City of Garfield Heights Released from Fiscal Emergency

Columbus – During a visit to the city today, Auditor of State Dave Yost released Garfield Heights (Cuyahoga County) from fiscal emergency, a status it has held since 2008.

“This day wouldn’t be possible without the sacrifices of both the citizens of Garfield Heights and city employees,” Auditor Yost said. “These choices weren’t easy, but they’ve put the city back on the right track.”

The City of Garfield Heights was placed in fiscal emergency on October 14, 2008 due to aggregate deficits in two funds totaling $1,869,779.

To eliminate its fiscal emergency status, the city reduced staff by approximately 40 full-time positions through attrition to save $2,000,000 annually. Administrative employees took a 30% pay reduction, which saves the city $600,000 annually. Garfield Heights also instituted a residential garbage fee, a vehicle towing fee and an amusement center licensing fee to increase revenue by $1,335,000 annually. Additionally, the city increased recreational, building and ambulance fees to generate an additional $380,000 each year.

To be released from fiscal emergency, the City of Garfield Heights met the following criteria:

- Adopted and implemented an effective financial accounting and reporting system;
- Corrected or eliminated all of the fiscal emergency conditions and no new conditions have occurred, and it appears that, based on its five-year forecast, the City of Garfield Heights will remain out of fiscal emergency during the forecast period;
- Met the major objectives of the financial recovery plan; and
- Prepared a five-year forecast in accordance with standards issued by the Auditor of State, and the opinion expressed by the Auditor of State is “nonadverse.”

A full copy of this fiscal emergency termination may be accessed online at www.ohioauditor.gov.

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The Auditor of State’s office, one of five independently elected statewide offices in Ohio, is responsible for auditing more than 5,800 state and local government agencies. Under the direction of Auditor Dave Yost, the office also provides financial services to local governments, investigates and prevents fraud in public agencies and promotes transparency in government.