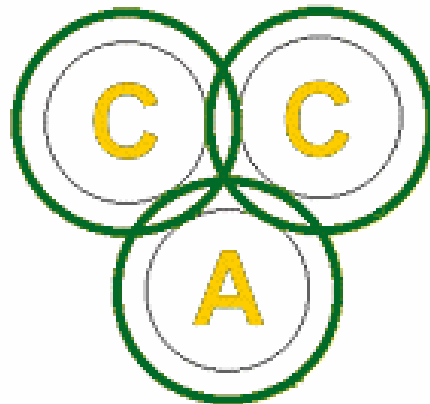


**CITY OF CLEVELAND, OHIO**

**CENTRAL COLLECTION  
AGENCY**



**DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**REPORT ON AUDITS OF FINANCIAL STATEMENTS  
For the years ended December 31, 2003 and 2002**



**CITY OF CLEVELAND**

**CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Central Collection Agency  
Division of Taxation  
City of Cleveland  
Cuyahoga County  
1701 Lakeside Avenue  
Cleveland, Ohio 44114

To the Honorable Jane L. Campbell, Mayor, Members of Council, and the Audit Committee:

We have audited the accompanying financial statements of the Central Collection Agency Internal Service and Agency Funds, Division of Taxation, City of Cleveland, Ohio, as of and for the years ended December 31, 2003 and December 31, 2002, as listed in the table of contents. These financial statements are the responsibility of the Central Collection Agency's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 audits provide a reasonable basis for our opinions.

As discussed in Note 1, the financial statements present only the Central Collection Agency Internal Service and Agency Funds and do not purport to, and do not, present fairly the financial position of the City of Cleveland, as of December 31, 2003 and December 31, 2002, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Central Collection Agency Internal Service and Agency Funds as of December 31, 2003 and December 31, 2002, and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Schedule of Cash Receipts and Distribution of Funds, the Schedule of Allocation of Net Operating Expenses, and the Schedule of Income Taxes Receivable are presented for purposes of additional analysis and are not a required part of the Central Collection Agency Internal Service and Agency Funds financial statements. Such information has been subjected to the auditing procedures applied in the audits of the Central Collection Agency Internal Service and Agency Funds financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the Central Collection Agency Internal Service and Agency Funds financial statements taken as a whole.

A handwritten signature in black ink that reads "Betty Montgomery".

**Betty Montgomery**  
Auditor of State

April 29, 2004

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801  
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**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**GENERAL**

As management of the City of Cleveland's (the "City") Department of Finance, Division of Taxation, Central Collection Agency (the "Agency"), we offer readers of the Division's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal years ended December 31, 2003 and December 31, 2002. Please read this information in conjunction with the Agency's basic financial statements and footnotes that begin on page 8.

The Division of Taxation was created in 1966 by the enactment of the City of Cleveland's Income Tax Ordinance providing the City's Income Tax Administrator with the authority to enter into agreements with any other municipal corporation to administer income tax laws and to provide for a central income tax collection facility. The Agency began with 14 member communities and currently provides a full range of tax collection services for 41 member communities throughout 12 Ohio counties. The Agency employs more than 100 individuals to process more than 1.2 million returns, estimated payments, and tax assessments. In 2003, the Agency collected more than \$415 million.

**FINANCIAL HIGHLIGHTS**

- The assets and the liabilities of the Agency equal \$90,529,945 at December 31, 2003.
- The Agency's total assets decreased by \$5,923,941 during 2003 primarily due to a decrease in the amount due from the CCA internal service fund and lower cash balances at year-end due to the increase in distributions made to member communities in 2003. This is evidenced by the decrease of approximately \$3.6 million in the amount collected and due members from December 31, 2002 to December 31, 2003.
- The agency fund total cash receipts of \$415 million consisted of \$336 million of employer withholding, \$34 million of business profits, \$39 million of individual payments, and \$6 million of other payments.
- During 2003, the Agency's total operational cost was \$7,191,151. This consists of \$4,953,459 of employee's wages and benefits, \$655,522 of allocated charges, and \$1,582,170 of other miscellaneous expenses.
- The Agency provides a mechanism for member municipalities to maximize efficiencies, minimize costs and capitalize from economies of scale. Pooling tax collections and investing at current market rates allows the operational costs of the Agency to be reduced by interest income. The Agency's member municipalities also benefit by printing and mailing large volumes of income tax forms to their taxpayers.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The accompanying financial statements present financial information for the City of Cleveland's Division of Taxation Fund, in which the City of Cleveland accounts for the operations of the Department of Finance, Division of Taxation. A fund is a grouping of related accounts that is used to maintain control over

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

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.

The Division of Taxation operates two funds. The operating fund is considered an internal service proprietary fund because the operations of the Agency are similar to a private-sector business enterprise. Accordingly, in accounting for the operating activities of the Agency, the economic resources measurement focus and the accrual basis of accounting is used. This is similar to businesses in the private sector. The second fund is an agency fund, which is used to account for the collection and remittance of income taxes for the member municipalities. For accounting measurement purposes, the agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of operations.

The basic financial statements of the Agency can be found on pages 8-11 of this report.

The notes to the financial statements and accompanying schedules provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements and accompanying schedules can be found on pages 12-22 of this report.

**CONDENSED BALANCE SHEET INFORMATION**

Provided below is condensed balance sheet information for the internal service and agency funds of the Agency as of December 31, 2003 and 2002:

	<u>2003</u>	<u>2002</u>	<u>Increase/ (Decrease)</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 8,672,530	\$ 12,157,256	\$ (3,484,726)
Taxes receivable	80,808,317	81,447,294	(638,977)
Accrued interest	2,726		2,726
Due from CCA internal service fund	677,863	2,507,784	(1,829,921)
Due from the City of Cleveland		9,004	(9,004)
Due from member municipalities	<u>368,509</u>	<u>332,548</u>	<u>35,961</u>
Total assets	<u>90,529,945</u>	<u>96,453,886</u>	<u>(5,923,941)</u>
<b>Liabilities:</b>			
Accounts payable	92,595	106,643	(14,048)
Due to CCA agency fund	677,863	2,507,784	(1,829,921)
Due to the City of Cleveland	51,590,230	54,563,022	(2,972,792)
Due to member municipalities	37,515,093	38,701,127	(1,186,034)
Due to other governments		2,741	(2,741)
Accrued wages and benefits	<u>654,164</u>	<u>572,569</u>	<u>81,595</u>
Total liabilities	<u>\$ 90,529,945</u>	<u>\$ 96,453,886</u>	<u>\$ (5,923,941)</u>



**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**CONDENSED BALANCE SHEET INFORMATION (Continued)**

*Assets:* The Agency collects and disburses income tax receipts monthly, except for the City of Cleveland which receives collections of tax receipts in advance of the regular monthly distribution date. Assets primarily consist of cash on hand and anticipated income tax receivable. The decrease in assets is primarily attributable to the Agency's decrease in the amount due from the CCA internal service fund and lower cash balances at year-end due to the increase in distributions made to member communities in 2003.

*Liabilities:* Liabilities primarily consist of amounts owed to member municipalities (including the City); therefore, the decline in due to member communities is a result of the increase in distributions made to member communities in 2003 and the decrease in the amount due to the CCA agency fund.

**CONDENSED STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS**

	<b>Internal Service Fund</b>		
	<b>2003</b>	<b>2002</b>	<b>Increase/ (Decrease)</b>
	<u>2003</u>	<u>2002</u>	<u>(Decrease)</u>
<b>Operating Revenues</b>			
Charges for services	\$ 7,037,040	\$ 5,798,865	\$ 1,238,175
Total operating revenues	7,037,040	5,798,865	1,238,175
<b>Operating Expenses</b>			
Salaries and wages	3,876,758	3,500,593	376,165
Employee benefits	1,076,701	953,657	123,044
Postage and office supplies	514,230	721,120	(206,890)
Allocation of City of Cleveland costs	655,522	308,210	347,312
Other administrative expenses	<u>1,067,940</u>	<u>576,900</u>	<u>491,040</u>
Total operating expense	<u>7,191,151</u>	<u>6,060,480</u>	<u>1,130,671</u>
Operating loss	(154,111)	(261,615)	107,504
Interest income	<u>154,111</u>	<u>261,615</u>	<u>(107,504)</u>
Change in net assets	-	-	-
Net assets at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Net assets at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**CONDENSED STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS (Continued)**

The increase in salaries and wages was due to:

- The addition of four employees in 2003 and three additional employees moved from part-time to full-time.
- The across the board salary increase for all employees of 4 percent.
- Step increases for various classifications.

These factors contributed to the 11 percent increase over 2002. These same factors correspondingly raised employee benefit costs by 13 percent.

The nearly \$350,000 increase in the Allocation of City of Cleveland costs was due to several factors. There was an increase in the amount of indirect costs (i.e., central service costs) allocated to the Agency. In addition, due to the timing of the 2002 rental payment, there was no rent expense recognized in 2002.

The fluctuation in other administrative expenses was due to the elimination of various accounting accruals in 2002. The net effect of these eliminations was a reduction of other administrative expenses in 2002.

Due to declining interest rates, investment income was lower in 2003 by over \$100,000.

**FACTORS EXPECTED TO IMPACT THE DIVISION'S FUTURE  
FINANCIAL POSITION OR RESULTS OF OPERATION**

The Agency continues to face the challenges of economic recession. One of the challenges the Agency is currently facing is rising basic operating costs. However, the Agency is attempting to reduce the impact of these rising costs by continuing to aggressively collect income taxes due thereby spreading the incremental cost over a larger base. The Agency's collections for the first quarter of 2004 are approximately three percent greater than the collections in the same period in 2003.

The operating budget for the Agency as approved by the Cleveland City Council for 2004 provides for an overall increase in budgeted expenditures of approximately 18 percent. This increase is associated with additional budgeted costs for staffing and personnel. In addition, the Agency plans to incur certain costs to relocate to a building that is in a more centrally located area of Downtown Cleveland at 205 St. Clair Avenue. The building is currently being configured to meet the Agency's comprehensive needs.

**ADDITIONAL INFORMATION**

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Finance Director, City Hall, Room 104, 601 Lakeside Avenue, Cleveland, Ohio 44114.

# **BASIC FINANCIAL STATEMENTS**

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**STATEMENTS OF ASSETS AND LIABILITIES - ALL FUND TYPES  
For the Years Ended December 31, 2003 and 2002**

	2003		2002	
	Proprietary Fund Type	Fiduciary Fund Type	Proprietary Fund Type	Fiduciary Fund Type
	Internal Service	Agency	Internal Service	Agency
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,438,985	\$ 7,233,545	\$ 3,197,987	\$ 8,959,269
Taxes receivable		80,808,317		81,447,294
Accrued interest	2,660	66		
Due from CCA internal service fund		677,863		2,507,784
Due from the City of Cleveland			9,004	
Due from member municipalities	2,191	366,318	9,967	322,581
<b>TOTAL ASSETS</b>	<u>1,443,836</u>	<u>89,086,109</u>	<u>3,216,958</u>	<u>93,236,928</u>
<b>LIABILITIES</b>				
Accounts payable	92,595		106,643	
Due to CCA agency fund	677,863		2,507,784	
Due to the City of Cleveland	19,214	51,571,016	27,221	54,535,801
Due to member municipalities		37,515,093		38,701,127
Due to other governments			2,741	
Accrued wages and benefits	654,164		572,569	
<b>TOTAL LIABILITIES</b>	<u>\$ 1,443,836</u>	<u>\$ 89,086,109</u>	<u>\$ 3,216,958</u>	<u>\$ 93,236,928</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUND  
For the Years Ended December 31, 2003 and 2002**

	<b>2003</b>	<b>2002</b>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 7,037,040	\$ 5,798,865
<b>OPERATING EXPENSES</b>		
Salaries and wages	3,876,758	3,500,593
Employee benefits	1,076,701	953,657
Postage and office supplies	514,230	721,120
Allocation of City of Cleveland costs	655,522	308,210
Other administrative expenses	1,067,940	576,900
<b>TOTAL OPERATING EXPENSES</b>	<b>7,191,151</b>	<b>6,060,480</b>
<b>OPERATING LOSS</b>	<b>(154,111)</b>	<b>(261,615)</b>
Interest income	154,111	261,615
<b>CHANGE IN NET ASSETS</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>

The notes to the financial statements are an integral part of this statement.

**CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**STATEMENTS OF CASH FLOWS - INTERNAL SERVICE FUND  
For the Years Ended December 31, 2003 and 2002**

	<u>2003</u>	<u>2002</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from member municipalities	\$ 5,203,597	\$ 8,552,185
Cash payments to suppliers of goods and services	(2,251,666)	(2,337,635)
Cash payments for employee services and benefits	(4,871,864)	(4,528,433)
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<u>(1,919,933)</u>	<u>1,686,117</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest earned on investments	160,931	261,615
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>160,931</u>	<u>261,615</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(1,759,002)	1,947,732
Cash and cash equivalents at beginning of year	<u>3,197,987</u>	<u>1,250,255</u>
Cash and cash equivalents at end of year	<u>\$ 1,438,985</u>	<u>\$ 3,197,987</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET PROVIDED BY (USED FOR) OPERATIONS</b>		
<b>Operating loss</b>	\$ (154,111)	\$ (261,615)
<b>Adjustments to reconcile operating loss to net cash provided by (used in) operations:</b>		
Changes in assets and liabilities:		
Decrease (increase) in due from City of Cleveland	9,004	389,254
Decrease (increase) in due from member municipalities	(1,704)	(9,967)
Increase (decrease) in accounts payable	(14,048)	(204,727)
Increase (decrease) in due to CCA agency fund	(1,829,921)	2,507,784
Increase (decrease) in due to City of Cleveland	(8,007)	(660,525)
Increase (decrease) in due to other governments	(2,741)	2,741
Increase (decrease) in accrued wages and benefits	81,595	(76,828)
<b>Total Adjustments</b>	<u>(1,765,822)</u>	<u>1,947,732</u>
<b>Net Cash Provided (Used for) by Operating Activities</b>	<u>\$ (1,919,933)</u>	<u>\$ 1,686,117</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND  
For the Years Ended December 31, 2003 and 2002**

	<b>Balance 1/1/2003</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance 12/31/2003</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 8,959,269	\$ 415,362,301	\$ (417,088,025)	\$ 7,233,545
Taxes receivable	81,447,294	80,808,317	(81,447,294)	80,808,317
Accrued interest		66		66
Due from the CCA internal service fund	2,507,784	677,863	(2,507,784)	677,863
Due from the City of Cleveland				
Due from member municipalities	<u>322,581</u>	<u>366,318</u>	<u>(322,581)</u>	<u>366,318</u>
<b>TOTAL ASSETS</b>	<b>\$ 93,236,928</b>	<b>\$ 497,214,865</b>	<b>\$ (501,365,684)</b>	<b>\$ 89,086,109</b>
<b>LIABILITIES</b>				
Due to the City of Cleveland	\$ 54,535,801	\$ 343,730,768	\$ (346,695,553)	\$ 51,571,016
Due to member municipalities	<u>38,701,127</u>	<u>153,484,097</u>	<u>(154,670,131)</u>	<u>37,515,093</u>
<b>TOTAL LIABILITIES</b>	<b>\$ 93,236,928</b>	<b>\$ 497,214,865</b>	<b>\$ (501,365,684)</b>	<b>\$ 89,086,109</b>
	<b>Balance 1/1/2002</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance 12/31/2002</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,840,169	\$ 414,571,765	\$ (418,452,665)	\$ 8,959,269
Taxes receivable	85,316,896	81,447,294	(85,316,896)	81,447,294
Due from the CCA internal service fund		2,507,784		2,507,784
Due from the City of Cleveland	285,905		(285,905)	
Due from member municipalities	<u>312,846</u>	<u>322,581</u>	<u>(312,846)</u>	<u>322,581</u>
<b>TOTAL ASSETS</b>	<b>\$ 98,755,816</b>	<b>\$ 498,849,424</b>	<b>\$ (504,368,312)</b>	<b>\$ 93,236,928</b>
<b>LIABILITIES</b>				
Due to the City of Cleveland	\$ 57,565,330	\$ 345,343,100	\$ (348,372,629)	\$ 54,535,801
Due to member municipalities	<u>41,190,486</u>	<u>153,506,324</u>	<u>(155,995,683)</u>	<u>38,701,127</u>
<b>TOTAL LIABILITIES</b>	<b>\$ 98,755,816</b>	<b>\$ 498,849,424</b>	<b>\$ (504,368,312)</b>	<b>\$ 93,236,928</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002**

**NOTE A--DESCRIPTION OF OPERATIONS AND BASIS OF PRESENTATION**

The Central Collection Agency, Division of Taxation, City of Cleveland, Ohio (the " Agency ") is reported as part of the City of Cleveland's primary government and was created for the purpose of collecting city income taxes and disbursing those funds to the respective member municipalities ("members") after payment of related expenses. Allocations of tax collections to members are based upon information provided by the taxpayers on the returns and supporting data. Such allocations are subject to adjustments in the subsequent year, dependent upon final returns filed by taxpayers and final review by the Agency. Refunds for overpayments are offset against allocated collections as amounts are determined.

Basis of Presentation: The financial statements are presented in accordance with Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* (GASB Codification) which requires financial statements by fund type. These financial statements present a columnar total for all fund types included in the statement of assets and liabilities.

The following fund types are used by the Agency:

*Proprietary Fund Type*--Internal Service Fund: This fund is used to account for the services provided to members on a cost-reimbursement basis.

*Fiduciary Fund Type*--Agency Fund: This fund is used to account for assets held by the Agency as an agent for others.

**NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Model: The accounting policies and financial reporting practices of the Agency comply with accounting principles generally accepted in the United States of America applicable to governmental units. Effective January 1, 2002, the Agency changed its financial reporting by implementing the provisions of Statement No. 34 of the Governmental Accounting Standards Board (GASB), *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*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These "Reporting Model" statements affect the way the Agency prepares and presents financial information.

Basis of Accounting: All financial transactions of the Agency are reported on the accrual basis of accounting. Under this accounting method, assets and the related liabilities at the end of the year primarily consist of individual income taxes receivable arising from payroll tax withholdings in December and a receivable for quarterly and annual payments of income taxes pertaining to net profits, self-employment and residents taxes earned in the prior years. For accounting purposes, the agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of operations. Financial transactions for the internal service fund are reported on the accrual basis of accounting; revenues are recognized when earned and measurable, and expenses are recognized as incurred. For accounting purposes, the operations of the internal service fund are similar to a private-sector business enterprise. Accordingly, in accounting for the operating activities, the economic resources measurement focus is used.



**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002**

**NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

With respect to proprietary activities, the Agency has adopted GASB 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Units that Use Proprietary Accounting*. The Agency has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board pronouncements and Accounting Principles Board Opinions issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. The Agency has chosen the option not to apply future FASB standards (including amendments to earlier pronouncements).

Supplies: Supplies are expensed when purchased.

Statement of Cash Flows: The Agency utilizes the direct method of reporting for the statement of cash flows as defined by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Non-expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, for its internal service fund. In a statement of cash flows, cash receipts and cash payments are classified according to operating, non-capital financing, capital and related financing, and investing activities.

For purposes of this statement, cash and cash equivalents include highly liquid investments with a maturity of three months or less when purchased and all of the Agency's share of the City of Cleveland's pooled cash account.

Allocation of Expenses: The Agency allocates all operating expenses, net of interest income, to members based upon the arithmetic mean of the percentage of each municipality's transactions to total transactions and the percentage of each municipality's revenue to total revenue.

Allocation of Interest Income: Excess funds are invested on a daily basis and interest income earned on such investments is allocated to members based on the percentage of each municipality's revenue to total revenue. The City of Cleveland receives collections of tax receipts in advance of the regular monthly distribution date, and accordingly, interest income is allocated exclusively to the other members.

Compensated Absences: The Agency accrues for compensated absences such as vacation, sick leave and compensatory time using the termination payment method specified under GASB Statement No. 16, *Accounting for Compensated Absences*. These amounts are recorded as accrued wages and benefits in the accompanying balance sheets.

Normally, all vacation time is to be taken in the year available. The Agency allows employees to carryover up to 80 hours of vacation time from one year to the next. Amounts in excess of 80 hours are forfeited, unless written approval for carryover of vacation time is obtained. Sick days not taken may be accumulated until retirement. An employee is paid one-third of accumulated sick leave upon retirement, calculated at the three-year average base salary rate, with the balance being forfeited.

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002**

**NOTE C--POOLED AND SEGREGATED CASH AND INVESTMENTS**

**Deposits:** The carrying amount of the Agency's deposits at December 31, 2003 and December 31, 2002 totaled (\$185,085) and \$2,184,587, respectively, and the Agency's bank balances were \$5,264,015 and \$3,305,718, respectively. The differences represent outstanding warrants payable and normal reconciling items.

Based on the criteria described in GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, \$5,264,015 and \$3,305,718 of the bank balances at December 31, 2003 and 2002, respectively, were insured or collateralized with securities held by the City or by its agent in the City's name.

**Investments:** These amounts are monies invested by the City Treasurer on behalf of the Agency and are used in daily operations with excess monies invested daily in STAROhio and mutual funds. These investments are carried at market value which approximates cost. Monies due to member agencies are disbursed from these funds on a monthly basis.

The Agency's investments with STAROhio at December 31, 2003 and December 31, 2002 totaled \$7,317,566 and \$9,972,669, respectively. The Agency's investment in mutual funds at December 31, 2003 and December 31, 2002 totaled \$1,540,049 and \$0, respectively. STAROhio investments and mutual funds are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form and do not meet the criteria established by GASB Statement No. 3. The GASB Statement No. 3 disclosure for the amount in the City of Cleveland Pooled Cash Account is included in the Comprehensive Annual Financial Report for the City of Cleveland.

**NOTE D--DUE TO AND DUE FROM TRANSACTIONS**

During the course of normal operations, the Agency has numerous transactions between its own funds and the municipalities which it serves, including transfers of resources to provide services. Such transactions are generally reflected as due to or due from account balances in the accompanying financial statements.

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTION AGENCY  
DEPARTMENT OF FINANCE  
DIVISION OF TAXATION**

**NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002**

**NOTE D--DUE TO AND DUE FROM TRANSACTIONS (Continued)**

Individual fund due to and due from receivables and payables balances as of December 31, 2003 are as follows:

	<u>Internal Service Fund</u>	<u>Agency Fund</u>	<u>Total</u>
Due from CCA internal service fund	\$	\$ 677,863	\$ 677,863
Due from member municipalities	<u>2,191</u>	<u>366,318</u>	<u>368,509</u>
<b>Total Due From</b>	<b><u>\$ 2,191</u></b>	<b><u>\$ 1,044,181</u></b>	<b><u>\$ 1,046,372</u></b>
Due to the CCA agency fund	677,863		677,863
Due to the City of Cleveland	19,214	51,571,016	51,590,230
Due to member municipalities	<u></u>	<u>37,515,093</u>	<u>37,515,093</u>
<b>Total Due To</b>	<b><u>\$ 697,077</u></b>	<b><u>\$ 89,086,109</u></b>	<b><u>\$ 89,783,186</u></b>

Individual fund due to and due from receivables and payables balances as of December 31, 2002 are as follows:

	<u>Internal Service Fund</u>	<u>Agency Fund</u>	<u>Total</u>
Due from CCA internal service fund	\$	\$ 2,507,784	\$ 2,507,784
Due from the City of Cleveland	9,004		9,004
Due from member municipalities	<u>9,967</u>	<u>322,581</u>	<u>332,548</u>
<b>Total Due From</b>	<b><u>\$ 18,971</u></b>	<b><u>\$ 2,830,365</u></b>	<b><u>\$ 2,849,336</u></b>
Due to CCA agency fund	\$ 2,507,784	\$	\$ 2,507,784
Due to the City of Cleveland	27,221	54,535,801	54,563,022
Due to other governments	2,741		2,741
Due to member municipalities	<u></u>	<u>38,701,127</u>	<u>38,701,127</u>
<b>Total Due To</b>	<b><u>\$ 2,537,746</u></b>	<b><u>\$ 93,236,928</u></b>	<b><u>\$ 95,774,674</u></b>

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**NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002**

**NOTE E--PENSION AND RETIREMENT PLANS**

All full-time employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans as described below:

- 1). The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan.
- 2). The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon.
- 3). The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Plan and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The Ohio Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2003, member and employer contribution rates were consistent across all three plans (TP, MD and CO). The 2003 member contribution rates were 8.5% and employer contribution rates were 13.55% of covered payroll. The Agency's required employer contributions to OPERS for all plans for the years ending December 31, 2003, 2002 and 2001 were approximately \$501,000, \$475,000, and \$400,000 each year, respectively. The required payments due in 2003, 2002 and 2001 have been made.

**NOTE F--OTHER POSTEMPLOYMENT BENEFITS**

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. OPERS provides retirement, disability, survivor and post-retirement health care benefits to qualifying members of both the Traditional and the Combined Plans; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. In order to qualify for post-retirement health care coverage, age and service retirees must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the Retirement System is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12.

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The Agency's contribution rate was 13.55% of covered payroll, and 5.00% was used to fund health care for the year.

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**NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002**

**NOTE F--OTHER POSTEMPLOYMENT BENEFITS (Continued)**

The Ohio Revised Code provides the statutory authority to require public employers to fund post retirement health care through their contributions to OPERS. The assumptions and calculations below were based on the System's latest Actuarial Review performed as of December 31, 2002. An entry-age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually. The investment assumption rate for 2002 was 8.00%. An annual increase of 4.00%, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from 0.50% to 6.30%.

Health care costs were assumed to increase 4.00% annually. OPEBs are advance-funded on an actuarially determined basis. At year-end 2003, the number of active contributing participants in the Traditional and Combined Plans totaled 364,881. The employer contribution rates are the actuarially determined contribution requirements for OPERS. The Agency's actual contributions for 2003 which were to fund postemployment benefits were approximately \$185,000. \$10.0 billion represents the actuarial value of the Retirement System's net assets available for OPEB at December 31, 2002. The actuarially accrued liability and the unfunded accrued liability, based on the actuarial cost method used, were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of health care. 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, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. 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 his or her allowance toward specific medical expenses, much like a Medical Spending Account. In response to the adverse investment returns experienced by OPERS from 2000 through 2002 and the continued staggering rate of health care inflation, the OPERS Board, during 2003, considered extending "Choices" type cost cutting measures to all active members and benefit recipients. As of this date, the Board has not determined the exact changes that will be made to the health care plan. However, changes to the plan are expected to be approved by the summer of 2004.

**CITY OF CLEVELAND, OHIO  
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**NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002**

**NOTE G--RELATED PARTY TRANSACTIONS**

The Agency is provided various services by the City of Cleveland. Charges are based on actual use or on a reasonable pro rata basis. The more significant of these costs, as reported in the statement of revenues and expenses of the internal service fund for the years ended December 31, 2003 and 2002, were as follows:

	2003	2002
City administration	\$ 384,185	\$ 244,190
Data processing		3,850
Maintenance		1,067
Office rent	164,592	
Telephone	56,594	32,903
Water Pollution Control	1,541	
Cleveland Public Power	6,686	6,878
Parking Facilities	222	244
Printing services	32,294	12,241
Motor Vehicle Maintenance	7,059	4,866
Waste collection	2,349	1,971
	\$655,522	\$308,210

**NOTE H--DUE FROM MEMBER CITIES**

The Agency has recorded certain liabilities in the internal service fund related to compensated absences totaling \$366,318 at December 31, 2003 and \$322,581 at December 31, 2002. These amounts are recorded as due from member municipalities receivable in the agency fund.

**NOTE I--CONTINGENT LIABILITIES AND RISK MANAGEMENT**

*Contingent Liabilities:* Various claims are pending against the City involving the Agency for personal injuries, property damage and other matters. The City is responsible for the suits. The City's management is of the opinion that ultimate settlement of such claims will not result in a material adverse effect on the Agency's financial position, results of operations or cash flows.

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**NOTES TO FINANCIAL STATEMENTS  
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**NOTE I--CONTINGENT LIABILITIES AND RISK MANAGEMENT (Continued)**

***Risk Management:*** The Agency is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency is generally self-insured. No material losses, including incurred but not reported losses, occurred in 2003.

The City provides the choice of four separate health insurance plans for its employees. These plans are provided by two different insurers through commercial insurance. Operating funds are charged a monthly rate per employee, by type of coverage. The City participates in the State of Ohio workers' compensation program to provide workers' compensation benefits to its employees.

In accordance with GASB Statement No. 10, claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses, regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Claims liability for the Agency is immaterial.

**CITY OF CLEVELAND, OHIO  
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**SCHEDULE OF CASH RECEIPTS AND DISTRIBUTION OF FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

Members	Balance Collected and Due Members January 1, 2003		Cash Receipts Net	Total Cash Receipts	Cash Disbursed	Allocation of Net Operating Expenses		Total Disbursements and Expenses	Balance Collected and Due Members December 31, 2003
	58,062.40	40,046.76				843,564.55	901,626.95		
Ada	40,046.76	1,097,690.56	500,091.24	540,138.00	492,063.94	12,039.54	504,103.48	36,034.52	
Bratenahl	35,229.20	182,837.08	356,412.08	391,641.28	1,035,323.89	23,596.84	1,058,920.73	156,419.55	
Burton	2,482,110.14	18,020.12	283,435,503.02	285,917,613.16	2,350,946.28	16,077.12	364,587.75	27,053.53	
Chardon	4,101.56	1,835,368.92	60,021.35	64,122.91	281,806,775.39	79,693.06	2,430,639.34	162,086.37	
Cleveland	38,226.27	101,305.07	46,242.32	84,468.59	293,144.51	14,432.89	307,577.40	5,268.34	
Creston	110,306.12	1,638.93	139,234.58	140,873.51	293,144.51	4,105,569.43	285,912,344.82	15,870.92	
Dunkirk	9,323.56	20,193.08	198,084.60	207,408.16	56,859.38	4,289.21	61,148.59	2,974.32	
Euclid	6,784.08	37,215.03	77,082.41	83,866.49	23,302,187.43	476,891.43	23,779,078.86	1,563,616.36	
Fairport Harbor	0.00	0.00	3,280.16	3,280.16	83,028.60	3,478.46	86,507.06	-2,038.47	
Gates Mills	308,120.55	2,046,145.47	4,904,611.68	5,212,732.23	1,387,030.28	37,525.44	1,424,555.72	138,950.24	
Geneva	44,482.65	9,519.18	26,474,664.56	28,520,810.03	1,645,982.80	49,317.46	1,695,300.26	69,359.48	
Geneva-on-the-Lake	48,904.48	245,509.87	721,792.74	770,697.22	121,919.35	7,808.91	129,728.26	11,145.25	
Grand Rapids	37,443.99	54,989.27	559,586.28	597,030.27	188,188.16	11,036.43	199,224.59	8,183.57	
Grand River	111,927.12	6,215.33	1,446,225.18	1,558,152.30	342,739.88	7,273.32	350,013.20	17,537.46	
Highland Hills	11,927.12	6,215.33	1,446,225.18	1,558,152.30	2,558,933.60	30,246.53	2,589,180.13	183,590.49	
Liberty Center	7,430.18	7,430.18	160,195.18	167,625.36	152,933.16	8,922.96	161,856.12	5,769.24	
Limldale	6,784.08	37,215.03	77,082.41	83,866.49	75,282.27	2,968.75	78,251.02	5,615.47	
Madison	37,215.03	37,215.03	776,359.08	813,574.11	729,134.72	33,863.30	762,998.02	50,576.09	
Marblehead	0.00	0.00	3,280.16	3,280.16	2,618.30	274.74	2,893.04	387.12	
Medina	308,120.55	2,046,145.47	4,904,611.68	5,212,732.23	4,739,392.50	226,594.07	4,965,986.57	246,745.66	
Mentor	2,046,145.47	44,482.65	26,474,664.56	28,520,810.03	26,240,627.91	483,085.50	26,723,713.41	1,797,096.62	
Mentor-on-the-Lake	44,482.65	9,519.18	711,271.57	755,754.22	681,000.96	30,134.44	711,135.40	44,618.82	
Metamora	9,519.18	245,509.87	175,455.52	184,974.70	170,380.30	6,710.97	177,091.27	7,883.43	
Middlefield	48,904.48	37,443.99	721,792.74	770,697.22	2,339,586.83	39,089.56	2,378,676.39	204,124.20	
Northfield	54,989.27	111,927.12	559,586.28	597,030.27	708,824.96	27,836.10	736,661.06	34,036.16	
North Baltimore	111,927.12	6,215.33	1,043,088.38	1,098,077.65	536,070.35	18,215.09	554,285.44	42,744.83	
North Perry	6,215.33	120,534.00	1,064,512.28	1,125,046.61	1,054,795.81	14,794.40	1,069,590.21	28,487.44	
North Randall	120,534.00	554,716.13	1,446,225.18	1,558,152.30	1,448,579.52	29,039.19	1,477,618.71	80,533.59	
Village of Oakwood	6,215.33	120,534.00	1,064,512.28	1,125,046.61	102,944.14	4,701.50	107,645.64	5,020.97	
Orwell	554,716.13	20,937.21	7,122,073.91	7,676,790.04	772,285.26	13,991.50	786,276.76	100,433.67	
Painesville	20,937.21	16,885.20	413,124.94	434,062.15	6,980,598.16	144,746.48	7,125,344.64	551,445.40	
Paulding	16,885.20	31,301.34	247,609.04	264,494.24	395,197.47	23,170.03	418,367.50	15,694.65	
Peninsula	31,301.34	5,999.00	547,827.91	579,129.25	241,616.73	9,571.75	251,188.48	13,305.76	
Perry	5,999.00	47,465.26	65,780.06	71,379.06	545,177.15	16,514.85	561,692.00	17,437.25	
Rock Creek	530,545.42	47,465.26	7,616,620.46	8,147,165.88	62,620.38	4,258.83	66,879.21	4,499.85	
Rocky River	47,465.26	78,439.08	768,892.87	816,358.13	7,353,852.33	222,216.09	7,576,068.42	571,097.46	
Seville	2,320.22	395,441.84	1,000,430.77	1,078,869.85	752,347.92	26,477.50	778,825.42	37,532.71	
South Russell	2,320.22	718,541.48	71,777.60	74,097.82	973,028.14	38,258.46	1,011,286.60	67,583.25	
Timberlake	718,541.48	1,000,651.36	5,020,717.23	5,416,159.07	64,969.00	5,511.80	70,480.80	3,617.02	
Wadsworth	1,000,651.36	179,534.44	13,493,879.72	14,494,531.08	4,934,425.52	166,014.17	5,096,026.86	320,132.21	
Warrensville Heights	179,534.44	11,908,005.78	2,937,389.79	3,116,924.23	9,511,986.92	274,088.19	9,678,001.09	477,490.35	
Willoughby	11,908,005.78	407,956,787.90	407,956,787.90	419,864,793.68	13,253,452.78	99,757.23	13,527,540.97	966,990.11	
Willoughby Hills	407,956,787.90	407,956,787.90	407,956,787.90	419,864,793.68	2,839,121.40	7,037,039.56	2,938,878.63	178,045.60	
Totals	11,908,005.78	407,956,787.90	407,956,787.90	419,864,793.68	404,498,664.92	7,037,039.56	411,535,704.48	8,329,089.20	



**CITY OF CLEVELAND, OHIO  
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**SCHEDULE OF ALLOCATION OF NET OPERATING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

Members	Cost Allocation Percent	Interest Allocation Percent	Cost Allocation Before Interest Income	Interest Income of Municipalities Other Than Cleveland	Allocation of Net Operating Expenses
Ada	0.367100%	0.677446%	\$ 26,398.72	\$ 1,044.02	\$ 25,354.70
Andover	0.176028%	0.401611%	12,658.47	618.93	12,039.54
Bratenahl	0.347029%	0.881528%	24,955.37	1,358.53	23,596.84
Burton	0.229702%	0.286226%	16,518.23	441.11	16,077.12
Chardon	1.149685%	1.935323%	82,675.61	2,982.55	79,693.06
Cleveland	57.091840%	0.000000%	4,105,569.43	-	4,105,569.43
Creston	0.205960%	0.245282%	14,810.90	74.28	14,432.89
Dunkirk	0.060679%	0.048202%	4,363.49	29,093.37	4,289.21
Euclid	7.036215%	18.878159%	505,984.80	57.23	476,891.43
Fairport Harbor	0.049167%	0.037136%	3,535.69	1,809.66	3,478.46
Gates Mills	0.546993%	1.174258%	39,335.10	2,047.48	37,525.44
Geneva	0.714280%	1.328571%	51,364.94	172.32	49,317.46
Geneva-on-the-Lake	0.110987%	0.111816%	7,981.23	245.16	7,808.91
Grand Rapids	0.156882%	0.159077%	11,281.59	429.90	11,036.43
Grand River	0.107121%	0.278954%	7,703.22	3,201.48	7,273.32
Highland Hills	0.465127%	2.077382%	33,448.01	198.26	30,246.53
Liberty Center	0.126840%	0.128649%	9,121.22	95.40	8,922.96
Linndale	0.042610%	0.061903%	3,064.15	960.85	2,968.75
Madison	0.484264%	0.623475%	34,824.15	4.06	33,863.30
Marblehead	0.004004%	0.002634%	278.80	6,070.09	274.74
Medina	3.235423%	3.938774%	232,664.16	32,765.84	226,594.07
Mentor	7.173418%	21.261156%	515,851.34	880.29	483,085.50
Mentor-on-the-Lake	0.431290%	0.571205%	31,014.73	217.15	30,134.44
Metamora	0.096342%	0.140904%	6,928.12	893.31	6,710.97
Middlefield	0.583804%	1.877021%	41,982.26	2,892.70	39,089.56
Northfield	0.399511%	0.579654%	28,729.41	692.56	27,836.10
North Baltimore	0.262929%	0.449390%	18,907.65	1,290.96	18,215.09
North Perry	0.223683%	0.837679%	16,085.36	1,789.89	14,794.40
North Randall	0.428709%	1.161428%	30,829.08	131.75	29,039.19
Village of Oakwood	0.067211%	0.085488%	4,833.25	948.24	4,701.50
Orwell	0.207752%	0.615298%	14,939.74	8,814.49	144,746.48
Painesville	2.135416%	5.719563%	153,560.97	511.30	23,170.03
Paulding	0.329312%	0.331771%	23,681.33	306.45	9,571.75
Peninsula	0.137366%	0.198849%	9,878.20	678.01	16,514.85
Perry	0.239084%	0.439947%	17,192.86	81.41	4,258.83
Rock Creek	0.060355%	0.052826%	4,340.24	9,426.56	222,216.09
Rocky River	3.221218%	6.116722%	231,642.65	951.60	26,477.50
Seville	0.381429%	0.617479%	27,429.10	1,238.16	38,258.46
South Russell	0.549239%	0.803421%	39,496.62	88.83	5,511.80
Timberlake	0.077882%	0.057643%	5,600.63	6,213.79	161,601.34
Wadsworth	2.333634%	4.032015%	167,815.13	11,679.45	166,014.17
Warrensville Heights	2.471004%	7.578584%	177,693.62	16,700.43	274,088.19
Willoughby	4.043701%	10.836605%	290,788.62	3,635.40	99,757.23
Willoughby Hills	1.437775%	2.358946%	103,392.63	154,111.26	7,037,039.56
Totals	100.000000%	100.000000%	\$ 7,191,150.82	\$ 154,111.26	\$ 7,037,039.56

**CITY OF CLEVELAND, OHIO  
CENTRAL COLLECTIONS AGENCY  
DIVISION OF TAXATION**

**SCHEDULE OF INCOME TAXES RECEIVABLE  
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	Income Taxes Receivable Dec. 31, 2003	Income Taxes Receivable Dec. 31, 2002
Ada	190,929.29	181,121.93
Andover	94,604.52	103,559.73
Bratenahl	472,999.36	361,581.40
Burton	99,238.55	102,802.04
Chardon	603,053.23	615,229.12
Cleveland	51,565,748.00	52,053,691.14
Creston	135,352.13	139,993.45
Dunkirk	18,911.25	20,272.74
Euclid	5,818,760.85	6,144,724.47
Fairport Harbor	-	153,249.14
Gates Mills	640,463.92	610,579.33
Geneva	452,014.49	429,280.33
Geneva-on-the-Lake	66,915.61	49,415.74
Grand Rapids	86,447.07	94,852.27
Grand River	93,073.76	88,654.71
Highland Hills	329,377.88	347,815.75
Liberty Center	88,829.16	134,639.43
Linndale	10,997.71	10,728.97
Madison	286,365.96	265,800.89
Marblehead	-	187.82
Medina	1,431,585.51	1,386,559.57
Mentor	5,460,978.32	5,422,382.82
Mentor-on-the-Lake	230,145.76	220,375.00
Metamora	44,686.86	40,431.90
Middlefield	360,466.54	434,570.64
Northfield	181,389.52	177,226.09
North Baltimore	130,225.93	136,364.57
North Perry	126,536.69	95,397.76
North Randall	250,074.61	263,566.66
Village of Oakwood	17,408.30	10,247.76
Orwell	127,427.48	103,443.10
Painesville	1,304,601.57	1,300,142.59
Paulding	104,760.79	121,459.39
Peninsula	66,287.77	62,272.23
Perry	108,239.21	75,175.40
Rock Creek	20,250.92	21,426.25
Rocky River	2,252,624.45	2,244,236.72
Seville	230,993.52	207,718.43
South Russell	346,020.26	360,694.59
Timberlake	31,079.84	32,718.67
Wadsworth	1,286,787.54	1,262,753.24
Warrensville Heights	2,035,139.05	1,970,705.40
Willoughby	2,782,391.47	2,752,231.60
Willoughby Hills	824,132.20	837,013.85
	<u>80,808,316.85</u>	<u>81,447,294.63</u>



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**CITY OF CLEVELAND - CENTRAL COLLECTION AGENCY**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JUNE 1, 2004**