personnel	10,780	10,780	10,525	255
Other	25	25	7	18
Total Zoning Board	10,805	10,805	10,532	273
Building Commissioner				
Personnel	591,080	591,080	565,280	25,800
Other	27,700	29,700	26,969	2,731
Total Building Commissioner	618,780	620,780	592,249	28,531
Total Community Development	644,515	646,615	617,566	29,049

Continued

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services				
Sewers & Drains				
Personnel	\$ 677,900	\$ 631,300	\$ 562,171	\$ 69,129
Other	49,500	47,000	36,793	10,207
Total Sewers & Drains	727,400	678,300	598,964	79,336
Mechanics				
Personnel	269,760	269,760	268,012	1,748
Other	132,500	152,500	131,688	20,812
Total Mechanics	402,260	422,260	399,700	22,560
Service Director				
Personnel	159,830	154,830	146,545	8,285
Other	6,600	6,600	4,040	2,560
Total Service Director	166,430	161,430	150,585	10,845
Total Basic Utility Services	1,296,090	1,261,990	1,149,249	112,741
General Government				
Mayor's Office				
Personnel	202,560	202,560	199,157	3,403
Other	8,020	8,020	6,028	1,992
Total Mayors Office	210,580	210,580	205,185	5,395
Finance				
Personnel	293,731	284,731	269,511	15,220
Other	56,400	65,400	63,908	1,492
Total Finance	350,131	350,131	333,419	16,712
Legal				
Personnel	200,000	200,000	187,759	12,241
Other	133,150	133,150	89,620	43,530
Total Legal	333,150	333,150	277,379	55,771
Election Expense	35,000	13,000	12,633	367
Engineering				
Personnel	25,100	25,100	23,313	1,787
Other	10,000	25,000	18,432	6,568
Total Engineering	35,100	50,100	41,745	8,355

Continued

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget (Non-GAAP Basis) and Actual
 General Fund
 For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Land & Buildings				
Personnel	\$ 143,600	\$ 138,600	\$ 122,392	\$ 16,208
Other	430,500	430,500	422,015	8,485
Total Land and Buildings	574,100	569,100	544,407	24,693
Administrative Expenses				
Personnel	206,000	191,000	186,483	4,517
Other	144,900	129,900	110,285	19,615
Total Administrative Expenses	350,900	320,900	296,768	24,132
Civil Service				
Personnel	6,461	6,461	6,135	326
Other	9,030	9,030	5,989	3,041
Total Civil Service	15,491	15,491	12,124	3,367
Human Resources				
Personnel	140,200	145,200	144,436	764
Other	8,350	9,350	8,419	931
Total Human Resources	148,550	154,550	152,855	1,695
Economic Development				
Personnel	92,730	92,730	92,008	722
Other	7,800	7,800	5,845	1,955
Total Economic Development	100,530	100,530	97,853	2,677
City Council				
Personnel	152,885	152,885	148,002	4,883
Other	15,700	15,700	10,486	5,214
Total City Council	168,585	168,585	158,488	10,097

Continued

City of Maple Heights, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Clerk of Council				
Personnel	\$ 113,060	\$ 113,060	\$ 109,830	\$ 3,230
Other	1,150	1,150	280	870
Total Clerk of Council	114,210	114,210	110,110	4,100
Mayor's Court				
Personnel	202,420	202,420	192,562	9,858
Other	193,100	193,100	150,982	42,118
Total Mayor's Court	395,520	395,520	343,544	51,976
Total General Government	2,831,847	2,795,847	2,586,510	209,337
Public Health & Welfare				
Other	81,084	81,084	81,084	0
Total Expenditures	14,403,596	14,403,596	13,603,094	800,502
Excess of Revenues Over (Under) Expenditures	(6,638,380)	(6,654,950)	(5,903,852)	751,098
Other Financing Sources (Uses)				
Proceeds From Sale of Fixed Assets	3,000	3,000	5,709	2,709
Operating Transfer-In	7,180,000	6,818,541	6,450,000	(368,541)
Operating Transfer-Out	(831,000)	(831,000)	(772,500)	58,500
Total Other Financing Sources (Uses)	6,352,000	5,990,541	5,683,209	(307,332)
Net Change in Fund Balance	(286,380)	(664,409)	(220,643)	443,766
Decertification of prior year encumbrances	0	36,854	36,854	0
Fund Balance at Beginning of Year	1,364,409	1,364,409	1,364,409	0
Fund Balance at End of Year	\$ 1,078,029	\$ 736,854	\$ 1,180,620	\$ 443,766

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Property Taxes	\$ 828,802	\$ 828,802	\$ 828,049	\$ (753)
Intergovernmental	126,000	126,000	123,618	(2,382)
Special Assessments	36,000	36,000	62,026	26,026
Interest Income	5,000	9,000	9,133	133
Total Revenues	995,802	999,802	1,022,826	23,024
Expenditures				
Current Operations and Maintenance:				
General Government				
Other	56,000	49,000	32,350	16,650
Debt Service:				
Principal Retirement	834,300	834,300	833,511	789
Interest and Fiscal Charges	307,000	314,000	313,753	247
Total Expenditures	1,197,300	1,197,300	1,179,614	17,686
Excess of Revenues Over (Under) Expenditures	(201,498)	(197,498)	(156,788)	40,710
Other Financing Sources (Uses)				
Operating Transfers - In	78,850	78,850	83,000	4,150
Operating Transfers - Out	(33,000)	(33,000)	(32,980)	20
Total Other Financing Sources (Uses)	45,850	45,850	50,020	4,170
Net Change in Fund Balance	(155,648)	(151,648)	(106,768)	44,880
Fund Balance at Beginning of Year	425,234	425,234	425,234	0
Fund Balance at End of Year	\$ 269,586	\$ 273,586	\$ 318,466	\$ 44,880

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
Revenues				
Intergovernmental	\$ 570,000	\$ 570,000	\$ 591,906	\$ 21,906
Interest	700	700	619	(81)
Miscellaneous	25,000	45,077	84,004	38,927
Total Revenues	595,700	615,777	676,529	60,752
Expenditures				
Current Operations and Maintenance:				
Transportation				
Maintenance and Repair				
Personnel	815,190	864,190	841,331	22,859
Other	108,700	78,700	68,093	10,607
Total Maintenance and Repair	923,890	942,890	909,424	33,466
Snow Removal				
Personnel	41,000	52,000	51,807	193
Other	101,000	131,600	131,377	223
Total Snow Removal	142,000	183,600	183,184	416
Total Transportation	1,065,890	1,126,490	1,092,608	33,882
Capital Outlay	66,985	65,385	65,317	68
Total Expenditures	1,132,875	1,191,875	1,157,925	33,950
Excess of Revenues Over (Under) Expenditures	(537,175)	(576,098)	(481,396)	94,702
Other Financing Sources (Uses)				
Capitalization of Lease	41,985	41,985	41,985	0
Operating Transfers - In	400,000	400,000	400,000	0
Total Other Financing Sources (Uses)	441,985	441,985	441,985	0
Net Change in Fund Balance	(95,190)	(134,113)	(39,411)	94,702
Decertification of Prior Year Encumbrances	0	866	866	0
Fund Balance at Beginning of Year	134,114	134,114	134,114	0
Fund Balance at End of Year	\$ 38,924	\$ 867	\$ 95,569	\$ 94,702

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 44,000	\$ 44,000	\$ 47,992	\$ 3,992
Interest	500	500	355	(145)
Total Revenues	44,500	44,500	48,347	3,847
Expenditures				
Current Operations and Maintenance:				
Transportation				
Maintenance and Repair				
Personnel	10,000	2,475	2,401	74
Other	11,700	11,700	5,651	6,049
Total Maintenance and Repair	21,700	14,175	8,052	6,123
Snow Removal				
Personnel	60,000	72,525	72,518	7
Other	10,700	14,100	14,053	47
Total Snow Removal	70,700	86,625	86,571	54
Total Transportation	92,400	100,800	94,623	6,177
Total Expenditures	92,400	100,800	94,623	6,177
Excess of Revenues Over (Under) Expenditures	(47,900)	(56,300)	(46,276)	10,024
Other Financing Sources (Uses)				
Operating Transfers - In	15,000	15,000	15,000	0
Total Other Financing Sources (Uses)	15,000	15,000	15,000	0
Net Change in Fund Balance	(32,900)	(41,300)	(31,276)	10,024
Decertification of Prior Year Encumbrances	0	96	96	0
Fund Balance at Beginning of Year	64,138	64,138	64,138	0
Fund Balance at End of Year	\$ 31,238	\$ 22,934	\$ 32,958	\$ 10,024

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - (Non-GAAP Basis) and Actual
 C.O.P.S. Equipment Fund
 For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Intergovernmental	\$ 75,000	\$ 75,000	\$ 75,000	\$0
<u>Expenditures</u>				
Capital Outlay	100,000	100,000	100,000	0
Excess of Revenues Over (Under) Expenditures	(25,000)	(25,000)	(25,000)	0
Other Financing Sources (Uses)				
Operating Transfers - In	25,000	25,000	25,000	0
Total Other Financing Sources (Uses)	25,000	25,000	25,000	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$ 106,613	\$ 106,613	\$ 103,506	\$ (3,107)
Intergovernmental	12,737	12,737	15,452	2,715
Total Revenues	119,350	119,350	118,958	(392)
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property Personnel	580,000	580,000	517,999	62,001
Total Expenditures	580,000	580,000	517,999	62,001
Excess of Revenues Over (Under) Expenditures	(460,650)	(460,650)	(399,041)	61,609
Other Financing Sources (Uses)				
Operating Transfers - In	460,000	460,000	396,500	(63,500)
Total Other Financing Sources (Uses)	460,000	460,000	396,500	(63,500)
Net Change in Fund Balance	(650)	(650)	(2,541)	(1,891)
Fund Balance at Beginning of Year	9,168	9,168	9,168	0
Fund Balance at End of Year	\$ 8,518	\$ 8,518	\$ 6,627	\$ (1,891)

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$ 106,613	\$ 106,613	\$ 103,506	\$ (3,107)
Intergovernmental	12,737	12,737	15,452	2,715
Total Revenues	119,350	119,350	118,958	(392)
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property Personnel	650,000	650,000	647,977	2,023
Total Expenditures	650,000	650,000	647,977	2,023
Excess of Revenues Over (Under) Expenditures	(530,650)	(530,650)	(529,019)	1,631
Other Financing Sources (Uses)				
Operating Transfers - In	526,000	526,000	526,000	0
Total Other Financing Sources (Uses)	526,000	526,000	526,000	0
Net Change in Fund Balance	(4,650)	(4,650)	(3,019)	1,631
Fund Balance at Beginning of Year	13,819	13,819	13,819	0
Fund Balance at End of Year	\$ 9,169	\$ 9,169	\$ 10,800	\$ 1,631

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes

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

Cable Television Fund

For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Fees, Licenses, Permits	\$ 185,000	\$ 185,000	\$ 204,139	\$ 19,139
Interest Income	1,500	1,500	1,091	(409)
Total Revenues	<u>186,500</u>	<u>186,500</u>	<u>205,230</u>	<u>18,730</u>
Excess of Revenues Over (Under) Expenditures	186,500	186,500	205,230	18,730
Other Financing Sources (Uses)				
Operating Transfers - Out	<u>(350,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(350,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>0</u>
Net Change in Fund Balance	(163,500)	(163,500)	(144,770)	18,730
Fund Balance at Beginning of Year	<u>184,980</u>	<u>184,980</u>	<u>184,980</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,480</u>	<u>\$ 21,480</u>	<u>\$ 40,210</u>	<u>\$ 18,730</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Water Use Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Charges for Services	\$ 590,000	\$ 590,000	\$ 567,102	\$ (22,898)
Interest Income	700	700	170	(530)
Miscellaneous	15,000	15,000	2,251	(12,749)
Total Revenues	605,700	605,700	569,523	(36,177)
Expenditures				
Current Operations and Maintenance:				
Basic Utility Services				
Other	210,000	260,000	249,434	10,566
Capital Outlay	15,000	15,000	14,127	873
Debt Service:				
Principal Retirement	179,945	179,945	179,881	64
Interest and Fiscal Charges	107,000	107,000	106,855	145
Total Debt Service	286,945	286,945	286,736	209
Total Expenditures	511,945	561,945	550,297	11,648
Excess of Revenues Over (Under) Expenditures	93,755	43,755	19,226	(24,529)
Other Financing Sources (Uses)				
Operating Transfers - Out	(109,727)	(33,000)	(33,000)	0
Total Other Financing Sources (Uses)	(109,727)	(33,000)	(33,000)	0
Net Change in Fund Balance	(15,972)	10,755	(13,774)	(24,529)
Fund Balance at Beginning of Year	47,554	47,554	47,554	0
Fund Balance at End of Year	\$ 31,582	\$ 58,309	\$ 33,780	\$ (24,529)

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Property Taxes	\$ 349,834	\$ 349,834	\$ 345,020	\$ (4,814)
Intergovernmental	48,000	48,000	51,507	3,507
Interest Income	1,500	1,500	2,343	843
Total Revenues	399,334	399,334	398,870	(464)
Expenditures				
Current Operations and Maintenance:				
General Government				
Other	450,000	450,000	343,203	106,797
Total Expenditures	450,000	450,000	343,203	106,797
Net Change in Fund Balance	(50,666)	(50,666)	55,667	106,333
Fund Balance at Beginning of Year	122,612	122,612	122,612	0
Fund Balance at End of Year	\$ 71,946	\$ 71,946	\$ 178,279	\$ 106,333

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Ambulance Billing Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$ 415,000	\$ 415,000	\$ 313,599	\$ (101,401)
Intergovernmental	0	0	3,119	3,119
Interest Income	2,500	2,500	1,544	(956)
Total Revenues	417,500	417,500	318,262	(99,238)
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property				
Personnel	93,500	96,500	94,918	1,582
Other	69,850	66,850	53,370	13,480
Total Security of Persons and Property	163,350	163,350	148,288	15,062
Capital Outlay	188,000	188,000	164,058	23,942
Total Expenditures	351,350	351,350	312,346	39,004
Excess of Revenues Over (Under) Expenditures	66,150	66,150	5,916	(60,234)
Other Financing Sources (Uses)				
Operating Transfers - Out	(60,000)	(60,000)	(59,692)	308
Total Other Financing Sources (Uses)	(60,000)	(60,000)	(59,692)	308
Net Change in Fund Balance	6,150	6,150	(53,776)	(59,926)
Decertification of Prior Year Encumbrances	0	2,644	2,644	0
Fund Balance at Beginning of Year	116,521	116,521	116,521	0
Fund Balance at End of Year	\$ 122,671	\$ 125,315	\$ 65,389	\$ (59,926)

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Municipal Motor Vehicle License Tax Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues				
Fees, Licenses, Permits	\$ 155,000	\$ 155,000	\$ 153,579	\$ (1,421)
Interest Income	200	200	1,085	885
Total Revenues	155,200	155,200	154,664	(536)
Excess of Revenues Over (Under) Expenditures	155,200	155,200	154,664	(536)
Other Financing Sources (Uses)				
Operating Transfers - Out	(310,000)	(310,000)	(310,000)	0
Total Other Financing Sources (Uses)	(310,000)	(310,000)	(310,000)	0
Net Change in Fund Balance	(154,800)	(154,800)	(155,336)	(536)
Fund Balance at Beginning of Year	167,812	167,812	167,812	0
Fund Balance at End of Year	\$ 13,012	\$ 13,012	\$ 12,476	\$ (536)

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest Income	\$ 100	\$ 100	\$ 610	\$ 510
Miscellaneous Income	3,000	18,000	70,752	52,752
Total Revenues	<u>3,100</u>	<u>18,100</u>	<u>71,362</u>	<u>53,262</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Other	8,000	23,000	14,840	8,160
Total Expenditures	<u>8,000</u>	<u>23,000</u>	<u>14,840</u>	<u>8,160</u>
Net Change in Fund Balance	(4,900)	(4,900)	56,522	61,422
Decertification of Prior Year Encumbrances	0	121	121	0
Fund Balance at Beginning of Year	<u>7,083</u>	<u>7,083</u>	<u>7,083</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,183</u>	<u>\$ 2,304</u>	<u>\$ 63,726</u>	<u>\$ 61,422</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Computer Fee Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges For Services	\$ 42,000	\$ 42,000	\$ 34,140	\$ (7,860)
Expenditures				
Current Operations and Maintenance:				
General Government				
Personnel	30,000	30,000	30,000	0
Other	22,300	22,300	17,563	4,737
Total General Government	52,300	52,300	47,563	4,737
Capital Outlay	5,000	5,000	3,876	1,124
Total Expenditures	57,300	57,300	51,439	5,861
Net Change in Fund Balance	(15,300)	(15,300)	(17,299)	(1,999)
Fund Balance at Beginning of Year	31,381	31,381	31,381	0
Fund Balance at End of Year	\$ 16,081	\$ 16,081	\$ 14,082	\$ (1,999)

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
COPS Fast Grant Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 54,000	\$ 54,162	\$ 54,162	0
Excess of Revenues Over (Under) Expenditures	54,000	54,162	54,162	0
Other Financing Sources (Uses)				
Operating Transfers - Out	(54,000)	(54,162)	(54,162)	0
Total Other Financing Sources (Uses)	(54,000)	(54,162)	(54,162)	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Police Services Levy Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
Revenues				
Property Taxes	\$ 479,311	\$ 479,311	\$ 470,535	\$ (8,776)
Intergovernmental	62,490	62,490	68,695	6,205
Interest Income	700	700	1,115	415
Total Revenues	<u>542,501</u>	<u>542,501</u>	<u>540,345</u>	<u>(2,156)</u>
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property Personnel	<u>532,645</u>	<u>532,645</u>	<u>512,935</u>	<u>19,710</u>
Total Expenditures	<u>532,645</u>	<u>532,645</u>	<u>512,935</u>	<u>19,710</u>
Excess of Revenues Over (Under) Expenditures	9,856	9,856	27,410	17,554
Other Financing Sources (Uses)				
Operating Transfers - Out	<u>(35,000)</u>	<u>(35,000)</u>	<u>(30,000)</u>	<u>5,000</u>
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(30,000)</u>	<u>5,000</u>
Net Change in Fund Balance	(25,144)	(25,144)	(2,590)	22,554
Fund Balance at Beginning of Year	<u>48,026</u>	<u>48,026</u>	<u>48,026</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,882</u>	<u>\$ 22,882</u>	<u>\$ 45,436</u>	<u>\$ 22,554</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Fire Services Levy Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Property Taxes	\$ 479,311	\$ 479,311	\$ 470,535	\$ (8,776)
Intergovernmental	62,490	62,490	68,695	6,205
Interest Income	700	700	1,426	726
Total Revenues	542,501	542,501	540,656	(1,845)
Expenditures				
Current Operations and Maintenance:				
Security of Persons and Property				
Personnel	472,297	472,297	465,724	6,573
Total Expenditures	472,297	472,297	465,724	6,573
Excess of Revenues Over (Under) Expenditures	70,204	70,204	74,932	4,728
Other Financing Sources (Uses)				
Operating Transfers - Out	(120,000)	(120,000)	(120,000)	0
Total Other Financing Sources (Uses)	(120,000)	(120,000)	(120,000)	0
Net Change in Fund Balance	(49,796)	(49,796)	(45,068)	4,728
Fund Balance at Beginning of Year	81,327	81,327	81,327	0
Fund Balance at End of Year	\$ 31,531	\$ 31,531	\$ 36,259	\$ 4,728

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Inmate Commissary Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Miscellaneous Income	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 12,352</u>	<u>\$ (17,648)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Other	<u>30,000</u>	<u>30,000</u>	<u>12,252</u>	<u>17,748</u>
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>12,252</u>	<u>17,748</u>
Net Change in Fund Balance	0	0	100	100
Fund Balance at Beginning of Year	<u>3,307</u>	<u>3,307</u>	<u>3,307</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,307</u>	<u>\$ 3,307</u>	<u>\$ 3,407</u>	<u>\$ 100</u>

City of Maple Heights, Ohio

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

D.A.R.E. Fund

For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Miscellaneous Income	<u>\$ 3,050</u>	<u>\$ 3,050</u>	<u>\$ 2,945</u>	<u>\$ (105)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Other	<u>2,500</u>	<u>3,500</u>	<u>2,732</u>	<u>768</u>
Total Expenditures	<u>2,500</u>	<u>3,500</u>	<u>2,732</u>	<u>768</u>
Net Change in Fund Balance	550	(450)	213	663
Fund Balance at Beginning of Year	<u>1,947</u>	<u>1,947</u>	<u>1,947</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,497</u>	<u>\$ 1,497</u>	<u>\$ 2,160</u>	<u>\$ 663</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Office on Aging Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest Income	\$ 500	\$ 500	\$ 1,164	\$ 664
Miscellaneous Income	37,000	37,000	40,079	3,079
Total Revenues	<u>37,500</u>	<u>37,500</u>	<u>41,243</u>	<u>3,743</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Leisure Time Activities				
Other	54,000	54,000	50,290	3,710
Total Expenditures	<u>54,000</u>	<u>54,000</u>	<u>50,290</u>	<u>3,710</u>
Net Change in Fund Balance	(16,500)	(16,500)	(9,047)	7,453
Fund Balance at Beginning of Year	<u>104,765</u>	<u>104,765</u>	<u>104,765</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 88,265</u>	<u>\$ 88,265</u>	<u>\$ 95,718</u>	<u>\$ 7,453</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Enterprise Park Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 30,000	\$ 30,000	\$ 51,076	\$ 21,076
Interest Income	500	500	807	307
Total Revenues	<u>30,500</u>	<u>30,500</u>	<u>51,883</u>	<u>21,383</u>
<u>Expenditures</u>				
Capital Outlay	<u>30,000</u>	<u>30,000</u>	<u>985</u>	<u>29,015</u>
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>985</u>	<u>29,015</u>
Net Change in Fund Balance	500	500	50,898	50,398
Fund Balance at Beginning of Year	<u>30,123</u>	<u>30,123</u>	<u>30,123</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 30,623</u>	<u>\$ 30,623</u>	<u>\$ 81,021</u>	<u>\$ 50,398</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
F.E.M.A. Fire Grant Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	<u>\$ 81,000</u>	<u>\$ 81,000</u>	<u>\$ 80,850</u>	<u>\$ (150)</u>
<u>Expenditures</u>				
Capital Outlay	<u>89,000</u>	<u>90,543</u>	<u>90,542</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	<u>(8,000)</u>	<u>(9,543)</u>	<u>(9,692)</u>	<u>(149)</u>
Other Financing Sources (Uses)				
Operating Transfers - In	<u>8,000</u>	<u>9,543</u>	<u>9,692</u>	<u>149</u>
Total Other Financing Sources (Uses)	<u>8,000</u>	<u>9,543</u>	<u>9,692</u>	<u>149</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - (Non-GAAP Basis) and Actual
 City Hall Improvement Fund
 For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures</u>				
Current Operations and Maintenance:				
Capital Outlay	\$0	\$ 23,500	\$ 23,169	\$ 331
Net Change in Fund Balance	0	(23,500)	(23,169)	331
Fund Balance at Beginning of Year	136,011	136,011	136,011	0
Fund Balance at End of Year	<u>\$ 136,011</u>	<u>\$ 112,511</u>	<u>\$ 112,842</u>	<u>\$ 331</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Street Improvement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues</u>				
Interest Income	\$ 2,500	\$ 2,500	\$ 4,270	\$ 1,770
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation				
Other	100,000	100,000	79,325	20,675
Capital Outlay	506,645	506,645	300,680	205,965
Debt Service:				
Principal Payments	1,090,000	1,090,000	1,090,000	0
Interest and Fiscal Charges	18,469	18,469	18,469	0
Total Debt Service	1,108,469	1,108,469	1,108,469	0
Total Expenditures	1,715,114	1,715,114	1,488,474	226,640
Excess of Revenues Over (Under) Expenditures	(1,712,614)	(1,712,614)	(1,484,204)	228,410
Other Financing Sources (Uses)				
Proceeds From Sale of Debt	1,090,000	1,090,000	1,090,000	0
Operating Transfers - In	328,469	328,469	328,469	0
Total Other Financing Sources (Uses)	1,418,469	1,418,469	1,418,469	0
Net Change in Fund Balance	(294,145)	(294,145)	(65,735)	228,410
Fund Balance at Beginning of Year	340,316	340,316	340,316	0
Fund Balance at End of Year	\$ 46,171	\$ 46,171	\$ 274,581	\$ 228,410

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - (Non-GAAP Basis) and Actual
 Lee Road Improvement Fund
 For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation				
Other	\$ 12,306	\$ 57,306	\$ 53,124	\$ 4,182
Capital Outlay	60,000	0	0	0
Total Expenditures	72,306	57,306	53,124	4,182
Net Change in Fund Balance	(72,306)	(57,306)	(53,124)	4,182
Fund Balance at Beginning of Year	72,307	72,307	72,307	0
Fund Balance at End of Year	\$ 1	\$ 15,001	\$ 19,183	\$ 4,182

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Fire Truck Rehabilitation Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Interest Income	<u>\$ 200</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Net Change in Fund Balance	200	0	0	0
Fund Balance at Beginning of Year	<u>7,747</u>	<u>7,747</u>	<u>7,747</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,947</u>	<u>\$ 7,747</u>	<u>\$ 7,747</u>	<u>\$0</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ 175,000	\$ 175,000	\$ 29,441	\$ (145,559)
Expenditures				
Current Operations and Maintenance:				
Community Development				
Other	85,000	89,200	81,561	7,639
Capital Outlay	320,000	316,800	104,522	212,278
Debt Service:				
Principal Payment	180,000	180,000	180,000	0
Interest and Fiscal Charges	2,968	2,968	2,968	0
Total Debt Service	182,968	182,968	182,968	0
Total Expenditures	587,968	588,968	369,051	219,917
Excess of Revenues Over (Under) Expenditures	(412,968)	(413,968)	(339,610)	74,358
Other Financing Sources (Uses)				
Proceeds From Sale of Debt	180,000	180,000	180,000	0
Operating Transfers - In	27,968	27,968	24,458	(3,510)
Operating Transfers - Out	(25,000)	(25,000)	(25,000)	0
Total Other Financing Sources (Uses)	182,968	182,968	179,458	(3,510)
Net Change in Fund Balance	(230,000)	(231,000)	(160,152)	70,848
Fund Balance at Beginning of Year	251,648	251,648	251,648	0
Fund Balance at End of Year	\$ 21,648	\$ 20,648	\$ 91,496	\$ 70,848

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Northfield Road Improvement
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	<u>\$ 3,321,165</u>	<u>\$ 3,321,165</u>	<u>\$ 17,055</u>	<u>\$ (3,304,110)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation				
Other	<u>231,000</u>	<u>41,000</u>	<u>34,954</u>	<u>6,046</u>
Capital Outlay	<u>3,090,165</u>	<u>20,000</u>	<u>18,269</u>	<u>1,731</u>
Total Expenditures	<u>3,321,165</u>	<u>61,000</u>	<u>53,223</u>	<u>7,777</u>
Net Change in Fund Balance	0	3,260,165	(36,168)	(3,296,333)
Fund Balance at Beginning of Year	<u>80,126</u>	<u>80,126</u>	<u>80,126</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 80,126</u>	<u>\$ 3,340,291</u>	<u>\$ 43,958</u>	<u>\$ (3,296,333)</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Sidewalk Improvement Fund
For the Year Ended December 31, 2003

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

City of Maple Heights, Ohio
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - (Non-GAAP Basis) and Actual
 Turney Road Reconstruction Fund
 For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Expenditures</u>				
Capital Outlay	\$ 76,727	\$ 76,727	\$ 76,727	\$0
Debt Service:				
Retirement of Short Term Notes	670,000	670,000	670,000	0
Interest and Fiscal Charges	11,543	11,543	11,543	0
Total Expenditures	758,270	758,270	758,270	0
Excess of Revenues Over (Under) Expenditures	(758,270)	(758,270)	(758,270)	0
Other Financing Sources (Uses)				
Proceeds from Sale of Debt	670,000	670,000	670,000	0
Operating Transfers-In	88,270	88,270	88,270	0
Total Other Financing Sources (Uses)	758,270	758,270	758,270	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Traffic Signalization Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	<u>\$ 29,000</u>	<u>\$ 29,000</u>	<u>\$ 20,315</u>	<u>\$ (8,685)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation	<u>4,000</u>	<u>4,000</u>	<u>3,353</u>	<u>647</u>
Capital Outlay	<u>25,000</u>	<u>25,000</u>	<u>22,338</u>	<u>2,662</u>
Total Expenditures	<u>29,000</u>	<u>29,000</u>	<u>25,691</u>	<u>3,309</u>
Net Change in Fund Balance	0	0	(5,376)	(5,376)
Fund Balance at Beginning of Year	<u>5,376</u>	<u>5,376</u>	<u>5,376</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,376</u>	<u>\$ 5,376</u>	<u>\$0</u>	<u>\$ (5,376)</u>

City of Maple Heights, Ohio

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - (Non-GAAP Basis) and Actual
Industrial Avenue/E141st. Improvement Fund
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$65,000	\$65,000	\$0	(\$65,000)
Expenditures				
Other	15,000	0	0	0
Capital Outlay	50,000	0	0	0
Total Expenditures	65,000	0	0	0
Excess of Revenues Over (Under) Expenditures	0	65,000	0	(65,000)
Other Financing Sources (Uses)				
Operating Transfers - Out	0	(77,860)	(77,859)	1
Total Other Financing Sources (Uses)	0	(77,860)	(77,859)	1
Net Change in Fund Balance	0	(12,860)	(77,859)	(64,999)
Fund Balance at Beginning of Year	77,859	77,859	77,859	0
Fund Balance at End of Year	\$ 77,859	\$ 64,999	\$0	\$ (64,999)

**STATISTICAL
SECTION**

City of Maple Heights, Ohio

General Fund Revenues By Source

Last Ten Fiscal Years

Table J

	<u>1994 (1)</u>	<u>1995 (1)</u>	<u>1996 (1)</u>	<u>1997 (2)</u>	<u>1998 (2)</u>	<u>1999 (2)</u>	<u>2000 (2)</u>	<u>2001 (2)</u>	<u>2002 (2)</u>	<u>2003 (2)</u>
Revenues:										
Property Taxes	\$2,367,680	\$2,577,341	\$2,716,501	\$2,544,267	\$2,643,854	\$2,655,082	\$2,778,848	\$2,734,292	\$2,238,210	\$2,585,013
Other Local Taxes	18,132	20,474	22,140	15,558	3,116	410				
Intergovernmental	2,457,004	1,656,026	2,004,702	2,376,005	2,672,013	2,268,774	2,711,855	2,994,060	3,261,378	2,940,989
Charges for Services	137,543	119,392	0	92,821	106,734	97,973	110,698	85,592	79,722	425,566
Fees, Licenses and Permits	219,299	443,239	533,008	610,479	526,821	554,078	607,992	554,763	597,774	608,235
Fines and Forfeitures	364,005	351,377	406,177	407,747	478,738	475,068	557,865	529,972	654,966	645,413
Special Assessments	0	0	0	6,101	2,165	1,855	2,110			
Interest Income	77,730	97,982	131,105	218,505	192,863	180,369	262,347	201,375	76,677	29,989
Workers Compensation										
Settlement and Refunds	0	0	0	0	312,639	30,094	21,253	85,500	60,385	44,614
Miscellaneous Income	260,405	149,008	220,620	226,496	201,280	184,858	168,434	185,858	444,211	287,017
Total Revenues	\$5,901,798	\$5,414,839	\$6,034,253	\$6,497,979	\$7,140,223	\$6,448,561	\$7,221,402	\$7,371,412	\$7,413,323	\$7,566,836

(1) Table based on the Budget Basis Accounting.

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

Source: City of Maple Heights, Finance Department.

City of Maple Heights, Ohio

General Fund Expenditures by Function

Last Ten Fiscal Years

Table 2

	<u>1994 (1)</u>	<u>1995 (1)</u>	<u>1996 (1)</u>	<u>1997 (1)</u>	<u>1998 (2)</u>	<u>1999 (2)</u>	<u>2000 (2)</u>	<u>2001 (2)</u>	<u>2002 (2)</u>	<u>2003 (2)</u>
Expenditures:										
Security of Persons and										
Property	\$5,181,465	\$5,408,631	\$5,690,687	\$6,024,695	\$6,493,366	\$ 5,621,150	\$ 6,095,593	\$ 6,991,728	\$ 7,574,051	\$ 7,760,697
Public Health and Welfare	60,138	66,097	66,097	69,090	69,890	74,495	74,495	79,913	77,160	81,084
Leisure Time Activities	1,203,636	1,338,281	1,256,388	1,455,285	1,552,711	1,444,961	1,451,390	1,573,159	1,665,641	1,503,985
Community Development	421,664	319,020	378,941	443,621	341,668	430,717	548,596	564,399	628,701	619,351
Basic Utility Services	1,044,082	1,056,315	1,054,848	1,043,528	997,813	1,064,941	1,131,350	1,149,637	1,166,548	1,141,133
Transportation	1,250	730	551	0	0	0	0	0	0	0
General Government	1,673,263	2,022,159	2,175,938	2,146,652	2,007,645	2,249,905	2,225,451	2,402,391	2,563,151	2,596,379
Capital Outlay	140,855	119,159	48,944	29,925	64,492	25,570	84,879	59,546	10,413	0
Total Expenditures	\$9,726,353	\$10,330,392	\$10,672,394	\$11,212,796	\$11,527,585	\$10,911,739	\$11,611,754	\$12,820,773	\$13,685,665	\$13,702,629

(1) Table based on the Budget Basis Accounting.

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

Source: City of Maple Heights, Finance Department.

City of Maple Heights, Ohio

Property Tax Levies and Collections - Real and Public Utility

Last Ten Fiscal Years

Table 3

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Current Collections</u>	<u>Current Levy Collected</u>	<u>Total Collection Including Deficiencies</u>	<u>Total Collections As Percent Of Current Levy</u>	<u>Accumulated Delinquent Taxes</u>
1993/1994	\$3,408,920	\$3,339,441	98.0%	\$3,425,642	100.5%	\$ 235,456
1994/1995	3,601,860	3,520,581	97.7	3,585,014	99.5	209,894
1995/1996	3,583,233	3,483,333	97.2	3,552,281	99.1	224,937
1996/1997	3,601,204	3,491,419	96.3	3,622,816	100.6	181,891
1997/1998	4,357,694	4,200,283	96.4	4,336,645	99.5	400,285
1998/1999	4,966,965	4,710,213	94.8	4,911,751	98.8	311,224
1999/2000	4,955,421	4,706,357	94.9	4,944,543	99.8	337,589
2000/2001	5,222,304	4,784,833	91.6	5,007,266	95.9	507,167
2001/2002	5,181,533	4,794,221	92.5	5,123,212	98.9	573,110
2002/2003	5,180,525	4,758,667	91.8	5,028,941	97.1	704,779

Note - Table excludes "tangible personal tax".

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

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

Last Ten Fiscal Years

Table 4

Tax Year/ Collection Year	Real Property		Personal Property Assessed Value	Public Utilities Assessed Value	Total Assessed Value
	Assessed Value	Estimated Actual Value*			
1994/1995	\$275,198,970	\$786,282,772	\$34,282,957	\$24,244,590	\$333,726,517
1995/1996	275,245,930	786,416,943	36,672,974	21,708,390	333,627,294
1996/1997	276,886,230	791,103,514	38,267,796	20,972,810	336,126,836
1997/1998	307,270,120	877,914,628	31,793,599	20,040,070	359,103,789
1998/1999	308,911,830	882,605,229	35,777,462	19,612,920	364,302,212
1999/2000	313,364,500	895,327,143	31,911,123	17,619,230	362,894,853
2000/2001	350,726,520	1,002,075,771	34,492,662	17,619,890	402,839,072
2001/2002	351,340,790	1,003,830,828	41,282,871	14,313,680	406,937,341
2002/2003	350,154,050	1,000,440,143	39,466,822	14,477,060	404,097,932
2003/2004	374,057,220	1,068,734,914	37,096,385	16,597,690	427,751,295

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

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

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

Last Ten Fiscal Years Table 5

Tax Year/ Collection Year	City of Maple Heights			Maple Heights School District	Cuyahoga County	Total
	General Fund	Special Revenue Funds	Debt Service Funds			
1994/1995	\$7.50	\$1.60	\$3.00	\$56.70	\$18.20	\$87.00
1995/1996	7.50	1.60	3.00	56.70	18.00	86.80
1996/1997	7.50	1.60	3.00	56.80	18.00	86.90
1997/1998	7.30	1.60	3.10	56.30	18.00	86.30
1998/1999	7.60	4.60	2.80	56.10	16.70	87.80
1999/2000	7.30	4.60	3.10	56.60	16.70	88.30
2000/2001	7.60	4.60	2.30	55.90	17.60	88.00
2001/2002	7.50	4.60	2.40	55.80	17.60	87.90
2002/2003	7.50	4.60	2.40	56.50	17.60	88.60
2003/2004	7.50	5.60	2.40	64.30	19.40	99.20

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Special Assessment Collections

Last Ten Fiscal Years

Table 6

<u>Fiscal Year</u>	<u>Current Billing</u>	<u>Current Collections</u>	<u>Current Billing Collection</u>	<u>Total Collection Including Deficiencies</u>	<u>Total Collections As Percent Of Current Billing</u>	<u>Cumulative Delinquency</u>
1993/1994	\$ 202,477	\$ 193,890	95.8%	\$ 207,281	102.4%	\$ 95,518
1994/1995	158,282	153,105	96.7	162,249	102.5	73,692
1995/1996	157,421	151,576	96.3	156,375	99.3	81,034
1996/1997	144,237	138,525	96.0	143,489	103.5	74,973
1997/1998	142,773	136,900	95.8	142,086	99.5	82,717
1998/1999	160,605	132,936	82.7	137,662	85.7	104,501
1999/2000	155,670	132,834	85.3	163,842	105.0	85,371
2000/2001	86,518	60,818	70.3	92,906	107.4	45,683
2001/2002	117,817	91,842	77.9	123,666	104.9	51,936
2002/2003	79,283	68,655	86.6	76,234	96.1	25,669

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

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

Last Ten Fiscal Years Table 7

Year	Population	Assessed Value	Gross General Bonded Debt	Less Balance In Debt Service Fund	Net General Bonded Debt	Ratio Of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
1994	27,089	\$333,726,517	\$9,105,260	\$ 1,056,305	\$8,048,955	2.41%	\$ 297.13
1995	27,089	332,784,474	8,402,432	847,323	7,555,109	2.27	278.90
1996	27,089	336,126,836	7,683,603	690,908	6,992,695	2.08	258.14
1997	27,089	359,103,789	7,012,278	991,885	6,020,393	1.68	222.24
1998	27,089	364,302,212	7,750,433	1,147,872	6,602,561	1.81	243.74
1999	27,089	362,894,853	7,092,108	1,229,554	5,862,554	1.62	216.42
2000	26,156	402,839,072	9,276,783	4,095,332	5,181,451	1.29	198.10
2001	26,156	406,937,341	8,470,458	626,932	7,843,526	1.92	299.87
2002	26,156	404,097,932	7,743,133	420,412	7,322,721	1.81	279.96
2003	26,156	427,751,295	6,978,805	319,428	6,659,377	1.56	254.60

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Property Value, Construction and Bank Deposits

Last Ten Fiscal Years **Table 8**

Year	New Construction (A)		Cuyahoga County Bank Deposits (In Thousands) (B)	Assessed Value (A)	
	Number Of Permits	Value		Commercial	Residential
1994	823	\$3,461,892	\$20,885,453	\$119,888,209	\$195,708,230
1995	837	8,296,208	22,694,304	124,372,447	209,351,070
1996	1,741	15,190,380	27,068,211	123,170,934	209,613,540
1997	1,855	16,600,345	53,941,971	126,310,946	209,815,890
1998	1,625	6,473,052	58,904,596	125,498,199	233,605,590
1999	1,737	10,323,920	57,816,942	130,916,732	233,385,480
2000	1,800	12,562,099	61,942,764	129,085,553	233,809,300
2001	2,238	7,474,488	63,893,769	137,420,922	265,418,150
2002	2,244	3,841,016	95,761,917	140,778,431	266,158,910
2003	1,800	11,296,810	97,238,973	137,544,592	266,553,340

(A) Source: City Records.

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

City of Maple Heights, Ohio

Computation of Legal Debt Margin

December 31, 2003

Table 9

Total of all City Debt Outstanding	\$ 7,013,477
Less Special Assessment Debt Exempt from Calculation	<u>34,672</u>
Total (Voted and Unvoted) Subject to 10.5% Limitation	6,978,805
Less Debt Service Fund Balance	<u>319,428</u>
Net Indebtedness Subject to 10.5% Limitation	\$ <u>6,659,377</u>
Assessed Valuation of City	\$ <u>427,751,295</u>
10.5% of Valuation (Maximum Voted and Unvoted General Obligation Debt Allowed)	\$ 44,913,886
Less Debt Outstanding Subject to 10.5% Limitation	<u>(6,659,377)</u>
Legal Debt Margin within 10.5% Limitation	\$ <u>38,254,509</u>
5.5% of Valuation (Maximum of Unvoted General Obligation Debt Allowed)	\$ 23,526,321
Less Debt Outstanding Subject to 5.5% Limitation	<u>(6,659,377)</u>
Legal Debt Margin within 5.5% Limitation	\$ <u>16,866,944</u>

Source: City Records.

City of Maple Heights, Ohio

Computation of Direct and Overlapping Debt
General Obligation Bonded Debt

December 31, 2003

Table 10

	Net Debt Outstanding	(1)	Percentage Applicable To To City Of Maple Heights	Amount Applicable To To City Of Maple Heights
Direct:				
City of Maple Heights	\$ 6,659,377		100.00%	\$ 6,659,377
Overlapping:				
Maple Heights City School District	5,084,000		100.00%	5,084,000
Cuyahoga County	183,239,636		1.41%	2,583,679
Greater Cleveland Regional Transit	130,795,000		1.41%	1,844,210
Sub Total	<u>319,118,636</u>			<u>9,511,888</u>
Total	<u>\$ 325,778,012</u>			<u>\$ 16,171,264</u>

Source: Cuyahoga County Auditor's Office.

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

City of Maple Heights, Ohio

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

Last Ten Fiscal Years Table 11

<u>Year</u>	<u>Debt Service For General Bonded Debt (1)</u>	<u>General Fund Expenditures (2)</u>	<u>Ratio Of Tax Supported Debt Service To General Fund Expenditure</u>
1994	\$493,828	\$ 9,726,353	5.08%
1995	572,828	10,330,392	5.55
1996	588,829	10,672,394	5.52
1997	532,325	11,212,796	4.75
1998	548,325	11,527,585	4.76
1999	658,325	10,911,739	6.03
2000	810,325	11,611,754	6.98
2001	806,326	12,820,773	6.29
2002	727,325	13,685,665	5.31
2003	764,326	13,702,629	5.58

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

(2) Presented on GAAP basis.

Source: City Records.

City of Maple Heights, Ohio

Principal Taxpayers

December 31, 2003

Table 12

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

Source: Cuyahoga County Auditor's Office.

City of Maple Heights, Ohio

Demographic Statistics

December 31, 2003 **Table 13**

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

City of Maple Heights, Ohio

Largest Employers

December 31, 2003

Table 14

<u>TAXPAYER</u>	<u>Withholding Taxes Reported</u>
C&S Wholesale Grocers Inc.	\$ 339,202
Maple Heights Board of Education	323,147
The City of Maple Heights	255,125
Sherwood Food Distributors Inc.	208,074
Cuyahoga County Auditor	152,855
Beverage Management Co.	88,192
Eastside Multi-Care Inc.	67,850
Home Depot	63,994
Blue Coral Inc.	59,658
State of Ohio	55,948
Absolute Home Health Care Agency	55,792

Source: Regional Income Tax Agency.

City of Maple Heights, Ohio

Other Statistics

December 31, 2003 Table 15

Chartered	January 1, 1932
Form of Government	Mayor-Council
Area in Square Miles	5.5
Miles of Streets	105
Number of Street Lights	2,536
Fire Protection:	
Number of Stations	2
Number of Firemen Officers	43
Fire Hydrants	1,097
Police Protection:	
Number of Stations	1
Number of Police Officers	45
Number of Auxiliary Police	28
Number of Dispatchers	14
Traffic Lights	206
Sewer:	
Miles of Storm Sewers	105
Miles of Sanitary Sewers	105
Building:	
Permits Issued in 2003	1,800
Dollar Valuation of Construction - 2003	\$11,296,810
Parks and Recreation:	
Number of Parks	9
Number of Pools	2
Number of Tennis Courts	6
Number of Ball Diamonds	14
Number of Volleyball Courts	3
Number of Basketball Courts	5



City of Maple Heights

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CITY OF MAPLE HEIGHTS

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 4, 2004**